HOUSE OF REPRESENTATIVES—*Wednesday, March 16, 1994*

The House met at 10 a.m.

Rev. Samuel C. Tolbert, Jr., Greater Saint Mary Baptist Church, Lake Charles, LA, offered the following prayer:

God of love and light, we pause to acknowledge Thee before engaging into dialog that will cause this institution of legislation to venture toward impacting human destiny.

Enlighten the eyes of our minds that we do not sleep when we should be awake. May we as a nation of democracy remain aware of our function to the families within our borders and beyond.

We pray for forgiveness and direction. We give You us, that we may be expedient in promoting peace on the streets of America and across the face of the Earth.

Our prayer is that You will give us restoration where there is deterioration, peace where there is war, wisdom where there is foolishness.

God bless America.

THE JOURNAL

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

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

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

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

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

Mr. DARDEN. 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. Pursuant to clause 5, rule I, further proceedings on this vote are postponed.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Georgia [Mr. DARDEN] come forward and lead the House in the Pledge of Allegiance?

Mr. DARDEN 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.

WELCOME TO THE REVEREND SAMUEL C. TOLBERT, JR.

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

Mr. FIELDS of Louisiana. Mr. Speaker, today I am very happy to welcome the Reverend Samuel C. Tolbert, Jr., pastor of the Greater Saint Mary Baptist Church of Lake Charles, LA. Reverend Tolbert is vice president of the Louisiana Home and Foreign Mission Baptist Convention and vice president of the Southwest Louisiana Baptist Association.

Reverend Tolbert serves as a distinguished member of the city council of Lake Charles and the board of directors of the Southwest Housing Foundation. He is heavily involved in community and religious oriented activities throughout the State of Louisiana. Reverend Tolbert is a great American and therefore it is befitting that he offer the opening prayer before the U.S. House of Representatives. He and his lovely wife Maltilda are the proud parents of two beautiful daughters.

Mr. Speaker, please join me in welcoming our guest chaplain, the Reverend Samuel C. Tolbert.

DO WE HAVE THE WILL?

(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, last week by nearly a 5-to-1 margin the House voted against the only specific plan for a balanced budget within the next 5 years—without touching Social Security and without raising taxes. Only 73 of us were willing to bite the bullet and vote for a list of more than 500 specific cuts totaling $600 billion in savings. Still opponents of a balanced budget amendment argue passionately that a balanced budget measure is unnecessary because all we need to do is find the courage to make tough choices.

If the 342-73 vote on the Solomon balanced budget amendment last week proved anything, it proved that such courage does not exist in this House. Clearly it is time for a balanced budget constitutional amendment; we will not eliminate our staggering and ever-growing national debt without it. I do not like having to amend the Constitution—but I like bankrupting the Nation even less. If you are in doubt, ask your children and grandchildren how they feel about it.

LETHAL INJECTION FOR HEALTH CARE REFORM

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

Mr. FAZIO. Mr. Speaker, over the past few months the health insurance industry has spent millions of dollars to convince the American public that we should be worried about efforts to reform health care.

These slick Madison Avenue advertisements were brought to you courtesy of the Health Insurance Industry of America, a trade association for commercial health insurance companies.

These companies have an obvious financial stake in the outcome of health care reform.

What may not be obvious is the fact that the health insurance industry has bankrolled a $14 million ad campaign to kill health reform with your insurance premium money.

These are the same companies that do not want to stop excluding treatment for pre-existing conditions, do not want to give up lifetime limits on benefits, and do not want to stop their skyrocketing premiums.

And now you know why the HIAA has decided that rather than spending their money and your premiums on providing care for those who need it, they would spend millions of dollars to put ads on television to convince the American public that the current system of providing health care insurance is OK.

Well, there are millions of uninsured and underinsured Americans who can tell you that the health care system is not OK.

There is no doubt that health reform can be a confusing and complicated issue, without the help of an industry that stands to gain from killing it.

We will be watching and monitoring the money spent by the HIAA on ad campaigns to kill health care reform. So keep in mind who is paying for the slick advertising—it just might be your very own health insurance premiums giving real health care reform a lethal injection.

PARALLEL BETWEEN ABORTION CLINIC ACCESS BILL AND DICTATORSHIPS SEEN

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

Mr. SMITH of New Jersey. Mr. Speaker, I sincerely apologize in advance for any hardship or inconven-

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ience to Members as a result of the numerous recorded votes I intend to ask for on Thursday should the House consider sending the abortion clinic access bill to conference.

The gross unfairness and injustice of H.R. 796 demands your immediate and careful attention. I implore you to more fully appreciate and analyze the consequences of certain language contained in the bill.

I truly believe that the harsh, mean-spirited punishments prescribed by the bill for acts of nonviolent civil disobedience—the staple of the civil rights movement—parallel those sweeping, draconian edicts used to quell dissent in dictatorships.

Just getting in the way peacefully, or just attempting to get in the way—will result in first 1, then if you do it again, 3 years in jail, and massive fines and punitive damages.

Li Peng and Vladimir Zhirinovsky would absolutely love this bill.

But do not just take my word for it.

Here's all that is required under H.R. 796 to turn a peaceful, nonviolent protestor into a Federal felon:

> Whoever—by physical obstruction . . . interferes with any person, or attempts to do so, because that person or any other class of persons is obtaining or providing reproductive health services . . . shall be punished . . . (1) in the case of a first offense, be fined [up to $100,000] or imprisoned not more than 1 year, or both and; (2) in the case of a second or subsequent offense after a prior conviction . . . be fined [up to $250,000] or imprisoned not more than 3 years, or both.

Under the facade of getting tough on those few fanatics who bomb abortion mills or use violence—actions that I absolutely detest and agree need stiff penalties—my substitute last November got tough on violent protestors—the House is poised to stack the deck against peaceful pro-life activists so as to make them prey—an easy mark—for ruinous criminal prosecution and civil suits.

Congress should reject this legislation. It is time to go back to the drawing board—and draft a statute that makes violence against abortion providers and pro-lifers a Federal crime.

SUPPORT THE REAL BALANCED BUDGET ACT

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

Ms. MARGOLIES-MEZVINSKY. Mr. Speaker, I rise today to propose a resolution that will force this body to put its money where its mouth is.

Odds are we will soon vote on the balanced budget amendment. And it may pass; as we all know that it failed in the other body and our votes on it this year will therefore be irrelevant.

It is odd that a gimmick like the balanced budget amendment may be able to garner enough votes for final passage, but a real step toward reducing our deficit like the Penny-Kasich amendment, which would have cut spending $90 billion over the next 5 years, failed.

By debating the balanced budget amendment, and by supporting it knowing that our votes are meaningless, we deceive the American people into thinking that we are actually doing something about the deficit when the sad truth is we are not.

Today I introduce the real balanced budget act, or the put your money where your mouth is act. It will force us to actually balance the budget 2 years in a row before we can talk about any constitutional amendment. It will ensure that we make substantive cuts and not just great-sounding, but empty, speeches.

Because it is not your money you need to put where your mouth is. It is the money of the American people and, more importantly, the money of our children and our grandchildren.

Support the real balanced budget act. Put your money where your mouth is.

PRESIDENT CLINTON: WRONG ON TWO COUNTS

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

Mr. BALLENGER. Mr. Speaker, President Clinton made a remarkable outburst at a dinner in Boston the other night. He said that Republicans would rather take off after the First Family than come up with a health care plan of their own.

The President was wrong on two counts.

First, Republicans don't have to take off after President and Mrs. Clinton. From the looks of things, they are doing a pretty good job of drawing negative attention to themselves without our help.

Second, Republicans do have a health care plan. Our bill was introduced in the 102d Congress. Months before Mr. Clinton was elected President. And long before his bill was drafted.

In case the President has not seen it, I will give a brief description: Unlike the Clinton plan, it includes no new taxes. No employer mandates. No new Government bureaucrats. No all-powerful, regional health care alliances. And most importantly, and unlike the Clinton plan it preserves the right of doctor choice for every American family.

Mr. Speaker, the President does a disservice to his own party and the Nation by blaming his many troubles on the Republican Party. If he wants to regain his lost credibility and save his Presidency, he is going to have to come back to reality.

□ 1010

BASELESS AND ABSURD CHARGES

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

Mr. RICHARDSON. Mr. Speaker, I rise today to ask 81 Republicans to apologize to Mrs. Clinton.

Some have charged that Mrs. Clinton unethically sought to profit from her investment in Value Partners, a limited partnership investment fund. The charge is absurd. In fact, on February 10, Stephen Potts, the Director of the Office of Government Ethics, and a Bush appointee, responded to an inquiry from several Republican Members. Potts flatly stated that there was no basis for investigating the First Lady's investment under any applicable Federal ethics laws.

In spite of that response, 1 month later, 81 House Republicans sent the Office of Government Ethics a letter asking for an investigation—a bald-faced effort to keep a nonissue alive.

Mr. Speaker. The facts on this matter are clear:

First, Mrs. Clinton has never had any input, control, or review of investment decisions made by Value Partners.

Second, Mrs. Clinton has not spoken to the investment manager, William Smith, since the summer of 1992 and did not discuss stocks with him at that time.

Third, in July of 1993, the Value Partners investment was placed in the Clinton's blind trust.

Mr. Speaker, due to the administration's policies, the economy is growing, jobs are being created and the deficit is shrinking. The Republicans cannot attack the Clintons on substance so, instead, they are hitting Mrs. Clinton with baseless and absurd charges.

THE FASCINATING WHITEWATER DEBATES

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

Mr. THOMAS of Wyoming. Mr. Speaker, I find this whole Whitewater debate and discussion fascinating. Last evening on public television there was a panel that addressed itself to the question of whether or not Mrs. Clinton, in her role as a public official, was accountable to the President and indeed accountable to the people of this country.

The defenders said, "No, she is really simply opening up a new process for presidential spouses." That is unbelievable. Anyone who is in a policymaking position has to be accountable. Those opposing an open information flow in Whitewater argue there is no allegation of wrongdoing.

That argument is also hard to believe. There are, valid or not, at least

10 or 12 questions that need to be answered ranging from taxes to shredding to RTC stonewalling. Only an open process seeking answers will lay this question to rest.

Mr. Speaker, in a democracy it must be based on credibility; a free society requires openness. Whitewater in this House must meet a code of ethical openness.

ECONOMY IMPROVES AS MIDDLE CLASS GROWS MORE SECURE

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

Mr. DERRICK. Mr. Speaker, as the economy continues to improve, Republican protests over the administration's budget policies grow more shrill, and less credible. They fear that an improving economy makes their doomsday predictions seem foolish.

They hope to cloud the air with negative rhetoric and obscure the emerging truth: The administration's policies have put the country on the right track. The economy is improving. The middle class is growing more secure.

Nonetheless, during last week's budget debate we once again heard them proclaim that our country—especially the middle class—is teetering on the brink.

Republicans posture themselves as true friends of the middle class. Last week that posture included a $500 per child tax credit for middle-class families.

It is interesting that for Republicans, middle class included families making $200,000 a year. Over 99 percent of Americans do not earn that much money. Last year's budget package increased income taxes only for families making more than $180,000 yearly. It makes you wonder just who Republicans are protecting from the Democrats.

CHILDHOOD IMMUNIZATION

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

Mrs. ROUKEMA. Mr. Speaker, today we are going to debate the balanced-budget amendment, and discuss how we go about getting our fiscal house in order by the year 2001.

Let us not go back to the future yet—let us deal today with a problem in the here and now—the appalling state of our Nation's child immunization rate. This is not some abstract fiscal concept—this is literally a matter of life and death we are playing with here.

This morning, the Centers for Disease Control [CDC] released a devastating report showing yet again that our immunization rate among young children is declining—markedly in our urban and inner-city areas.

Once more, we see that either through ignorance or apathy, too many parents are failing to get their children the immunizations they need in the first two years of life.

CDC stressed the life-saving importance of these vaccines, and stressed what I have been saying all along: When it comes time for children to start elementary school, we require immunization, and parents find a way of getting their children their shots. But it is even more important that these children get the necessary vaccines before they start school—in the first two years of life.

I call explicitly on the Children's Defense Fund, the Department of Health and Human Services, the Public Health Service and the American Academy of Pediatricians to endorse and push for passage of my legislation, the Child Immunization Incentive Act.

My bill would require parents on AFDC, to certify that their child is immunized as a condition of receiving their welfare check. Like we do with elementary school, we must tell parents that if these children aren't immunized, there's no welfare check.

It is a national disgrace, that in this country, with the best medical care on the planet, that our child immunization rates rank down with Third World nations, and that children are still dying every year from preventable illnesses!

I ask my colleagues to cosponsor my bill and reverse these appalling trends, take action, and pass the Roukema Childhood Immunization Incentive Act.

MFN FOR CHINA? NOT

(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, our trade deficit with China is now over $25 billion, the second biggest deficit we have. Year after year, Congress debates, then grants most-favored-nation trade status to China.

Now, here is what China does every year for this distinction: They violate human rights and shoot down their own students; they have dumped products in our market illegally; they deny American products from being sold in China; they sell tanks and missiles to terrorist nations who would like to destroy America.

Ladies and gentlemen, what do we do to these butchers on Tiananmen Square? We reward them.

Beam me up.

Their average wage is 17 cents an hour. This is not free trade, Congress; this is slave trade, and we are losing, we are losing.

OUR GOAL SHOULD BE PEACE IN THE MIDDLE EAST WITHOUT PHONY U.N. RESOLUTIONS INTERFERING IN THE PROCESS

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

Mr. HORN. Mr. Speaker, the United Nations is at it again. In the United Nations there is a resolution coming to strongly condemn the massacre of Palestinians in Hebron by one crazed soul. That might be understandable. Although, one might ask: When did the United Nations last condemn any massacre of Israelis? And that massacre would generally have been sponsored by a foreign government. It would not have been the actions of one man. In fact, when did the United Nations last condemn a massacre by an individual?

But what is really disturbing is that Mr. Arafat has told the American Secretary of State that he will not go back to the peace table unless Jerusalem is mentioned in the resolution. That is utter nonsense. Mr. Arafat is simply trying to change the already agreed upon process to serve his own ends.

President Clinton should instruct his Ambassador to the United Nations to veto any United Nations resolution which mentions Jerusalem and interferes with the debate that should properly occur at the peace table.

Let the parties make peace at the bargaining table without phony resolutions from the United Nations intruding on the process.

HIAA SPENDS $14 MILLION TO KILL CLINTON HEALTH PLAN

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

Mr. WISE. Mr. Speaker, I believe this chart shows a lot; you see that the Health Insurance Association of America has spent now at least $14 million in TV ads to kill the Clinton health plan, to kill guaranteed private insurance for all Americans. This injection is hurting.

But here is the ad that they do not run:

Harry and Louise sitting there talking, saying, "Gosh, Harry, why do you think they are spending $14 million to convince the American people, to tell them not to support the Clinton health plan?

"Gosh, Louise, I don't know. For instance, did you know that we may well be in one of the ranks of the uninsured, that there are 50 million-some people a year who lose health insurance?

"Gosh, Harry, what about preexisting illness? You know, the doctor said you might have a problem, and if you shift jobs, you could be one of the 80-million plus that will not be able to get insurance when you do that.

"That sounds pretty bad to me, Louise. But, Louise, what about our policy? Have you checked to see if there is a lifetime cap? Seventy-five percent of insurance policies by this Association do have lifetime caps. How about the bureaucracy argument? Have you ever tried to argue with a rock?"

The fact of the matter is insurance bureaucracy is as bad as anything, and so is this injection.

□ 1020

TRIBUTE TO VIRGINIA CLINTON KELLEY

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

Mr. DICKEY. Mr. Speaker, this time is dedicated to the memory of one of my constituents, Virginia Clinton Kelley. She was born Virginia Cassidy on June 6, 1923, in Bodcaw, AR, a small community about 12 miles from Hope. She died of cancer on January 6, 1994.

Virginia graduated from Hope High School in 1941 and went on to nursing school in Shreveport, LA, where she met and married William Jefferson Blythe III. Their son, William Jefferson Blythe IV, who is now our President, was born on August 19, 1946, a few months after his father died in an automobile accident.

Virginia obtained her certification as a nurse anesthetist at Charity Hospital in New Orleans. She then married Roger Clinton. Their family moved to Hot Springs, AR, in the early fifties where her second son, Roger, was born July 25, 1956. She worked as a nurse in Hot Springs until her retirement in 1981.

Virginia is survived by her husband, a very fine man by the name of Richard Kelley, of Hot Springs, and her two sons, Bill and Roger Clinton, and one grandchild, Chelsea Clinton.

The best quote was given by Melissa Gassaway, editor of the local Hot Springs paper, after her death: "Change was a constant in Virginia Kelley's life, yet she refused to be transformed by events large and small, catastrophic or euphoric, into someone she was not." Melissa has also said that Virginia was the "best ambassador that Hot Springs has ever had."

At her funeral she was described as an American original; she was and she stayed that way. She never let anything discourage her and she was brave at all times, even in death. To me she was a friend who accepted me even though we were of different parties, and she gave me encouragement. We will miss her.

FIRST OXFORD STYLE DEBATE

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

Mr. CARDIN. Mr. Speaker, I take the well to inform my colleagues of a very special event that will take place on the floor of the House of Representatives this evening. Mr. Speaker, tonight, instead of special orders, the House of Representatives will be holding its first Oxford style debate. I want to congratulate the Democrat and Republican leadership for their persistence in bringing us to this moment and developing this debate format. The joint leadership has sought ways of elevating the value and effectiveness of debate in the House of Representatives. Together tonight we institute a reform that all of us hope will improve the quality of debate in this legislative Chamber.

Mr. Speaker, most appropriately the topic for tonight's debate will be health care reform, and I urge my colleagues on both sides of the aisle to come here this evening, listen to the debate as we initiate the Oxford style debate on the floor of the House.

THE UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SERVICES

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

Mr. DUNCAN. Mr. Speaker, over and over again we see proof of this fact: If you want to do something in the most expensive and most wasteful way possible, turn it over to the Federal Government.

The Washington Post yesterday published a column attempting to justify the unbelievable expense of the Uniformed Services University of the Health Services.

According to the article, the 4-year cost for each graduate of this Federal medical school is over $463,000 per student.

This is almost four times the cost of student stipends, tuition, and fees under the Health Professions Scholarship Program, another Federal handout that is too expensive in and of itself.

Who would attempt to justify such an exorbitant and ridiculous expense?

Well, a professor at this medical school, of course.

This is more proof of something I have said many times before: The main beneficiaries of all these wonderful-sounding Federal programs are the bureaucrats who work for them.

I am pleased that the administration has recommended closing this school. This is another Federal boondoggle that the taxpayers simply cannot afford.

BALANCED BUDGET AMENDMENT

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

Mr. GRAMS. Mr. Speaker, no matter how hard Congress tries to ignore it, this country is going broke. The national debt is so huge, it has become incomprehensible, almost an irrelevancy. The ability of future generations of Americans to prosper is being handcuffed by the pathetically selfish actions of this distinguished body, which seems to care more about appeasing voters than having the courage to tell Americans that they cannot always get what they want.

This week, sounding like a broken record, President Clinton accused the Republicans of being obstructionist. So passionate, yet so phony.

Whose proposal would have balanced the budget in 6 years? The Republican alternative. Who killed it? Clinton and the Democrat leadership.

Whose proposal would have cut $90 billion in questionable spending? The Penny/Kasich package. Who killed it? Clinton and the Democrat leadership.

Whose balanced budget amendment would impose spending and taxing restraint Congress cannot muster? The Republican plan proposed by the gentleman from Texas [Mr. BARTON] and the gentleman from Arizona [Mr. KYL]. Who is trying to kill it? Clinton and the Democrat leadership.

Mr. Speaker, to President Clinton I simply say: Stop the lies, stop the lies, stop the lies, stop the lies, stop the lies.

TURNING WHITEWATER INTO BACKWATER

(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, as each day goes by, another shoe falls in the Whitewater story. In fact Whitewater seems to have more shoes than a centipede.

Now, according to the President, Mr. Speaker, Whitewater is the Republicans' fault. Amazing. We made no investment. We did not become land speculators. We did not claim any losses on our tax returns. But somehow Whitewater is our fault.

It used to be that the buck stopped at the President's desk, but, when it comes to Whitewater, we cannot find where the buck started or stopped. Regretfully Congress is picking up on the President's bad habits. It seems the buck does not stop here either.

Despite questions that grow daily, Mr. Speaker, Congress cannot hold one hearing on even one aspect of this suspicious story. In Congress our Democrat leaders are trying to turn Whitewater into backwater. As Whitewater becomes white hot though, the Democrats are trying to white it out.

INTRODUCTION OF THE SENIOR CITIZEN HOUSING SAFETY ACT

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

Mr. BLUTE. Mr. Speaker, senior citizens in America are now living in fear. Not just because of crime on the streets, but because of crime in their own homes—public senior housing.

When this House changed Federal law to allow young drug and alcohol abusers into senior housing facilities, we brought terror into the everyday lives of elderly Americans across the country who deserve to live out their retirements in peace.

Not only are our parents and grandparents subjected to loud music and all-night parties, they are being shaken down for loans, harassed, robbed, assaulted, and raped. Police who have never had to respond to a call at a senior housing building in 10 years now find themselves there on a regular basis.

We need to change this law which allows former drug and alcohol abusers to be defined as disabled and given priority for senior housing.

I have introduced a bill, the Senior Citizen Housing Safety Act which would keep people with current or past problems with substance abuse out of public housing where elderly people reside.

We should provide treatment for drug and alcohol abusers and give them housing in appropriate facilities. We should not penalize older Americans who have worked hard, served this country, and paid taxes all their lives by making them live with this type of abuse.

□ 1030

THE JOURNAL

The SPEAKER pro tempore (Mr. MONTGOMERY). Pursuant to clause 5 of rule I, the pending business is the question of the Speaker's approval of the Journal.

The question is on the Speaker's approval of the Journal.

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

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

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

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 246, nays 144, not voting 43, as follows:

[Roll No. 58]

YEAS—246

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

NAYS—144

Allard
Armey
Bachus (AL)
Baker (CA)
Ballenger
Barrett (NE)
Bartlett
Barton
Bentley
Bereuter
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bunning
Burton
Buyer
Calvert
Camp
Canady
Castle
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Cunningham
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Emerson
Fawell
Fields (TX)
Fowler
Franks (CT)
Franks (NJ)
Gallegly
Gekas
Gilchrest
Goodlatte
Goodling
Goss
Grams
Grandy
Gunderson
Hancock
Hansen
Hastert
Hefley
Herger
Hobson
Hoekstra
Hoke
Horn
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Hutchinson
Inhofe
Istook
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Johnson (CT)
Johnson, Sam
Kim
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Knollenberg
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Lewis (CA)
Lewis (FL)
Lightfoot
Linder
Machtley
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McDade
McHugh
McKeon
McMillan
Meyers
Mica
Miller (FL)
Molinari
Moorhead
Morella
Murphy
Nussle
Oxley
Packard
Paxon
Petri
Portman
Pryce (OH)
Quillen
Ramstad
Ravenel
Regula
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Santorum
Saxton
Schaefer
Schiff
Schroeder
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (OR)
Smith (TX)
Snowe
Solomon
Stearns
Stump
Sundquist
Talent
Taylor (MS)
Thomas (CA)
Torkildsen
Upton
Vucanovich
Walker
Walsh
Weldon
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—43

Archer
Baker (LA)
Barrett (WI)
Bonilla
Brown (CA)
Callahan
Costello
Crane
Dixon
Dornan
Engel
Evans
Ewing
Farr
Fish
Ford (MI)
Ford (TN)
Gallo
Gibbons
Gingrich
Green
Gutierrez
Hastings
Huffington
Jefferson
Klink
Lipinski
McKinney
Meehan
Michel
Natcher
Payne (NJ)
Porter
Quinn
Reynolds
Ridge
Rostenkowski
Rush
Taylor (NC)
Washington
Whitten
Williams
Yates

□ 1100

Mr. TAYLOR of Mississippi and Mr. BACHUS of Alabama changed their vote from "yea" to "nay."

So the Journal was approved.

The result of the vote was announced as above recorded.

APPOINTMENT OF CONFEREES ON S. 1284, DEVELOPMENTAL DISABILITIES ASSISTANCE AND BILL OF RIGHTS ACT AMENDMENTS OF 1993

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1284) to amend the Development 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, with House amendments thereto, insist on

the House amendments, and agree to the conference asked by the Senate.

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

Mr. MOORHEAD. Mr. Speaker, reserving the right to object, I shall not object, but I take this reservation for the purpose of asking the gentleman from California [Mr. WAXMAN] to explain his reasons for this request.

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

Mr. MOORHEAD. I am happy to yield to the gentleman from California.

Mr. WAXMAN. Mr. Speaker, we have made this request so that the House and Senate can go into conference on the Developmental Disabilities Assistance Act and Bill of Rights Amendments. There are differences in the two versions, and this request is to take the bill up and go to conference, with conferees appointed from both sides of the aisle.

Mr. MOORHEAD. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California? The Chair hears none, and without objection, appoints the following conferees: Messrs. DINGELL, WAXMAN, BROWN of Ohio, MOORHEAD, and BLILEY.

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 2884, SCHOOL-TO-WORK OPPORTUNITIES ACT OF 1993

Mr. KILDEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2884) to establish a national framework for the development of School-to-Work Opportunities systems in all States, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

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

Mr. GOODLING. Mr. Speaker, reserving the right to object, and I shall not object, I reserve the right to say we have no objection to the request.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan? The Chair hears none, and without objection, appoints the following conferees: Messrs. KILDEE, WILLIAMS, GOODLING, and GUNDERSON.

There was no objection.

PROVIDING FOR CONSIDERATION OF HOUSE JOINT RESOLUTION 103, BALANCED BUDGET CONSTITUTIONAL AMENDMENT

Mr. STENHOLM. Mr. Speaker, pursuant to the order of the House of March 11, 1994, I call up the resolution (H. Res. 331) providing for the consideration of the joint resolution (H.J. Res. 103) proposing an amendment to the Constitution to provide for a balanced budget for the U.S. Government and for greater accountability in the enactment of tax legislation, and ask for its immediate consideration.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read the resolution, as follows:

H. RES. 331

Resolved, That immediately upon the adoption of this resolution the House shall resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H.J. Res. 103) proposing an amendment to the Constitution to provide for a balanced budget for the United States Government and for greater accountability in the enactment of tax legislation, all points of order against the joint resolution and against its consideration are hereby waived, and the first reading of the joint resolution shall be dispensed with. After general debate, which shall be confined to the joint resolution and which shall not exceed nine hours, to be equally divided and controlled among Representative Brooks of Texas, Representative Fish of New York, and Representative Stenholm of Texas, or their designees, the joint resolution shall be considered for amendment under the five-minute rule. No amendment to the joint resolution shall be in order in the House or the Committee of the Whole except for the following amendments, which shall be considered only in the following order:

(a) An amendment in the nature of a substitute by Representative Kyl of Arizona;

(b) An amendment in the nature of a substitute by Representative Barton of Texas;

(c) An amendment in the nature of a substitute by Representative Brooks of Texas;

(d) An amendment in the nature of a substitute by any Member, which shall be the text of any comparable joint resolution as passed by the Senate;

(e) An amendment in the nature of a substitute by Representative Stenholm of Texas;

Each amendment may be offered only by the named proponent or a designee, shall be in order notwithstanding the adoption of a previous amendment in the nature of a substitute, shall be considered as read only if printed in the Congressional Record at least three legislative days prior to its consideration, shall be debatable for not to exceed one-hour to be equally divided and controlled by the proponent and a member opposed thereto, and shall not be subject to an amendment in the House or in the Committee of the Whole. 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. At the conclusion of the consideration of the joint resolution to the House with such amendment as may have been finally adopted. The previous question shall be considered to be ordered on the joint resolution and such amendment thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

SEC. 2. If on any day the Committee rises and reports that it has come to no resolution on the joint resolution, the House shall, on the next legislative day immediately following House approval of the Journal, resolve itself into the Committee of the Whole on the State of the Union for the further consideration of the joint resolution.

SEC. 3. If a comparable joint resolution has been passed by the Senate, it shall be in order at any time after completion of House consideration of H.J. Res. 103 for Representative Stenholm or his designee to move for immediate consideration in the House of one such Senate Joint Resolution. Such joint resolution shall be debatable for no longer than one hour to be equally divided and controlled by a proponent and an opponent. The previous question shall be considered as having been ordered on the joint resolution to final passage without intervening motion except: (1) a motion that the House strike all after the resolving clause and insert in lieu thereof the provisions of H.J. Res. 103, as passed by the House, if offered only by Representative Stenholm of Texas or a designee, which motion shall not be separately debatable and against which motion all points of order are waived; and (2) one motion to recommit, with or without instructions.

SEC. 4. Consideration, in accordance with the provisions of this resolution, of the joint resolution and any comparable joint resolution passed by the Senate shall be a matter of highest privilege in the House and shall take precedence over any other motion, business, or order of the House, and the House shall proceed with such consideration to final passage, without the intervention of any other motion, order, or business, except a motion to adjourn, or as otherwise provided for in this resolution.

The SPEAKER pro tempore. The gentleman from Texas [Mr. STENHOLM] is recognized for 1 hour.

Mr. STENHOLM. Mr. Speaker, for purposes of debate only, I yield 30 minutes to the distinguished gentleman from Massachusetts [Mr. MOAKLEY], the chairman of the Committee on Rules, and 15 minutes to the gentleman from New York [Mr. SOLOMON].

Mr. Speaker, I ask unanimous consent that both the gentleman from Massachusetts [Mr. MOAKLEY] and the gentleman from New York [Mr. SOLOMON] be granted authority to control the time yielded to them.

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

There was no objection.

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

Mr. Speaker, House Resolution 331, the rule which 218 Members of this body discharged on February 24, allows for a full debate of the major alternative proposals for a balanced-budget amendment to the U.S. Constitution. By unanimous consent, that rule has been amended to reduce the general debate time from 9 hours to 6 hours, with the time equally divided and controlled by Representative BROOKS of Texas, Representative FISH of New York, and Representative STENHOLM of Texas, or their designees.

It will be in order to consider of the following four amendments in the nature of substitutes, in king-of-the-hill fashion:

a. A substitute offered by Mr. KYL, or his designee. Debatable for 1 hour.

b. A substitute offered by Representative BARTON, or his designee. Debatable for 1 hour.

c. A substitute offered by Mr. WISE, who is the designee of Mr. BROOKS, chairman of the Judiciary Committee. Debatable for 1 hour.

d. A substitute offered by Mr. STENHOLM, principal sponsor of H.J. Res. 103. Debatable for 1 hour.

Of course, passage of any amendment in the nature of a substitute can be accomplished with a simple majority vote. Final passage of the constitutional amendment, however, requires a two-thirds vote.

A motion to recommit, with or without instructions, is permitted.

Once begun, consideration of House Joint Resolution 103 is a matter of the highest privilege and must be completed without the intervention of any other motion, order, or business.

In drafting this rule, the supporters of House Joint Resolution 103, the Stenholm-Smith amendment, have guaranteed adequate time for a full and complete debate on all of the leading approaches to a balanced-budget constitutional amendment. In fact, we guaranteed the right to consideration of one amendment, the Wise substitute, which had not been drafted, or even conceived, at the time the rule was introduced. We feel that Members of both parties and all ideologies will have an opportunity to clearly and publicly express their positions on the various constitutional amendment options.

This rule is fair, it is complete, and it already has been supported by the 218 Members who signed the discharge petition. I urge all of my colleagues to support House Resolution 331.

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

□ 1110

Mr. MOAKLEY. Mr. Speaker, I thank the gentleman from Texas for yielding me time, and I yield myself such time as I may consume.

Although Mr. STENHOLM has worked hard to discharge this rule from the committee I chair, he has been at all times honorable and candid and I appreciate the way he has handled the situation.

Mr. Speaker, this is the way the House is supposed to work; this is a majority rule institution. The purpose of the discharge rule, the purpose of all the rules and traditions of the House, is to guarantee that a determined majority will prevail.

If a majority of the House wishes to consider this constitutional amendment, they can and they will.

But, Mr. Speaker, I cannot support this particular rule. The division of time is unfair, the restriction on amendments is ill-considered and other elements of the rule are unjustified.

Look at the amendments. This is the same rule as was discharged last Congress. It makes in order four substitutes to be offered by the same four Members or their designees as in the last Congress and in the same order as before: Mr. KYL, Mr. BARTON, Mr. BROOKS, and then Mr. STENHOLM.

Mr. Speaker, there are more than 100 new Members. Why do they not get a shot? We should not make available only the same four slots until we at least ask whether the freshmen or other Members have some new ideas. Representative MARGOLIES-MEZVINSKY wants to offer an amendment; this rule denies her the opportunity. Are there others? We can not be sure. So I say this restrictive rule is ill-considered.

And frankly, Mr. Speaker, I am surprised that Members on the other side of the aisle will support this rule, essentially in lock step. Consider the motion to recommit. The four substitutes are the only amendments that may be offered.

The restriction on amendments applies both in the Committee of the Whole and in the House. Members of the minority support a rule limiting the instructions available on the motion to recommit—that comes as a real surprise to me. There are some tricks here even I never considered. I think I will just have to file this one away.

But I am a realist. The gentleman from Texas filed a discharge petition, got his 218 signatures the very same day—in fact 2 hours quicker than his last Olympic record time—and here we are. This rule will pass. Members are eager to move on to debate the constitutional amendment, not the rule.

Mr. Speaker, I do not support a constitutional amendment to require a balanced budget. A balanced budget is not always the right thing to do. Even the proponents admit as much. The spending cuts and burdensome tax hikes necessary to reach a balanced budget this year would cripple even this growing economy.

No one seriously calls for a balanced budget this year. If we agree it would be dangerous to balance the budget today, balancing the budget may also be dangerous tomorrow and it ought not to be required by the Constitution.

Proponents of the constitutional amendment say that States and local governments, businesses, and families must all balance their budgets. Why should not the Federal Government also balance its budget?

Many States have a balanced budget constitutional amendment. But even those States borrow from the public. I challenge you to name a single State that has never issued bonds of any sort. You cannot do it. They all borrow. And the best businesses borrow to expand and modernize. Decent families borrow to buy a house or a car or to pay for their kids' education.

The point is there is nothing wrong with borrowing if it is for good purposes.

But the Federal Government borrows too much. Notice it is the size of the deficit we should object to, not the mere fact that we borrow at all. We have grown accustomed to a deficit that is much too large.

Deficits this size drag down economic growth, lower our standard of living, weaken our competitive position, and constrain our ability to answer our domestic and international needs.

But if the size of the deficit is the problem, there can be no substitute for real deficit reduction. No mandate established in the Constitution, no pretty new procedure set forth in the law of the land, can do the work of real changes in our spending habits and our tax policies.

The best face proponents put on the constitutional amendment is to say it will fortify our will to do the right thing. The right thing, of course, is deficit reduction of the sort we passed—barely—last year.

It was not easy, but we passed the largest real deficit reduction package in history and the economy is showing signs of strength because of it—without any constitutional amendment in place. If more is needed, we can do it again, without the help of a constitutional amendment.

And if you thought it was hard to vote for deficit reduction on the order of $500 billion over 5 years, think about what is needed to get to a balanced budget. The choices are stark: attack Social Security, hike taxes significantly, or slash discretionary programs.

Using the Solomon budget as a model, that means: eliminating crop price supports, throwing off hundreds of thousands of disabled children from the SSI program, eliminating financial assistance to local governments to help them comply with Clean Water standards, substantially raising Government fees, and selling off Government assets at fire sale prices.

In the abstract a balanced budget for all times sounds good. In practice, right now, it is not something I can vote for so how can I, in good conscience, make it a constitutional requirement?

Norm Ornstein recently wrote an article asking why contemporary conservatives so often turn to constitutional amendments to state their policy preferences. He doubts the wisdom of a balanced budget constitutional amendment, arguing:

> There are many conditions, short of all-out war or deep depression, when balancing the budget would be foolish and self-destructive. Prohibition should have taught the bitter lesson that one should not constitutionalize a policy preference.

In my view, Mr. Speaker, setting fiscal policy is a normal political decision to be made each year.

So we come full circle to the issue of majority rule in the House of Rep-

resentatives. I began by stating that I am an enthusiastic advocate for the principle of majority rule: If a majority of this House wishes to debate a balanced budget constitutional amendment, we can and will. And if a majority in this House believes the deficit is too high, we can and we should reduce it. But if a majority in the House disagree, the Constitution should not insist upon a contrary policy, should not bar the majority from considering the budget that constrains or stimulates fiscal policy as lawmakers and citizens of the day see fit.

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

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume. I thank my good friend, the gentleman from Texas [Mr. STENHOLM], for yielding the committee chairman and myself some of his time.

Mr. Speaker, I rise in support of this rule and in support of the balanced budget constitutional amendment.

First, we need to be clear about the nature of the problem. The debt we are dumping on our children and grandchildren is increasing every day. As we debate here, the debt is increasing at $433,000 per minute, or stated another way, more than $7,000 per second. And those numbers would be worse if we were not including the surplus in the Social Security trust funds as an offset, which we never should do.

Mr. Speaker, the problem is not going away. Even by the projections of the House Budget Committee, we will add hundreds of billions of dollars to the debt every year, and the amount we are adding to the debt each year is projected to increase in fiscal year 1997 and the years following.

Mr. Speaker, some of the other side of this issue have charged that the balanced budget constitutional amendment is somehow a gimmick, and Congress can handle the problem at any time by acting responsibly to control its big spending ways.

Well, Mr. Speaker, last week, during the consideration of the budget resolution, I gave this House an opportunity to vote for a responsible budget plan which would have led to a balanced budget in 5 years. It provided for tough spending cuts, and it included language saying that if Congress did not like the specific spending modifications proposed, it could always substitute others.

Did it pass? Not on your life. What this tells me is this; if we are ever going to control runaway spending around here, it is going to take something more than we have had to this point. We are actually going to have to amend the U.S. Constitution to make it more difficult to overspend.

Mr. Speaker, amending the Constitution is a serious step which should never be taken lightly. But over the years we have tried a number of different legislative solutions and none of them have worked.

Thomas Jefferson was right when he expressed regret that the Constitution did not include a restriction on borrowing. And Mr. Speaker, if Thomas Jefferson could only see us now, like a bunch of drunken sailors on a never-ending spending spree.

Mr. Speaker, other opponents of this proposal have argued that if will somehow put Congress in a straitjacket, and Congress will not be able to respond properly in case of emergency. This is not true. The constitutional amendment proposed by the gentleman from Texas [Mr. STENHOLM] allows flexibility.

The first section provides, and I quote:

> Total outlays for any fiscal year shall not exceed total receipts for that fiscal year, unless three-fifths of the whole number of each House of Congress shall provide a law for a specific excess of outlays over receipts by a rollcall vote.

If an emergency arises, Congress will be able to respond by a three-fifths rollcall vote. The proposed amendment strikes a fair balance between prohibiting deficits on the one hand, and allowing needed flexibility on the other hand.

Mr. Speaker, with regard to the procedure we will be following to consider the proposed constitutional amendment, the rule discharged from the Rules Committee was modified by a unanimous consent on the floor last Friday.

As modified, the rule will allow for a total of 6 hours of general debate. Representative BROOKS of Texas, Representative FISH of New York, and Representative STENHOLM of Texas, will each control 2 hours of general debate.

Then there will be an hour of debate on the Kyl substitute followed by a vote on that substitute. The other substitute would then be put over until Thursday.

On Thursday, the House will consider the Barton substitute for 1 hour followed by a vote, the Wise-Price-Pomeroy substitute for 1 hour followed by a vote, and finally the Stenholm balanced budget amendment for 1 hour followed by a vote.

The last one to receive a majority vote would be reported back to the House. There would be a motion to recommit followed by a vote on passage.

Mr. Speaker, this rule allows a fair procedure to consider a range of alternative solutions to the problem of runaway deficits.

If we are concerned about the future of this Nation, we should support this rule and ultimately the Stenholm balanced budget constitutional amendment.

□ 1120

Mr. STENHOLM. Mr. Speaker, I yield myself 1½ minutes in order to respond to the chairman of the Committee on Rules' opening statement.

First off, I appreciate the kind things that the chairman has said about me, and I reciprocate. In all of my time before the Committee on Rules I have never been treated in what I consider to be an unfair manner. I have been denied my wishes from time to time, but in all instances in which we have been denied our wishes, the chairman has acted in a very gentlemanly manner.

Sometimes he is, I am sure, denied his own wishes in the process of the House, and in that spirit we certainly can continue to function in this House.

I would say, though, that regarding other amendments that could or should or would have been offered today, I would hope that all would realize that the amendments that we make in order today have been worked on since 1983. The Committee on the Judiciary has held hearings. All of the amendments that have been made in order have been subject at least at one time or another to a hearing of the appropriate committee.

That is why we choose to allow them, as we did 2 years ago. We believe they have met the test. We filed the rule on January 25; anyone who had an amendment, who wanted an amendment to be considered prior to the discharge, would have received a full hearing from Mr. SMITH and myself and the other sponsors of the legislation.

We believe that amending the Constitution is a very serious endeavor and should be handled in that way, and we believe the rule that we have proposed today treats the Constitution with that amount of respect.

I know there are other ideas now, and we welcome new ideas regarding how we deal with the problem before us. I assure you those who feel like that they have been denied that right today, that is not our intention. Had we known about them, we would have certainly listened and heard them.

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

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentlewoman from Pennsylvania [Ms. MARGOLIES-MEZVINSKY].

Ms. MARGOLIES-MEZVINSKY. Mr. Speaker, I thank the committee chairman for yielding this time to me.

Mr. Speaker, I rise today to ask that when the time comes to vote on the previous question, I hope that you will join with me to defeat this, so that the rule might be amended so that I may offer my amendment. This amendment would require that we balance the budget for 2 consecutive years prior to consideration of an amendment to the Constitution.

Mr. SOLOMON. Mr. Speaker, I was trying to listen attentively to the request of the gentlewoman from Pennsylvania. Mr. Speaker, that is a rules change, I believe, and I do not know

that we received any letter from the gentlewoman in the Committee on Rules, and I do not think it would be germane to a rule because it is changing the House rule that does not deal with a constitutional amendment.

I would like to discuss that on the side, perhaps, and find out where that stands.

Mr. Speaker, the gentleman from Oregon [Mr. SMITH] is one of the Members of whom we are most proud in this body, and he has chosen to retire at an early age. He has been a great leader on this balanced budget issue over all his career, and we are going to miss him.

Mr. Speaker, I yield 2½ minutes to the gentleman from Oregon [Mr. SMITH].

Mr. SMITH of Oregon. I thank the gentleman for yielding this time to me and for his kind words.

Mr. Speaker, I rise in support of the rule and passage of the Stenholm-Smith balanced budget amendment to the Constitution.

Three weeks ago, with the help of 216 of our colleagues, we were successful in discharging this rule in 6 hours and 45 minutes, the second fastest discharge in congressional history. Given this fact, words are not needed to describe the enthusiasm Members have for a Constitutional amendment to require a balanced Federal budget.

The rule before us provides for the full and fair consideration of several versions of the balanced budget amendment. The consideration of the Kyl substitute, the Barton substitute, the Wise substitute, and the Stenholm-Smith amendment will provide the Members with a chance to express their views on the different approaches that can be taken to force Congress to balance the budget.

The Kyl and Barton substitutes, which have strong spending-limitation and tax-limitation provisions, are attractive alternatives that I intend to support in addition to the amendment I will be offering with Mr. STENHOLM. I am confident that upon careful scrutiny, it will be clear that the Wise substitute is not only unsuitable for the Constitution, but also for those seeking political cover to avoid the American people's intolerance with continued opposition to the balanced budget amendment. I am confident that the American people will see this amendment for what it is—a shill for those who oppose the balanced budget amendment and fear the consequences.

Mr. Speaker, in 1990 the House rejected the balanced budget amendment by seven votes and the Federal debt was $3.1 trillion. In 1992, the House rejected the balanced budget amendment by nine votes and the Federal debt was $4 trillion. Now, despite the passage of two more statutory deficit reduction packages, the Federal debt is expected to reach $4.6 trillion by the end of fiscal year 1994.

Enough is enough. The time has come to force Congress to change its habits, and this can only be accomplished with a Constitutional mandate. This rule provides us the opportunity to make an institutional change that will force results.

Mr. Speaker, I urge the Members to support the rule.

□ 1130

Mr. STENHOLM. Mr. Speaker, I yield 2 minutes to the gentleman from Alabama [Mr. BROWDER], one of our hardest-working proponents of the balanced budget amendment. He has done yeoman's work on behalf of getting us to this point.

Mr. BROWDER. Mr. Speaker, I rise in support of this rule and in strong support of a balanced budget amendment. Opponents of the balanced budget amendment are telling us this is gimmickry. That we should not try to amend the Constitution to force fiscal responsibility on the Federal Government.

We will not amend the Constitution with this vote. The Senate still must vote again. The States must vote to ratify it. The vote today will further a national debate on the role of the Federal Government, the role of Federal fiscal policy, and our responsibility to future generations.

Mr. Speaker, defeat of this rule would stop that debate. That would be a shame for our Nation that is demanding action by this House and for our future.

This House and this Nation need this debate. Support the rule.

Mr. SOLOMON. Mr. Speaker, I yield 3 minutes to the gentleman from Sanibel, FL [Mr. GOSS], a very valued member of the Committee on Rules who has been a strong supporter of the balanced budget amendment since he first came here.

Mr. GOSS. Mr. Speaker, I commend the bipartisan teamwork of the gentleman from Texas [Mr. STENHOLM] and the gentleman from Oregon [Mr. SMITH] on this. Obviously it is their extra efforts and special wisdom that has got this crucial debate to the House floor. Today's discussion is a direct result of the first successful discharge petition under the new rules of sunshine, the effort of the gentleman from Oklahoma [Mr. INHOFE] that has also paid off, and I think deliberate democracy exists today, and I think this institution is better off because of it.

The bottom line is though that we have not done our jobs. In fact, there has been a deficit in the Federal Government's accounts for 56 of the last 64 years, including every year of the last quarter century. These deficits have generated a national debt of $4 trillion, now on the way to $6 trillion under the so-called deficit reduction plan of the Clinton administration. It is no wonder that 7 out of 10 Americans support a balanced budget amendment. They are tired of the Washington version of Scarlett O'Hara's famous theme line when confronted with trouble:

"I won't think about that today; I'll think about it tomorrow."

Tomorrow, of course, never arrives. That was fiction; this is fact. Only one-fifth of the House Members summoned the courage to vote for a specific balanced budget plan last week, a plan that did not raise taxes or touch Social Security, a plan offered by my friend and colleague, the gentleman from New York [Mr. SOLOMON] of the Committee on Rules. Many of my colleagues say a constitutional amendment is not necessary to balance the budget—but 80 percent of Americans will discover that their Member avoided the responsibility when given a chance last week to vote for a specific plan to cut spending. If we pass a constitutional balanced budget amendment with teeth, we impose a non-waivable, not-repealable mandate that the budget be brought into line. But we will still have to do the hard work. Responsible government is not easy, and that means casting the votes to cut the spending.

Mr. Speaker, I want to see this supported, and I want to respond to the gentleman from Massachusetts [Mr. MOAKLEY] who I admire and respect greatly. He has likened this matter to the Volstead Act, that we are inebriated on red ink here. We are indeed inebriated on red ink here, and we need to change our ways, and I wish we could do it without a constitutional amendment. I would be delighted if we could get this done without a constitutional amendment, but the history of last week and previous years here suggest we cannot. I do not like constitutional amendments, but I do not like bankrupting the United States of America at all, and that is a worse option, and I believe that is the option in front of us.

Going further, the chairman has said that we should not have a policy question like this available, put into the Constitution, and I agree with him generally. But I would suggest that balancing the budget is not a policy option. I suspect that most Americans would feel that balancing the budget is a requirement of responsible public service. I am the first to say that the options of cutting spending, raising taxes, providing for emergency situations such as war, pestilence and plague ought to be provided for in a good balanced budget amendment, but I think that most Americans are at the point where they agree that the Nation is sufficiently imperiled and worthy of a constitutional amendment.

Mr. SOLOMON. Mr. Speaker, I am going to yield back my time with a brief statement just to say that the House majority has worked its will. That is what brought this rule to the floor, and that is why we should support the passage of the rule.

Again, Mr. Speaker, I am not happy with the king-of-the-hill provision. Other people are not happy with certain provisions. But the fact is the House was allowed to work its will. More than 218 Members did sign the discharge petition. That is why it is here.

Mr. Speaker, that is why we should vote for this rule and against any other procedural motion that might be brought before us this morning.

Mr. Speaker, I yield back the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield 10 minutes to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, something must really be going on at the Committee on Rules when they give me 10 minutes. My God, they might even have said that I could delegate some of that time to my friends.

But with that in mind, Mr. Speaker, I cosponsored the balanced budget amendment. I did so because there are so many supporters who believe very seriously that that is exactly what our Nation needs.

I personally do not believe so and will vote against this balanced budget amendment for the following reasons:

Now I do not know if that makes any sense to my colleagues, but see if this might make any sense:

The Constitution empowers the Congress of the United States to govern and manage the people's Republic. Today the Congress of the United States wants to give back that empowerment so that the Constitution might govern whether they have failed.

Think about that.

This in my opinion is the ultimate cop-out, the ultimate surrender, the ultimate concession, the ultimate PTB—pass the buck—ploy, my colleagues.

□ 1140

This is no insult or denegration to the gentleman from Texas [Mr. STENHOLM], the gentleman from Oregon [Mr. SMITH], or any one of my friends on the other side of the aisle. Their reasons are noble. They believe they are right, and so help me God, the Constitution is not going to straighten out America. It is the Congress of the United States, and the Congress of the United States cannot turn it back to the Constitution out of despair and political fear to maintain its own particular standing. There is already enough deceit and smoke and mirrors with this budget process, I say to the Members, and let me say this today: If Congress would pass a balanced-budget amendment to the Constitution, the Congress of the United States would have to use the Hubbell telescope just to read the small print that will be coming out of OMB, I believe it will be that bad.

But let us think for a minute. It is not the Constitution; it is the trade laws that kill our jobs. It is not the Constitution; it is foreign aid. We borrow money, then we give it away.

It is not the Constitution; it is overregulation of our industry and small business that kills them and makes them unprofitable and kills our exports. It is not the Constitution; it is the EPA. It is not the Constitution; it is OSHA. It is not the Constitution; it is the Internal Revenue Service. It is not the Constitution; it is the tax laws of America. I say to the Congress it is a tax law that rewards dependency, penalizes achievement, kills investment, kills our exports, gives carte blanche to our imports, with most-favored-nation treaty status to China that sells missiles and weapons and tanks to our outlaw terrorist enemies. Beam me up, folks.

Congress should not change the Constitution. Congress should change the tax laws and the laws in America that are destroying our country.

There is one thing, and I say to the Members this might be my opinion, but I do not think it is the Constitution; I think it is the politicians, the politicians that now want to use the Constitution 10 years from now as a scapegoat for what Congress is afraid to do now.

I may not have the best voting record around here on this so-called balanced budget business, but I will be damned if I am going to vote to continue to cut back in America and close American bases while we leave those bases open overseas.

So, yes, there has to be some philosophy here as to how we are going to come together, but the bottom line is we have the Tax Code that kills our country, helps everybody else, and now they are going to change the Constitution. I think the American people have a little bit more sense than that.

I say to the gentleman from Texas [Mr. STENHOLM], that is not his purpose, and I know that. I do not want him to be offended by my remarks. I, in fact, signed that discharge petition because of my tremendous respect for the gentleman, and I think somewhere down the line I am going to come forward and vote for the things he is doing, because they are right. But I do not think we should tamper with the Constitution to do it.

Mr. STENHOLM. Mr. Speaker, I yield 1 minute to the gentleman from Arizona [Mr. KYL].

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

I primarily wanted to speak in support of this rule and thank the gentleman from Texas [Mr. STENHOLM] and my colleague, the gentleman from Oregon [Mr. SMITH], for working with us to craft a rule which will enable this body to vote on four separate proposals. The first one to be voted on is the Kyl amendment. It is a balanced budget amendment that achieves the objective by limiting Federal spending, and it also contains the line-item veto.

I also plan to support the Barton-Tauzin amendment and the Stenholm-Smith amendment.

Again, Mr. Speaker, I urge my colleagues to support this rule because it provides meaningful debate time on this important subject. It provides a meaningful vote on four different kinds of proposals to achieve the objective in different ways.

For those who say this is a meaningless exercise because the Senate after all defeated a balanced budget amendment, I say this exercise today, because of the way the rule was crafted, allows us an opportunity to consider good ideas as to how to achieve this objective so that, even if it does not happen this year, we will be better informed and be prepared to vote on a constitutional balanced budget amendment next year.

Mr. Speaker, I support the rule, and I thank the gentleman from Texas and the gentleman from Massachusetts.

Mr. MOAKLEY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. STENHOLM. Mr. Speaker, I yield myself the balance of my time in order to close the debate on the rule.

First, let me acknowledge the closing statement of my colleague, the gentleman from Ohio [Mr. TRAFICANT] in which he urged opposition because of his belief that the Constitution should not be amended for this purpose. I respect that reason by any Member for opposing this amendment today.

Mr. Speaker, over the past month since the Senate began consideration of our companion resolution authored by Senator SIMON, a great deal has been said about balanced budget constitutional amendments. We've witnessed historical dissertations, ideological abstractions, political conversions, irrational predictions, and every now and then, even a few humorous convulsions.

After all of this, if I could rub the magic genie's bottle and have my wishes for the next 2 days' deliberations come true, you might assume that I would wish for a magical victory for House Joint Resolution 103. In truth, what I hope for, above all, is that the level of this debate rise to the standard deserved whenever Congress considers amending our most precious national document, the U.S. Constitution.

I would wish that as a nation we would look seriously at the hard work we have before us in protecting our children's future.

I would wish that we could, for once, go beyond the political demagoguery about certain sacred issues which push us farther and farther down the path of fiscal irresponsibility.

I would wish that intellectual honesty, moral integrity, and personal responsibility would guide the words each of us speak to such a degree that political expediency and alarmist exaggerations were shamed into hiding.

Because when these 2 days are over, regardless of the final outcome of these votes, we will find ourselves still facing the cancer of debt which is destroying the fiscal flesh and bones of our country. Regardless of whether you vote "yea" or "nay" on House Joint Resolution 103, each individual Member must be willing to say, "This is what I did today to make our country a better place." BOB WISE will go home to tell Robert and Alexandra "This is how I protected your futures today" in just the same way I will be thinking about Chris and Cary and Courtney—and hopefully some unnamed grandchildren down the path. JOE BARTON will be picturing Brad, Allison, and Kristin, just as JOE KENNEDY will be cherishing his hopes for Joseph III and Matthew.

But for those children's sakes, for the thousands of high school students that are touring the Capitol this very week during their spring breaks, for the millions of children across the country, I appeal to both sides, let us deliberate this issue straightforwardly and honestly. Especially to the freshman Members I would say, please evaluate this issue on its merits, not on its internal or external politics. There is no such thing as an easy vote on a constitutional amendment. If you believe that a constitutional amendment to balance the budget is a mistake, then by all means vote "no." If you think we need only a constitutional nudge rather than a constitutional mandate, then vote for the Wise amendment. If your 15 months in Congress have led you to believe, as my 15 years have led me to believe, that nothing short of a strong, enforceable amendment will protect our children's future, then vote for the Stenholm-Smith amendment. But don't let anyone talk you into believing this vote is meaningless.

I come here prepared to work hard these next 2 days and my hope is that the hard work will pay off with 290 votes on final passage. But come Friday, I'll have the same gameplan whether my amendment wins or loses. Regardless of how many votes there are, I'll be working hard for the rest of the year to chip away at our monstrous deficit. Next week I'll be working with JOE KENNEDY to develop the heart of the Concord Coalition's zero-deficit plan. This spring I'll be working with MIKE PARKER and BILL ORTON to push for some of those budget process reforms we had wanted to get included in the budget resolution. All summer I'll be working with TIM PENNY to dig out that appropriations pork which oinks its way into the process every year.

My wish is that even those who vote against the constitutional amendment—in fact, especially those who vote against a constitutional amendment—are ready to say, "This is what I did this Congress, this year, this day, to take the debt off of my children's shoulders."

Let the work begin.

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. MONTGOMERY). The question is on the resolution.

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

Mr. MOAKLEY. 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 387, nays 22, not voting 24, as follows:

[Roll No. 59]

YEAS—387

Abercrombie	Coleman	Gilchrest
Ackerman	Collins (GA)	Gillmor
Allard	Collins (IL)	Gilman
Andrews (ME)	Collins (MI)	Gingrich
Andrews (NJ)	Combest	Glickman
Andrews (TX)	Condit	Gonzalez
Applegate	Conyers	Goodlatte
Archer	Cooper	Goodling
Armey	Coppersmith	Gordon
Bacchus (FL)	Costello	Goss
Bachus (AL)	Cox	Grams
Baesler	Coyne	Greenwood
Baker (CA)	Cramer	Gunderson
Baker (LA)	Crapo	Hall (OH)
Ballenger	Danner	Hall (TX)
Barca	Darden	Hamburg
Barcia	de la Garza	Hamilton
Barlow	Deal	Hancock
Barrett (NE)	DeFazio	Hansen
Barrett (WI)	DeLauro	Harman
Bartlett	DeLay	Hastert
Barton	Derrick	Hayes
Bateman	Deutsch	Hefley
Becerra	Diaz-Balart	Hefner
Bentley	Dickey	Herger
Bereuter	Dicks	Hoagland
Berman	Dingell	Hobson
Bevill	Dooley	Hochbrueckner
Bilbray	Doolittle	Hoekstra
Bilirakis	Dornan	Hoke
Bishop	Dreier	Holden
Blackwell	Duncan	Horn
Bliley	Dunn	Houghton
Blute	Durbin	Hoyer
Boehlert	Edwards (CA)	Hughes
Boehner	Edwards (TX)	Hunter
Bonilla	Ehlers	Hutchinson
Borski	Emerson	Hutto
Boucher	Engel	Hyde
Brewster	English	Inglis
Brooks	Eshoo	Inhofe
Browder	Everett	Inslee
Brown (CA)	Ewing	Istook
Brown (FL)	Fawell	Jacobs
Brown (OH)	Fields (LA)	Jefferson
Bryant	Fields (TX)	Johnson (GA)
Bunning	Filner	Johnson (SD)
Burton	Fingerhut	Johnson, E. B.
Buyer	Fish	Johnson, Sam
Byrne	Flake	Johnston
Callahan	Foglietta	Kanjorski
Calvert	Ford (TN)	Kaptur
Camp	Fowler	Kasich
Canady	Frank (MA)	Kennedy
Cantwell	Franks (CT)	Kennelly
Cardin	Franks (NJ)	Kildee
Carr	Frost	Kim
Castle	Furse	King
Clayton	Gallegly	Kingston
Clement	Gejdenson	Kleczka
Clinger	Gekas	Klein
Clyburn	Geren	Klug
Coble	Gibbons	Knollenberg
Kolbe	Nadler	Shuster
Kreidler	Neal (MA)	Sisisky
Kyl	Neal (NC)	Skaggs
LaFalce	Nussle	Skeen
Lambert	Oberstar	Skelton
Lancaster	Obey	Slattery
Lantos	Olver	Slaughter
LaRocco	Ortiz	Smith (IA)
Laughlin	Orton	Smith (MI)
Lazio	Oxley	Smith (NJ)
Leach	Packard	Smith (OR)
Lehman	Pallone	Smith (TX)
Levin	Parker	Snowe
Levy	Pastor	Solomon
Lewis (CA)	Paxon	Spence
Lewis (FL)	Payne (NJ)	Spratt
Lewis (GA)	Payne (VA)	Stearns
Lightfoot	Pelosi	Stenholm
Linder	Penny	Strickland
Lipinski	Peterson (FL)	Stump
Livingston	Peterson (MN)	Stupak
Lloyd	Petri	Sundquist
Long	Pickle	Swett
Lowey	Pombo	Swift
Machtley	Pomeroy	Synar
Maloney	Portman	Talent
Mann	Poshard	Tanner
Manton	Price (NC)	Tauzin
Manzullo	Pryce (OH)	Taylor (MS)
Markey	Quillen	Taylor (NC)
Martinez	Rahall	Tejeda
Matsui	Ramstad	Thomas (CA)
Mazzoli	Ravenel	Thomas (WY)
McCandless	Reed	Thompson
McCloskey	Regula	Thornton
McCollum	Richardson	Thurman
McCrery	Roberts	Torkildsen
McCurdy	Roemer	Torricelli
McDade	Rogers	Towns
McDermott	Rohrabacher	Traficant
McHale	Ros-Lehtinen	Tucker
McHugh	Rose	Upton
McInnis	Roth	Valentine
McKeon	Roukema	Velazquez
McKinney	Rowland	Vento
McMillan	Roybal-Allard	Visclosky
McNulty	Royce	Volkmer
Meek	Sabo	Vucanovich
Menendez	Sanders	Walker
Meyers	Sangmeister	Walsh
Mfume	Santorum	Waters
Mica	Sarpalius	Watt
Michel	Sawyer	Waxman
Miller (CA)	Saxton	Weldon
Miller (FL)	Schaefer	Whitten
Mineta	Schenk	Williams
Minge	Schiff	Wilson
Mink	Schroeder	Wise
Molinari	Schumer	Wolf
Mollohan	Scott	Woolsey
Montgomery	Sensenbrenner	Wyden
Moorhead	Serrano	Wynn
Moran	Sharp	Young (AK)
Morella	Shaw	Young (FL)
Murphy	Shays	Zeliff
Myers	Shepherd	Zimmer

NAYS—22

Beilenson	Klink	Stark
Bonior	Kopetski	Stokes
Clay	Margolies-Mezvinsky	Studds
Dellums	Moakley	Torres
Fazio	Owens	Unsoeld
Ford (MI)	Pickett	Washington
Gephardt	Rangel	Wheat
Hinchey		

NOT VOTING—24

Chapman	Green	Natcher
Crane	Gutierrez	Porter
Cunningham	Hastings	Quinn
Dixon	Hilliard	Reynolds
Evans	Huffington	Ridge
Farr	Johnson (CT)	Rostenkowski
Gallo	Meehan	Rush
Grandy	Murtha	Yates

□ 1212

Mr. FAZIO and Mr. GEPHARDT changed their vote from "aye" to "no."

Messrs. BUYER, KLUG, LEWIS of California, ZIMMER, and MCCRERY changed their vote from "no" to "aye."

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.

GENERAL LEAVE

Mr. MOAKLEY. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on House Resolution 331, the resolution just considered and agreed to.

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

There was no objection.

BALANCED BUDGET CONSTITUTIONAL AMENDMENT

The SPEAKER pro tempore. Pursuant to House Resolution 331, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the joint resolution, House Joint Resolution 103.

□ 1214

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House for the consideration of the joint resolution (H.J. Res. 103) proposing an amendment to the Constitution to provide for a balanced budget for the U.S. Government and for greater accountability in the enactment of tax legislation, with Mr. SKAGGS in the chair.

The Clerk read the title of the joint resolution.

The CHAIRMAN. Pursuant to the rule, the joint resolution is considered as having been read the first time.

Pursuant to the order of the House of Friday, March 11, 1994, the gentleman from Texas [Mr. BROOKS] will be recognized for 2 hours; the gentleman from California [Mr. GALLEGLY] will be recognized for 2 hours; and the gentleman from Texas [Mr. STENHOLM] will be recognized for 2 hours.

The gentleman from West Virginia [Mr. WISE] is designated by the gentleman from Texas [Mr. BROOKS] to control his 2 hours.

The Chair recognizes the gentleman from West Virginia [Mr. WISE].

Mr. WISE. I yield myself such time as I may consume.

Mr. Chairman, today begins 6 hours of general debate on this subject. I appreciate the gentleman from Texas [Mr. BROOKS] designating me to control his time.

Mr. Chairman, I stand here as a supporter of an alternative amendment, and in so doing that, opposing the so-called Stenholm amendment.

Before I do that, I do want to thank the gentleman from Texas [Mr. STENHOLM], who at every step along the way has structured a fair debate. He has made sure that every point of view has a chance to be heard, and I think that during the next 2 days the country will have the opportunity to fully explore this issue.

I am delighted to be here, to have a chance to participate in this, because in much of my discussion I will be talking about the so-called Wise-Price-Pomeroy-Furse amendment that we offer as an alternative to the so-called Stenholm amendment.

Mr. Chairman, this debate is going to be very helpful for a lot of reasons. First of all, it will cause us all to be focusing on deficit reduction efforts, those efforts that have been made, as well as those that need to be made. We will hear a lot of discussion on that.

Mr. Chairman, I am very excited about this, because this debate is going to be the first opportunity I have really had in probably 10 years to talk about capital budgeting. It will be the longest-running debate we have had on this subject.

Regardless of the outcome today and tomorrow, I think that this debate is going to propel capital budgeting, that is, making basic decisions about investments for our country and how we invest our country's dollars for long-term economic return, I think it is going to put capital budgeting on the agenda and will be something revisited a great deal. Therefore, if for no other reason, I thank the gentleman from Texas [Mr. STENHOLM] for convening us here today to promote that.

This debate is going to be about how we can help our economy grow, because while there will be some who argue that deficit reduction in and of itself is a worthwhile goal, and certainly deficit reduction is important, deficit reduction without economic growth is a hollow victory. So a balanced budget amendment, if you are going to lock something into the Constitution, you have to remember that one of the goals has to be economic growth as well.

Mr. Chairman, basically the amendment that the gentleman from North Carolina [Mr. PRICE], and the gentleman from North Dakota [Mr. POMEROY], the gentlewoman from Oregon [Ms. FURSE], and myself will be offering will be significantly different from others that will be considered here over the next many hours.

First, Mr. Chairman, it will take Social Security off-budget. What that means is that Social Security, which is, in my opinion, a self-generated fund, people pay into it and they draw from it, Social Security will finally receive that protection that most of the people in this Chamber, at some time, have stood up in a senior citizen meeting and said, "We want it to happen, we want Social Security off-budget. I'm going to go to Congress and I'm going to fight for it."

By golly, if you are going to write a constitutional amendment dealing with balancing the budget, you had better protect Social Security. We will be talking more about that, I am sure, as the day goes on.

Mr. Chairman, the second provision of our amendment is that it has something that no other amendment has. That is a provision that says that capital budgets will be permitted in the context of the balanced budget amendment. We must balance our operating income, our day-to-day expenses. A capital budget does not have to be scored and accounted for in the same way.

What is a capital budget? We define it in our amendment as something that produces long-term economic growth. The first reaction, obviously, is that applies basically to physical infrastructure: roads, bridges, water systems, sewer systems.

Others would extend it further than that. Does it apply to Federal buildings, for instance, that GSA builds? Does it apply to grants that are made by the National Science Foundation for equipment that is involved in research? Does it apply to R&D, research and development?

Rather than trying to write a tight definition and accommodate everybody in a constitutional amendment, for instance, the gentleman from Pennsylvania [Mr. CLINGER] and I have a bill in, 1182, that defines capital budgeting in terms of only physical infrastructure, but takes many pages to do so. We leave it to the Congress to implement this, but with the proviso there must be long-term economic return to justify it.

□ 1220

So two significant differences already, Social Security off-budget and capital budgeting as part of our budget policy.

The third significant difference, whereas most of the other amendments that will be considered, if fact, I think all of them would require three-fifths of the body, 60 percent to vote to waive the deficit spending prohibitions in any given year, we permit only two reasons to waive those, and that would be by a majority vote, only two reasons, war or military conflict No. 1, and No. 2, recession as defined as two-quarters of negative economic growth.

So we feel that in many ways we take off the board some of the excuses that could be used to relax this amendment. Our amendment takes place in the year 2001, as I believe does the Stenholm amendment, and is fairly close to the other amendments.

I want to make some general observations about balanced budget amendments. Incidentally, I want to get it out in the open right now that I am well balanced on this issue. I have been against the Stenholm amendment in years past; I have been for the Stenholm amendment in years past. Now I am offering an alternative to the Sten-

holm amendment. So I think I have seen this one from every side, and constantly sought to reconcile the needs of deficit reduction and economic growth with what we put into the Constitution.

My first observation is this: That the easiest vote that a Member can cast on the floor over the next couple of days is to vote for a balanced budget amendment. That is an easy vote. It makes everybody feel good. They can clap, and they can cheer, and we can go home, and you can put out a press release on it.

The toughest vote, and that is the one that comes right after, is how do we implement the darn thing, how do we actually make it happen. Let me say as I get into this debate in no way as I challenge people to talk about how they would implement it, how they would take that tough vote, I want to acknowledge particularly the gentleman from Texas is one who not only fights for his balanced budget amendment, but also fights to implement it, and has been supportive of legislation in the past that would direct how it would be implemented, so I just wanted to call that to Members' attention. Putting a goal into the Constitution is one activity. That is the easy one. The hard one then comes of how do we implement it, and what are the cuts that you are willing to make, and what are the taxes you are willing to raise, what are the programs you are willing to reduce, and how is it that you are going to bring about growth.

I want to make another observation. Many people say well, it is time to pass this budget, a balanced budget amendment so that we can make the Federal Government operate just like a family does. And I am prepared to do that. I think the family budget and the Federal budget have some similarities.

But in doing that, I want to first point out that no family that I know, at least in the circles that Sandy and I run in, operates on a balanced budget in the way that the Federal Government technically is required to. I do not know about other Members, but we have a mortgage. We cannot afford to pay for our cars up front. We have to go borrow money to do that. We have to borrow money for our children's education. We think that is something that we get a long-term return on. So it is, that each of us as a family member in our budgets, separate very clearly out the dollar that is spent going to the fast food store, or standing in line at the grocery store for in effect a dollar that is spent 1 day with no direct return beyond that, versus a dollar that is spent for long-term gain, a house, an education, an automobile, whatever.

Once again, think of businesses. Businesses separate out very closely and carefully what it is that is true investment and what it is that is consumption. Wages are consumption. That is operating income. But a machine tool company that invests in a new piece of equipment that it thinks will help increase its productivity knows that is a capital investment with a long-term return. In the Federal budget we need to be doing the same with a capital budget. That mile of four-lane highway that the Federal Government puts 80 percent of their funds in to build, that is a capital investment that most people would acknowledge has a return for many, many years. That telecommunications structure, that bridge, that airport that the FAA is involved with, that water and sewer system, particularly if it links up to an industrial park that creates jobs, those are all clear capital expenditures.

But yet, under our present budget system, and under the amendments that would be considered here too, it would not be considered as a capital investment, and indeed a balanced budget amendment of the nature that others have written and will be debating today would actually I think discourage that type of investment. So if we want to bring the Federal budget in line with the family budget and the business budget, then indeed I think we need to be looking seriously at capital budgeting.

At this point we are going to be discussing it in much more detail.

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

Mr. WISE. I am happy to yield to the gentleman from Oklahoma.

Mr. INHOFE. Mr. Chairman, I thank the gentleman for yielding. I would only make the point that he draws a very close analogy between the family budget and the Federal budget. Like many of us, he does the same as I do. But when we borrow money to buy a car, and we borrow money to buy a home, does the gentleman pay it back?

Mr. WISE. I always pay it back, and I have in my income-debt service when we budget that, we know how much we owe each month and so, therefore, we write it in there. Under my proposal of capital budgeting, that amendment called debt service would be included in operating income. We are not moving these items off the budget so that they are never paid for. We are moving this debt service, what it costs each year to build them, we are including that, but we are permitting the cost of the asset to be spread out over the useful life of that asset.

Mr. INHOFE. I would suggest to the gentleman I am talking about what we have been doing, not what we are planning to do, and the difference is when government borrows the money, it does not and historically has to pay it back. It still will owe it in future generations.

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

Mr. WISE. I am happy to yield to the gentleman from Maryland.

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

Mr. Chairman, first of all, the gentleman knows where I am coming from as a cosponsor of the Stenholm amendment. But I do not want to misrepresent to the American people that the U.S. Government is currently paying its debt, period. We have always paid our debt.

The problem is it is growing very rapidly, and we continue to charge. But it would be incorrect to represent that we are not paying our debt. In fact, we are paying our debt, as the gentleman knows, to the tune of about $300 billion this year.

Mr. INHOFE. But if the gentleman will yield further, it is not incorrect to say that our debt is greater each month that goes by, and that is not what we could get by with in our family budget.

Mr. WISE. Reclaiming my time, the gentleman from Maryland [Mr. HOYER] is absolutely correct. It is true that the debt and the debt service is growing. However, the Federal Government has been paying it. The problem is that it is squeezing more and more on that budget, and it does rule out those programs and operations that perhaps the gentleman might want to be involved in, and I might want to be involved in. That is why deficit reduction is important.

At the same time, in the name of deficit reduction, I do not want to be squeezing out those investments that bring us back a greater economic return that helps our economy to grow, and indeed helps our budget process as well. That is why I think it is very clear if we are going to put into the Constitution of the United States of America a provision that we must have a balanced budget, that we have to have in it the kind of fiscal policy that encourages investment, not discourages.

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

Mr. STENHOLM. Mr. Chairman, I ask unanimous consent that my 2 hours be divided equally for purposes of control, 1 hour to myself and 1 hour to the gentleman from Oregon [Mr. SMITH].

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

There was no objection.

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

Mr. Chairman, first may I say I appreciate the spirit in which this debate has begun. I think the gentleman from West Virginia [Mr. WISE] has properly made the point regarding capital budgeting, an issue that we now will have the opportunity to focus on and discuss, and I would say at any time any Member wishes to interrupt me in my opening statement, I would be glad to

yield to them so that we can get seriously into the debate of the question before us, both the constitutional amendment and some of the other rhetoric that we will hear from time to time about what we are in fact discussing today.

Mr. Chairman, I did not come to the point of proposing an amendment to the Constitution lightly. I share the view that we should be extremely judicious in proposing changes to the Constitution. However, I have been convinced that an amendment limiting the ability of Congresses and Presidents to borrow money is a necessary and appropriate addition to the Constitution. I believe that our sustained deficits are the result of a fundamental change in the operation of our Government and that limiting our ability to borrow money represents that type of timeless principle that should be enforced in the Constitution. I believe that the balanced budget amendment meets these tests of principle and timelessness.

There has been a fundamental change in the understanding of the role and responsibilities of the Federal Government under the Constitution since it was first adopted. As Dr. William Niskanen noted in testimony before the House Budget Committee in 1992, the Constitution grants to Congress relatively few powers that involve the potential for significant expenditures. The Framers clearly believed that this would serve as a check on the size of Government.

The fiscal Constitution limiting the activities of the Federal Government, combined with the unwritten moral imperative to balance the budget, made an explicit limitation on the ability of the Government to borrow money redundant.

The revolution in Constitutional and economic policy that came with the New Deal effectively eliminated these checks on Federal expenditures. Without the checks provided by a strict interpretation of the enumerated powers, Congress created numerous programs that have placed tremendous pressure on the Federal budget and brought us to where we are today. The Framers of the Constitution could not have foreseen these circumstances, since they believed that they had explicitly limited the scope of the Federal Government.

Today, a constitutional amendment restricting the ability of the Government to borrow money is an appropriate response to this dramatic change in the public perception of the appropriate role of Government.

The threat of economic and political harm from continued deficit spending is the type of governmental abuse appropriately proscribed by the Constitution. This point was made by Thomas Jefferson, who said:

> The question whether one generation has the right to bind another by the deficit it imposes is a question of such consequence as to place it among the fundamental principles of government.

Even Prof. Laurence Tribe of Harvard, a leading opponent of the amendment, told the Senate Budget Committee in 1992 that "The Jeffersonian notion that today's populace should not be able to burden future generations with excessive debt, does seem to be the kind of fundamental value that is worthy of enshrinement in the Constitution. In a sense, it represents a structural protection for the rights of our children and grandchildren."

House Joint Resolution 103 is based on exactly the same principle as the rest of the Constitution: It would protect the fundamental rights of the people by restraining the Federal Government from abusing its powers.

One of the main purposes of the Constitution was to put certain rights and powers beyond the reach of the tyranny of the majority.

Senator BYRD recently made an eloquent statement on behalf of this principle, stating that:

> There have come times when the protection of a minority is highly beneficial to a nation. Many of the great causes in the history of the world were at first only supported by a minority. And it has been shown time and time again that the minority can be right. So this is one of the things that's so important to the liberties of the people.

This amendment is very much within that spirit. Requiring a higher threshold of support for deficit spending will protect the rights of future generations who are not represented in our political system but will bear the burden of our decisions today. The fundamental premise of the amendment can be summed up by a single sentence: The ability to borrow money from future generations is a power of such magnitude that should not be left to the judgments of transient majorities.

George Will, one of the many former opponents of the balanced budget amendment who are now supporting it, wrote in November of last year:

> A system that selectively enhances the leverage of intense minorities is not inherently violative of the morality of democracy. And morally dubious things should be difficult to do. Given the tendency of our democracy to impose taxation without representation—deficit spending, which saddles the unborn with debts, amounts to that—it is proper to empower a minority to inhibit abuses by the majority.

Those who focus on the difficulty of achieving a three-fifths majority to deficit spend are missing the point of this amendment. They are still stuck in the status quo, still focused on what's necessary to run a deficit. Those who raise concerns about how the BBA would "undermine majority rule" imply that imposing debts on future generations is just another ordinary policy decision like every other one that is appropriately left to simple majority. The possibility of a three-fifths debt limit vote is a deterrent. Facing it is so undesirable that Congress and the President generally would do anything to avoid it—even balance the budget.

This amendment does not represent the end of majority rule. A minority would have leverage in exactly one instance: When the majority abdicates its responsibility to produce a balanced budget. In that case, a 60-percent supermajority would have to go on record to approve a deficit. The amendment does not affect the ability of a majority to spend on programs it deems important and to set budget priorities as it sees fit.

Some legitimate questions have been raised about how this amendment will be enforced. We have answered these concerns completely in previous debate on the amendment, and will do so in this debates as well.

House Joint Resolution 103 is self-enforcing through the three-fifths majority required in Section 1 to authorize outlays in excess of receipts and through the requirement in section 2 for a three-fifths vote to raise the limit on the debt held by the public. No matter what accounting techniques are used to depict a balanced budget, and regardless of any "rosy scenario" economic assumptions, smoke and mirrors, or honest estimating mistakes, if actual outlays exceed actual receipts, the Treasury ultimately would need to borrow in order to meet the Government's obligations. This would require three-fifths votes in both the Senate and House to raise the debt limit.

The threat of a "train wreck" on the debt limit provides a powerful incentive for truth-in-budgeting, because Congress and the President could not escape the consequences of policies that increased the debt.

The courts will have an extremely limited role in enforcing this amendment if both Congress and the President abdicate their responsibilities. Assuming that Congress does not address this issue in implementing legislation, which is extremely unlikely, the courts would be limited to finding individual acts of Congress unconstitutional and to restraining the executive from some action that would violate the amendment. The separation of powers doctrine and a long line of judicial precedents make it clear that courts would leave the policy decisions on how to comply with the amendment to the political branches.

Members of Congress and the President do take seriously our vow to uphold the Constitution. Once the principle that we should not be able to burden future generations with excessive debt is enshrined in the Constitution, it will be clear whether or not Congress and the President have met their obligation established by this amendment. The public will hold accountable any official who ignores this constitutional

mandate. This accountability will provide the ultimate enforcement of the amendment.

Mr. Chairman, we need something to force us to do what we know is necessary. I wish I did not have to stand here and say that, but I believe in my heart that it is the truth.

I urge support of House Joint Resolution 103.

□ 1230

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

Mr. GALLEGLY. Mr. Chairman, I yield 8 minutes to the gentleman from New York [Mr. FISH], who has served this House honorably for 26 years, and who much to the regret of almost everyone in this House, yesterday announced his retirement.

This gentleman has been a tremendous help to me, in the time that I have served in Congress, as our ranking member of the Committee on the Judiciary. He is a true gentleman and a friend of the entire Nation.

Mr. FISH. Mr. Chairman, I thank my colleague, the gentleman from California, for his generous remarks.

Mr. Chairman, on three prior occasions—in 1982, 1990, and 1992—supporters of a balanced budget amendment in this body mustered lopsided majorities but fell short of the two-thirds affirmative vote the Constitution requires. This week, as we revisit a critically important issue, I look forward to my fourth opportunity to vote for the balanced budget constitutional amendment—recognizing with regret that the need for constitutional change is greater than ever.

The $1.1 trillion Federal debt at the end of fiscal year 1982 will reach approximately $4.7 trillion by the end of fiscal year 1994—a fourfold increase since we first debated the balanced budget amendment on this floor. Our failure to act more expeditiously has greatly exacerbated the heavy burden our enormous national debt imposes on our children and grandchildren. When we shirk our responsibility to pay our own bills, we unfairly transfer the costs of our self-indulgence to our descendants.

Decisions to amend the Constitution must not be made lightly. If a legislative remedy exists, that obviously is preferable to a change in our fundamental charter. Some have argued over the many years of this debate that we should utilize the legislative process to balance the budget before resorting to a constitutional amendment. We have tried that repeatedly. Legislation has not worked.

The national debt has continued to climb in spite of the 1974 Budget Act, the 1985 Gramm-Rudman-Hollings Act, the 1990 Budget Reconciliation Act, and the 1993 Budget Reconciliation Act. Congress waived the constraints of the Budget Act hundreds of times. The experience with Gramm-Rudman-Hollings provided strong evidence that Congress encounters virtually insurmountable pressures to circumvent deficit ceilings when those ceilings lack constitutional status.

In the fall of 1990, Congress completed an arduous effort to come to grips with the deficit, cutting approximately $500 billion over 5 years, only to see the deficit rise in the next fiscal year. Last summer, Congress enacted legislation the administration argued would reduce the deficit by a similar amount—roughly half a trillion dollars—during the 1994-98 period. Even taking such claimed savings into account, OMB estimates the national debt will reach $5.953 trillion by the end of fiscal year 1998, more than five times the level of just 16 years earlier, and an increase of $1.277 trillion during the 4 fiscal years beginning this October. Although the Congressional Budget Office anticipates relatively flat deficits in the $166 to $182 billion range during fiscal years 1995 through 1998, steep increases thereafter are projected even with the steps Congress has taken to date to address the decifit.

A balanced budget amendment is essential to overcome the current free spending habit of the Congress. It is far easier for an individual legislator to vote for spending increases than it is to support a balanced budget. Those who advocate spending for particular programs are in a stronger position to influence Congress than those who seek to restrain the growth of spending.

A new or expanded program may have a major impact on a particular constituent group. The advocates of spending possess a focused interest that facilitates action—in contrast to the more diffuse public interest in resisting specific increases in expenditures. It is for this very reason that I support—as a needed enforcement mechanism—a line-item veto tailored specifically to this amendment.

The problem, of course, is that projects may add little to the deficit—when viewed in isolation—but have a major impact when viewed collectively. The balanced budget constitutional amendment, by making it more difficult to engage in deficit spending, encourages Members of Congress to view the overall consequences of particular spending decisions. The proposal is to require a three-fifths vote of each House, of its total membership, before outlays may exceed receipts.

An amendment making it more difficult for Congress to disregard balanced budget principles is an appropriate addition to our Constitution. The Framers accepted the concept of a balanced budget and could not have foreseen late 20th century America's excessive reliance on deficit spending. The balanced budget constitutional amendment is an expression of our Nation's recognition that Government should spend within its means—a value our constitutional Founders shared.

Economic matters clearly fall within the Constitution's purview. The treatment of interstate commerce, taxation, and property rights provide examples of a constitutional design that gives substantial attention to economics. The argument that our Constitution must maintain neutrality on economic issues disregards the reality of a Constitution that incorporates economic rules. An expression of preference for adherence to balanced-budget principles would have sounded superfluous two centuries ago—but is far from superfluous today.

A constitutional amendment protects future generations, those who will bear the burden of an increased public debt but who cannot participate in decisions to increase that debt. The requirement of a three-fifths vote of the total membership of each House to increase the public debt represents a recognition of the impact of debt increases on generations unrepresented today in our political institutions. Laws increasing the public debt should reflect a broader consensus of our society than ordinary legislation.

The constitutional amendment that I am prepared to support will help rather than hinder our national capacity to maintain essential programs for older Americans. By bringing the rapidly increasing national debt—and mushrooming interest payments—under control, we relieve pressures to curtail Social Security and Medicare benefits. We also provide protection against the erosion of benefits that can accompany a future inflationary cycle.

The balanced budget constitutional amendment should require a three-fifths vote of the total membership to increase taxes. Such provision is appropriate to discourage reliance on tax increases alone to bring the budget into balance.

The United States undoubtedly will confront situations justifying departures from the norms that underlie this constitutional amendment. The proposed amendment does not bar deficit spending, public debt increases, or new taxes, but rather incorporates special voting requirements in order to do so. In a national emergency or period of economic dislocation, the proposal should contemplate that Congress will vote to take the appropriate action—whether that involves engaging in deficit spending, raising the debt ceiling, or altering the tax burden. The important point is that decisions to deviate from economic norms will be made—in the national interest—with greater care and thoughtfulness.

The understandable reluctance to amend the Constitution, if legislation will solve a problem, must now give way, in my view, to a recognition that legislation has not prevented astronomical increases in the national debt.

I call upon those who have been skeptical about such an amendment in the past to join with me now in supporting constitutional change. We simply cannot afford to lose more ground in our effort to bring Government spending under control.

□ 1240

Mr. PRICE of North Carolina. Mr. Chairman, I yield myself such time as I may consume.

First, Mr. Chairman, I want to join my colleague from California in paying tribute to our friend, the gentleman from New York [Mr. FISH] in saluting him for his years of distinguished service and saying how much we will miss him around here. I also welcome his contribution to this debate.

Mr. Chairman, as we begin general debate, it is critical that we remind ourselves of some of the basics. What is the purpose of deficit reduction, after all, and of budget policy in general? We need, of course, to reduce the deficit. Equally important, we need to redirect spending into investments in areas that will pay off for our country in the future. Reduce spending, and redirect spending.

Now, the budget deficit that we are running frustrate both goals and, in devising a remedy, we have got to take care that we address them both in a credible way.

The Federal budget deficit squeezes out private and public investment, and it does so directly and indirectly. It not only soaks up our Nation's savings, but it also forces trade-offs between popular consumption expenditures and long-term investments as we write the Federal budget each year. The Stenholm version of the balanced budget amendment, I fear, could make that situation worse, given the political appeal of entitlements. We all can attest to that.

So we need to ask ourselves: Is there a way to devise a balanced budget amendment that, while it would result in reduced spending, would also encourage and enhance investment? The answer, I believe, is the alternative amendment which Mr. WISE, I, and other members have developed.

Now, our amendment, like the Stenholm amendment, would require that the Federal budget be balanced by the year 2001. Like Mr. STENHOLM, we would require the President to submit a balanced budget for each fiscal year, and we provide for waivers when a declaration of war is in effect or when there is an imminent or serious military threat to national security or in cases of severe economic downtown.

But there are key differences between our amendments. We place the Social Security surplus off budget, thus ending a loophole that would hide the true magnitude of the Federal deficit. Our proposal would help insure the integrity of the Social Security trust fund as opposed to using the near-term surplus to make the deficit appear smaller than it actually is.

As we move to pass a constitutional amendment requiring a balanced Federal budget, we have got to make certain that Social Security is not jeopardized because politicians clamoring for a balanced budget amendment are unwilling to make the tough decisions required to actually achieve balance. We cannot hide behind that short-term Social Security surplus.

The Wise-Price-Pomeroy-Furse amendment also provides for distinguishing between the operating costs of Government and key capital investments. Most States that have a balanced budget amendment provide for the financing of key capital investments, like roads, schools, and sewer systems. States provide this exemption for a very good reason: They know that these investments have a long-term benefit to the residents and the economy of the State. And it is foolish not to make these investments.

Like families who take out a mortgage to finance a home, capital budgeting permits a Government to finance investments providing long-term economic returns.

In our amendment we also require the Federal Government, like a family or like a State, to pay back those investments over time. This is a sensible provision, and it is also much stronger than the capital budgeting provision in the Reid proposal in the Senate which allowed for the financing of investment but did not credibly provide for annual principal and interest payments to be included in the operating budget.

Our amendment, unlike the Stenholm proposal and other proposals, preserves the principles of majority rule. It is incomprehensible to me that requiring a three-fifths' majority to increase taxes or to raise the debt ceiling could be viewed as sound budget policy. We all know this stipulation would increase the ability of a small minority of Members to hold policies hostage, to extract political favors for themselves.

As Al Hunt of the Wall Street Journal has agreed, "This minority rule has the effect of decreasing accountability, increasing the influence of special interests, and creating a general chaos that serves neither the politicians nor the people well."

This rings true, does it not, for any of us who have endured in this Chamber the posturing that too often has a accompanied our debt ceiling votes?

I agree that we must set high standards for any breach of a balanced budget, but we can do it in a way that does not create the problems foreseen by Mr. Hunt and does not violate the principles of majority rule.

□ 1250

Under the Wise-Price-Pomeroy-Furse proposal, the requirement could only be breached in time of war, a threat to national security, or an economic recession. These waivers would not be automatic. Congress would have to pass and the President agree to these waivers, preserving accountability. Unlike the proposal of the gentleman from Texas [Mr. STENHOLM], in times where these emergency conditions did not apply, no waiver would be possible, by three-fifths vote or otherwise.

So, these waiver requirements are more stringent than those contained in other proposals.

The Reid amendment in the Senate allowed for an automatic exemption in time of economic recession or war. Furthermore, the Reid amendment provided, like the Stenholm amendment, a waiver from the requirement of a balanced budget anytime three-fifths of the Congress agreed. Our amendment removes this supermajority loophole, allowing no exemption whatsoever except under carefully defined circumstances.

In closing, I know that today we will hear a lot about the Wise-Price-Pomeroy-Furse amendment providing political cover for Members.

Our opponents are already saying that to the press. Well, I just want to say very clearly that the only people who are getting political cover from any of the balanced budget amendments are those who tend to go AWOL when it actually comes time to cut spending and reduce the deficit. Let me be perfectly candid, and I think this is an astounding figure:

Of the 262 cosponsors of the Stenholm amendment, fully 207 were not there when it counted on August 5. They were a.w.o.l. when the time came to actually reduce the deficit, to put an ambitious 5-year deficit reduction plan in place.

Now some of these Members had earlier voted for a weaker alternative offered by the gentleman from Ohio [Mr. KASICH] which would have reduced the deficit by $70 billion less, but on that earlier vote, Mr. Chairman, 65 of the cosponsors of the balanced budget amendment voted against both the Democratic and the Republican plans.

We are making progress on the deficit, but no thanks to these Members. Remember, it was just a year ago that the 1995 deficit was projected at over $300 billion. The projection now is something like $170 billion. Not good enough, but more progress than we've seen in a long time. The way to achieve that kind of progress is to make the tough votes, the kind of votes we had last summer. The only people who need political cover from a balanced budget amendment are those who are not willing to make those votes, those who, when it came time to break gridlock and to make the difficult decisions, were not to be found.

So, Mr. Chairman, in closing I urge my colleagues to support the Wise-

Price-Pomeroy-Furse amendment. It builds in a constructive way on the work of the gentleman from Texas [Mr. STENHOLM]. We know that he has labored for many years with great dedication on this issue. We have learned from him. We track his language in several areas. But we also correct what we honestly believe to be deficiencies in his approach: In dealing with Social Security, in discouraging long-term investment, and in permitting violations of majority rule. These are, we believe, serious problems. We believe we have corrected them while retaining the basic constitutional discipline to put and keep our fiscal house in order.

Mr. Chairman, I look forward to this debate as an opportunity to explore these issues, and I urge a vote in favor of the Wise-Price-Pomeroy-Furse amendment as the best mechanism before us for successfully combining these crucial dual goals of deficit reduction and responsible investment.

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

Mr. SMITH of Oregon. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as the principal Republican sponsor of House Joint Resolution 103, I rise in support of a Constitution amendment to require a balanced Federal budget.

When I came to Congress in 1983, I was concerned that deficit spending was hampering economic growth, burdening our children with mountains of debt, and limiting our potential to provide an opportunity for prosperity and the American dream to everyone.

So I joined my friend and our former colleague Senator LARRY CRAIG—who is now leading the charge in the Senate—in taking on the balanced budget amendment, which the respected Barber Conable had advocated for many years.

A few years later we were joined by CHARLIE STENHOLM. In offering the amendment before us today, CHARLIE and I are joined by OLYMPIA SNOWE, JIM INHOFE, L.F. PAYNE, and JOE KENNEDY. Together we have constructed, along with Senator ORRIN HATCH and Senator PAUL SIMON, a broad, bipartisan, bicameral coalition in support of this amendment. I am proud of that effort, whatever the outcome of tomorrow's vote.

Mr. Chairman, in 1983, I was shocked and angered that Congress had allowed the accumulation of a $1 trillion debt. Today, with the debt rapidly approaching $5 trillion—I am that much angrier. I am particularly angered by the cavalier attitude Congress has displayed in assuming it has the right to burden future generations with massive debt.

This country, and this Congress, are not supposed to be about the game of chasing down pork, grabbing what we can, and damning our children with our irresponsibility. We are not operating in a vacuum—our actions have consequences.

Many of my colleagues have joined in mocking Congress' appetite to spend, and we've even been able to pass a few laws requiring Congress to curb spending. Since 1982, we've passed five balanced budget statutes. But each time we were faced with the choice of cutting spending to meet statutory deficit targets or waiving the statute—Congress waived and spent and waived and spent.

We didn't learn from Gramm-Rudman, we didn't learn from the 1990 budget summit, and we certainly haven't learned from the Clinton plan—Congress simply cannot balance the budget by chipping away at discretionary spending and raising taxes. In fiscal year 1994, discretionary spending will comprise only 37 percent of the Federal budget. By 1999, it will make up barely 30 percent of the budget, at which time mandatory spending will engulf 70 percent of the budget.

In addition, the Congressional Budget Office estimates the annual deficit will rise to nearly $300 billion by 2002. Clearly, even with the passage of the Clinton tax plan hailed by many of my Democratic colleagues, deficits can only be controlled if the runaway growth of mandatory spending is addressed. Only a balanced budget amendment will force Congress to find the political will to make the comprehensive spending reforms necessary to balance the Federal budget.

Today, the need for a balanced budget amendment is as great as it has ever been. During this debate, many of our opponents will argue that the deficit is declining to a manageable level and that there is no need to change the Constitution. Well, if the deficit was projected to remain at a manageable level, I might agree. However, as this chart illustrates, the sea of red ink, which may be suffering from a temporary drought, will continue to overflow near the turn of the century under current trends.

Yet, we will hear the same tired criticisms of our amendment. We will hear that it would end the Social Security system as we know it, that it is unenforceable and would give the courts too much authority, that it would strait jacket our ability to make economic policy, that it would force dramatic and immediate reductions in Government programs and services, and that we don't need the amendment because we can make the tough choices on our own.

These numerous, misleading, and often conflicting arguments basically boil down to two points: First, the amendment won't work, or second, it would be so draconian it would be worse than deficit spending itself. Mr. Chairman, I fail to see how something that won't work can be draconian. That contradiction aside, the opponents are wrong on both counts.

Opponents know it would work, and that is why they oppose it. Prior to the Senate debate last month, the White House invited several special interests, including those who represent agriculture, to come in and discuss the perils of the balanced budget amendment. The agricultural groups were informed by the White House staff that if the balanced budget amendment were to pass, funding for their programs would be slashed to the bone.

However, in a November 5, 1993, letter to Speaker FOLEY in which President Clinton outlined his opposition to the balanced budget amendment, he said, and I quote:

> We must reject the temptation to use any budget gimmicks to hide from the specific choices that are needed for long-term economic renewal.

Well, which is it—an ineffective gimmick or a draconian machete?

In the midst of these conflicting criticisms, we do know there is at least one Presidential adviser who acknowledges the need for the balanced budget amendment—refer to chart with Gergen article. I just wish Mr. Gergen was not helplessly outnumbered.

The balanced budget amendment will not cause the sky to fall, and it will work. Our amendment would not be effective until fiscal year 2001 or 2 years after ratification, whichever is later. It would be fundamentally dishonest to suggest that it would be impossible for Congress to responsibly reach a balanced budget over the next 7 years.

But make no mistake about it: balancing the budget will require discipline, and it will require tough choices. Without the amendment, these choices will never be made. The rejection of the bipartisan Penny-Kasich and Kerrey-Brown proposal emphasize this discouraging reality.

Above all, the balanced budget amendment will change the psychology of how we do business. The typical big spending, pork-barrel way will be reformed. Unlike the way we operate today, the bill will come due. Gone will be the time-honored practice of grappling for every scrap of pork you can find. The new measure of effectiveness will be how much you can save, not how much you can spend.

Mr. Chairman, when the dust settles, there will be two clearly defined sides in this debate—there will be the side of special interests, the status quo, and the irresponsible, pork barrel spending that got us into this mess. Or there will be the side of our children, our grandchildren, and the generations to follow them, to whom we have already left a $4.5 trillion debt.

If you support the balanced budget amendment, you will be in good company. Not only is the amendment supported by a bipartisan majority of both the House and Senate, polls have consistently indicated that over 70 percent of the American people support a balanced budget amendment.

Mr. Chairman, I wish there were another way to compel Congress to balance the Federal budget. Sadly, there is not. Only a constitutional mandate will provide the courage to attack our chronic institutional spending problem. I urge my colleagues to support the Stenholm-Smith balanced budget amendment to the Constitution.

□ 1300

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

Mr. GALLEGLY. Mr. Chairman, I ask unanimous consent to yield 30 minutes of the time allocated to me to be controlled by the gentleman from Oregon [Mr. SMITH].

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

There was no objection.

Mr. SMITH of Oregon. Mr. Chairman, I yield 5 minutes to the gentleman from Oklahoma [Mr. INHOFE], who has been one of the cofounders and inspirational leaders of the balanced budget amendment, not only in his own State but across the Nation.

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

Mr. Chairman, we are going to be talking about a lot of things that will be redundant. I want to cover five things that I don't think others will be covering.

First of all, this body, whether we like it or not, is going to have to start listening to the American people, and the American people on this subject have very clearly demonstrated what their feelings are.

I have a Penn-Shore poll that was scientifically conducted of over 1,000 adult Americans that comes to this conclusion. I would like to have all my fellow Members who are going to be making a decision as to how they are going to vote on this listen to this. It asks the question: How likely would you be to support a candidate for Congress who supports a balanced budget constitutional amendment? The results were 72 to 13. And when adjusted for those with no comments, 82 percent of the people in America who understand clearly what a balanced budget amendment is said they would be more likely to support Members of Congress who support a budget-balancing amendment.

There are a lot of people who do not believe that. I can remember a very fine young woman who served in this Chamber from the Second District of Missouri, Ms. Horn, who campaigned on a balanced budget, but who changed her mind during the time she was in this environment and she decided to vote against it in 1992.

Ms. Horn is not with us anymore, and that contributed to her defeat. That is going to happen to several other Members.

I would like to suggest that there is a lot of discussion about senior citizens. I think I have attended as many or perhaps more town hall meetings on an annual basis than most Members of Congress, and a lot of senior Members come to these meetings. When I tell them about the real issue, they say they are supportive of a balanced budget amendment.

This is a publication of the Senior Coalition that came out where they talk about the three steps to save Social Security: pay-as-you-go, independent agency, and the third step, which they actually have listened as No. 1, is a balanced budget amendment to the Constitution. The point is this: Currently 40 percent of all the income tax that is paid in this country is paid to service the debt that we have created so far, I realize there will not be enough money left over if we do not take fiscal steps.

The third thing I want to mention is a misconception, and that is that only Republicans or conservatives are concerned about a balanced budget amendment. Let us keep in mind that the Senate author of Senate Joint Resolution 41 is Senator PAUL SIMON, who is certainly not a conservative Democrat. He is a moderate-to-liberal Democrat, and he has carried the charge over in the Senate. Certainly on our side, the gentleman from Texas [Mr. STENHOLM] is not a Republican; he is a Democrat. Many individuals who are liberals realize that the only way we are going to have revenues to spend on the great needs that we have is to discipline ourselves fiscally. In fact, I suggest those Members who are liberals looking for an excuse to vote for this should go back and read an article by a Tokyo economist in the publication entitled "The International Economy." The name of that is "America's Budget Deficits, They Redistribute Income to the Rich."

The fourth point I want to bring out is this: Let us not just talk about the wisdom of the American people. Let us look at people who do this for a living, people who are the leading economists in this country. I have a list here of the 250 leading economists in this country. There is one from a university in every single State that is represented here in the U.S. Congress, and they come to the conclusion that the only way we are going to be able to balance the budget is to discipline ourselves fiscally through a constitutional amendment, because we have demonstrated over the past 40 years that we are incapable of doing it without that.

□ 1310

The last point I want to make is one that is the moral issue. You know, the gentleman from Texas [Mr. STENHOLM] quoted Thomas Jefferson a few minutes ago. But he did not go quite far enough, because I want to give another quote that Thomas Jefferson made. If you remember, Mr. Chairman, in your history lessons, Thomas Jefferson was not in the United States during the Constitutional Convention. When he came back to the United States and he looked at the product that came out, he said:

> If I could add one amendment to the Constitution, it would be to prohibit the Federal Government from borrowing money. We should consider ourselves unauthorized to saddle posterity with our debts and morally bound to pay them ourselves.

Finally, Mr. Chairman, let me introduce, since you would like to know these two individuals, the one on the left is Glade Inhofe, and the one on the right is Maggie.

Mr. Chairman, studies show that somewhere between 45 and 70 percent of the lifetime income of my two grandchildren and all others who are born at this time will be used to service the national debt. This is not a fiscal issue we are dealing with today. This is clearly a moral issue.

Mr. WISE. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Oregon [Ms. FURSE], a cosponsor of the Wise-Price-Pomeroy-Furse substitute.

Ms. FURSE. Mr. Chairman, I rise today in support of the Wise-Price-Pomeroy-Furse constitutional amendment to balance the budget.

As a new Member of Congress, I came to Washington determined to help get the Nation's fiscal house in order. But after a little more than a year, I am not convinced that with the current state of politics, we have either the will or the courage necessary to accomplish this goal. Yet, Mr. Chairman, we must accomplish this goal. Nothing less than the economic security of our children and our country is at stake.

I believe that one of the very prominent reasons that we in the freshman class came to this Congress was to do something about reducing the deficit. And we have made some progress. As a result of the deficit reduction agreement I supported this fall and the 1995 budget resolution I voted for last week, the deficit is at its lowest level in years.

But I am increasingly frustrated by the unwillingness of many Members of Congress to cut unnecessary spending and make the choices needed to balance the budget. Some of those who refuse to cut this unnecessary spending are outspoken deficit hawks. They talk regularly about cutting deficits, but when they are given real opportunities, they often turn aside.

Last week there was an amendment before this House to keep the Defense Department budget from growing by $2.5 billion. That was additional to the budget we agreed on. I was stunned when that amendment did not pass. In this day and age, there was no justification for any increase in that

budget. In my view, $262 billion was enough.

Now, Mr. Chairman, I sometimes believe that if our foremothers had been involved in writing the Constitution, we might have had a balanced budget in it, because women are so often involved with trying to keep their families living within their budgets.

So for those reasons, the reasons I have stated, I have concluded that we must amend the Constitution to require a balanced budget, and I am very reluctant to tamper with this most sacred document. But it seems that we have no other choice.

My plan, however, will make some critical differences with the amendment offered by the gentleman from Texas [Mr. STENHOLM]. First, the Stenholm amendment does not take the Social Security trust fund off the budget and away from deficit calculations. If his amendment were to pass, senior citizens in Oregon alone would lose about $1,000 each year. My amendment would protect that most vulnerable group of citizens, these senior citizens, and it is a more honest measure of the deficit.

I would like to put it this way. It is not really right or particularly honest to take Social Security out of the budget because it masks the fact—because there is a surplus in the Social Security budget, it masks the fact that the deficit is in fact larger than we like to calculate.

In other words, if you take Social Security out, as we do in our amendment, we are much tougher and much more fiscally responsible, while we still protect the benefits of millions of older Americans who earned those benefits through their own hard work.

There is another important distinction in the Wise-Price-Pomeroy-Furse amendment, and that is, I believe more and more as I work in this body, that the Government needs to operate more like a business.

Now, businesses routinely borrow money if it is for a long-term investment, something that will give something back, that will increase future profits. I quite frankly do not know of any business, whether it is Intel Corp., the largest employer in my district, or my own small vineyard that I operate with my husband, that does not believe in investing, in investing some money in something that will return in long-term benefit. When you buy a house, when you send your children to college, you do so because you think that is an investment, that is something that I will get something back from in a long-term way, that there will be a real economic benefit.

The Stenholm amendment precludes the Government from borrowing funds for capital, and it renders it nearly impossible to make cost-effective investments. Our amendment even ensures that the Federal Government uses sound business practices by establishing a capital budget, requiring that long-term investments be paid for over their useful life.

I would like to quote right now from the New York Times an editorial where, in fact, they opposed a balanced budget amendment, but they said, "No rational business or government would balance a budget this way." They are talking about taking capital investment out. "Businesses borrow to invest. Even States required to balance their operating budgets borrow for capital investment."

It seems sensible to me if we are looking for change, we should look first at successful models. I looked to my own constitution, the Oregon Constitution, which was written, I should add in 1859. It includes an exception for capital expenses. Our amendment would allow Congress under a majority vote to temporarily waive the balanced budget requirement in the event of only two things: war and a recession of two terms, two quarters.

Under these and only these two circumstances, could the Federal Government run a deficit, and in this regard, I believe that our amendment is even tougher than the gentleman from Texas, Mr. STENHOLM's.

Ultimately, the amendment will force the Congress to make the choices necessary to balance the budget. States and local governments have done this for years. In other words, the Wise-Price-Pomeroy-Furse amendment will force Congress to do what it is elected to do. It will put our economic house in order and provide the Nation with a secure economic environment for decades to come.

Mr. Chairman, I urge the adoption of the Wise-Price-Pomeroy-Furse amendment.

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

Mr. Chairman, I thank the gentlewoman from Oregon [Ms. FURSE], who has been instrumental in crafting this. I would note for Members that you should have hand delivered to your office the latest copy of the amendment that we will be offering tomorrow. Additionally, we will be asking that there be printed in the RECORD for tomorrow as well a copy of our balanced budget amendment. Third, we should have copies here at some point on the table that Members can pick up. So I would urge Members to scrutinize this carefully.

Mr. Chairman, I include a copy of our amendment for the RECORD.

AMENDMENT TO H.J. RES. 103 OFFERED BY MR. WISE OF WEST VIRGINIA

Strike all after the resolving clause and insert the following:

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

"ARTICLE

"SECTION 1. Total outlays of the operating funds of the United States for any fiscal year shall not exceed total receipts to those funds for that fiscal year.

"SECTION 2. The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect. The provisions of this article may be waived for any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security and is so declared by a joint resolution, adopted by a majority of the whole number of each House of Congress, that becomes law. If real economic growth has been or will be negative for two consecutive quarters, Congress may by law, passed by a majority of the whole number of each House of Congress, waive this article for the current and next fiscal year.

"SECTION 3. Not later than the first Monday in February in each calendar year, the President shall transmit to the Congress a proposed budget for the United States Government for the fiscal year beginning in that calendar year in which total outlays of the operating funds of the United States for that fiscal year shall not exceed total receipts to those funds for that fiscal year.

"SECTION 4. Total receipts of the operating funds shall exclude those derived from net borrowing. Total outlays of the operating funds of the United States shall exclude those for repayment of debt principal and for capital investments that provide long-term economic returns but shall include annual principal and interest payments for borrowing on capital investments. The receipts (including attributable interest) and outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund shall not be counted as receipts or outlays for purposes of this article.

"SECTION 5. Congress shall enforce and implement this article by appropriate legislation, which may rely on estimates of outlays and receipts.

"SECTION 6. This section and section 5 of this article shall take effect upon ratification. All other sections of this article shall take effect beginning with fiscal year 2001 or the second fiscal year beginning after its ratification, whichever is later.".

□ 1320

Mr. STENHOLM. I yield 5 minutes to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Chairman, I rise today to support an amendment to the Constitution to require a balanced budget. Quite simply, I believe that our obligation to future generations—to our children and grandchildren—requires this action of us today.

Year after year people stand here and claim that this amendment is not required. I know, I used to be one of them. It is true that this amendment will not in and of itself create a balanced budget—any more than the Constitution of the former Soviet Union, which guaranteed its citizens freedom of religion, created that right for any Soviet citizen.

The bottom line is that it will take the collective will of this House and the other body, joined with that of the President to accomplish a balanced budget. It will take the collective will

of the American people to abide by the decisions necessary to accomplish a balanced budget. It will take our collective backbones to make what will be a statement of national policy a reality.

But with that policy clearly ennunciated in our Constitution—I believe our backbones will find a stronger pillar from which to support the heavy lifting that will be required to accomplish this goal.

There is no question that we have taken significant action under the leadership of President Clinton to reverse the dramatic increasing deficits the country suffered under Presidents Reagan and Bush. I supported that effort and am proud of the results—a stronger economy, increasing jobs, lower interest rates and controlled inflation.

But the bottom line is that in 1993 gross interest payments alone consumed 57 percent of all personal income taxes and these payments were five times higher than all of the money we spent on education, job training and employment programs combined. And though we have reversed the growth in our annual deficits—they still continue—as does the tax burden they place upon your children and my grandchild.

Thomas Jefferson said: "I place economy among the first and most important of Republic virtues, and public debt as the greatest of dangers to be feared."

Jefferson, along with our founders like Madison and Hamilton, agreed that the rights of the minority must be protected against the tyranny of the majority. Our system of government is replete with protections for the minority of the present.

Why Jefferson saw public debt as the greatest danger to be feared was because he realized that future generations were even more vulnerable to abuse than the minorities of the present—because they were disenfranchised. As silent sufferers, unable to join the debate of today, they would be uniquely vulnerable to the ability of the majorities of the present to commit and spend their resources of the future. We've done that, we need to stop it.

As someone who suffered under a system of Government that enforced taxation without representation, Jefferson saw public debt as the ultimate intergenerational expression of that tyranny and one which should be avoided and rejected.

I support the Wise amendment's provisions on capital budgeting. I will also vote in support of the amendment by Mr. STENHOLM of Texas.

I do that because I agree with the gentleman from West Virginia that it is fair to ask future generations to pay for assets that they too will enjoy. An aircraft carrier will protect my granddaughter's freedom tomorrow as well as it does my own today, and therefore it is fair that she pay for a portion of that security. What is not fair is that we spend today her earnings of tomorrow; that we undermine the discretion that she and her generation deserve in their future to apply their future to apply their future to apply their resources as they see fit, not simply to pay our debts and transfer their money to us in our older years. That my colleagues, is the immoral, irresponsible, undisciplined evil of which Jefferson spoke.

Simply put, it is not fair that she be taxed tomorrow for what we enjoy today.

I do not agree with those who hold that capital budgeting is a loophole through which we gut the goal of a balanced budget. The Congress shall establish in law what capital budgeting will be.

And I believe that we can draw that definition narrowly enough to ensure that only physical assets with a lifetime greater than 10 or more years shall be included in such a definition.

Mr. Chairman, more than 2 to 1 Americans feel deficit reduction is more important than short term spending to boost the economy. And the General Accounting Office said it best in their 1992 report on the budget. They said: "Inaction is not a sustainable policy."

We need to act. And in acting, we will give the greatest gift to our children and grandchildren that we could ever give—the security of knowing that they have the ability and the resources to face whatever problems they may confront in their own time. What a wonderful gift for them to know that when they need to turn to the wealth of America in time of need they will not find it has been robbed and pillaged by their parents and grandparents. We owe them no less.

Support the balanced budget amendment to our Constitution.

We need this amendment, Mr. Chairman. I hope it passes.

I want to congratulate both the gentleman from Texas [Mr. STENHOLM] for his leadership and the gentleman from West Virginia [Mr. WISE] and his cosponsors for their leadership. Both of them are saying we need to bring discipline to the fiscal structure.

I do not agree with a lot of my colleagues with whom I am going to vote. I believe that we need to have programs at the Federal level. I support the taxes to pay for those. But the ultimate discipline in a democracy for spending is having to raise the revenues to pay for that spending. If Members will not vote for the taxes, then they ought not to vote for the spending. I am one of those who is prepared to do both, if I believe that those expenditures are in the best interest of this country, and, yes, of my grandchild.

We need to have the courage to exercise the discipline of saying that we will pay for that which we want to buy. Very frankly, we did not do that in the 1980's, as has been mentioned, from less than $1 trillion to now $4.7 trillion, an almost 500-percent increase.

We need to say "enough." Let us pass this amendment. Let us send the message of fiscal responsibility.

Mr. SMITH of Oregon. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Maine [Ms. SNOWE], a lovely lady legislator who has been an outstanding spokesperson for the balanced budget amendment and a leader in the House of Representatives.

Mr. Chairman, will the gentlewoman yield?

Ms. SNOWE. I yield to the gentleman from Oregon.

Mr. SMITH of Oregon. Mr. Chairman, I wanted to at least address the Social Security thing which is already getting out of hand, the rumor that somehow Social Security is going to be destroyed. The facts are that we are already camouflaging, masking the budget.

For instance, the deficit is supposed to be $223 billion this year. The Federal funds deficit is $336 billion. That is $113 billion more than the stated debt and that includes Social Security surpluses, as well as 149 other surpluses. The idea that balancing the budget actually saves Social Security and, if this House of Representatives wants to destroy Social Security, they can do so by vote, I am not going to do that. And I do not plan on it.

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

First of all, I want to say that I am very pleased to have been able to join with the gentleman from Oregon and the gentleman from Texas in working on this constitutional amendment to balance the budget. And I certainly want to express my appreciation for the leadership they have given on this very critical issue over the years.

Time and time again, Mr. Chairman, the voters of Maine and the rest of the country have sent Congress an unmistakable signal that they want the Congress to change the way in which it conducts its fiscal business as well as addressing the issues concerning the national budget. Nothing would better personify the fact that we have gotten the message of change from the voters than enacting a constitutional amendment to balance the budget.

This debate marks the seventh time since 1982 that we have had this debate in either Chamber of the Congress. Each time we have debated this issue, we have heard time and time again that all we need to balance the budget is the will to act or the courage. They have told us in debate after debate, vote after vote that we can balance the budget without a constitutional

amendment. And, of course, we have never been able to achieve a balanced budget in all of that time. In fact, the lowest deficit level Congress has reached in this last decade was $150 billion in fiscal year 1987, under the Gramm-Rudman-Hollings Act. That is hardly perfection.

Even in the administration's own budget, it projects a deficit level of $176 billion in 1995. And if Members look at projections by the administration, the lowest deficit level for the rest of this decade is $173 billion.

Are we prepared to accept that as the norm, as the standard for the rest of this decade? In fact, in 1998, the deficit goes up to $187 billion. In the year 1999, the year 2000, it is over $200 billion. And we know that it will reach $365 billion, according to the Congressional Budget Office, by the year 2004.

So even by the administration's own estimate, it will be adding $1.7 trillion to the national debt, increasing the national debt by 38 percent. The administration and others may be upbeat about that level of deficit. Granted, it is better than what it has been before, but what we are saying, we are accepting the norm of the range of $200 billion deficits for the rest of this decade.

□ 1330

The Congressional Budget Office, of course, offers a different point of view. According to the CBO, and I quote, "The deficit may have been brought under control temporarily, but it has not been tamed." The CBO also projects a $226 billion deficit by the year 2000, and as I said, $365 billion by the year 2004. Unless deficits are firmly brought under control, CBO predicts they will constrain the improvements in the standard of living that can be expected in the United States in the early 21st century.

It is interesting to note that yesterday President Clinton remarked at his job summit with a group of seven industrialized nations that the fact is that the United States must continue to bring down the deficit. It is interesting, because the budget that was passed by this body last week does nothing more on deficit reduction. The administration's estimated savings go for more spending and not for deficit reduction. There will be no other attempt to reduce the deficit in this Congress.

Mr. Chairman, that is explicitly accepting the status quo of earlier deficits and debt. It is really accepting the status quo on our economic circumstances and the acceptance of deficits in the $200 and $300 billion range.

People might think, What is the impact of the deficit in our daily lives? It is not an abstract impact. In fact, the Concord Coalition compiled an analysis of the deficit that suggests our productivity would have been much higher, and that the average American family today, instead of having an average yearly family income of $35,000, would have had an income of $50,000.

What better example of an injustice could there possibly be than those figures? How many children go out without an education because of that missing $15,000? How many couples or single parents cannot afford additional daily necessities of life, like child care, because they have seen their standard of living erode as a result of the deficit?

The most devastating and alarming impact the deficit has had on our economy is its effect on economic growth and job creation. The New York Federal Reserve Bank says that from 1979 to 1989, we lost 5 percent growth in the GNP and national income because of the deficit.

The CBO says that for every percentage that is lost on the GNP, we lose 650,000 jobs. That means as a result of our recurring deficits, we will lose approximately 3.75 million jobs. We can hardly afford that, given the current economic conditions in our country, given the fact that we are having a low job growth rate compared to historical levels of the past.

People know they are facing chronically high unemployment, that it is difficult to get a job. These deficits are doing just that. They are creating job losses in America.

What are we doing with the $200 billion interest payments? We cannot make the investments we need. That is how we can make the investments in health care, education, and worker retraining, is by reducing the deficit, eliminating the deficit, so we will have more investments for the future and not be paying 14 percent of our budget in interest payments.

The point is that now people feel comfortable that we have a $176 billion deficit level, so we do not have to worry about it anymore; we have already done our job. We have accepted the status quo.

That is why we need a constitutional amendment to balance the budget, because each and every year we will have to do what everybody else in America does, 48 States, American families, and American businesses. They confront the economic realities, even when their revenues are down and they have to make those choices.

What we have said here, what I am hearing, is that we passed the budget last year. Therefore, we do not have to do anything more on the deficit because the deficit has come down, so we are going to accept the standard of $200 billion deficits for the remainder of this decade.

Mr. Chairman, I would hope that we would not begin to think that budget deficits are an acceptable commodity for an American economy that is facing stiff competition from abroad and will continue to face that stiff competition. What I am pleased about in this debate is that, in fact, it is not Republicans and Democrats or liberals and conservatives. In fact, it is Republicans and Democrats and liberals and conservatives that are supporting this constitutional amendment to balance the budget.

Mr. Chairman, it is a debate between those who want to get rid of the scourge of deficits and debts, knowing what it is going to do to future generations, and those who do not. It is the difference between those who are concerned about our future economic standards and understand that every time we pass budgets with budget deficits in the $200 billion range, we are saying that we are willing to compromise the standards in this country and be second best, and compromise the economic opportunities that will build upon the American middle class, allow small businesses, like my businesses in Maine, to create jobs and to build upon the American dream.

I would also like to add to what the gentleman said about social security, the gentleman from Oregon [Mr. SMITH], because I think it is a very important issue here today. I cannot think of a better way to ensure the integrity of the Social Security trust fund than to require a constitutional amendment to balance the budget.

I would like to quote from Robert Myers, the former Deputy Commissioner of the Social Security Administration, and the executive director of the National Commission on Social Security Reform, just last month on the constitutional amendment to balance the budget, that

> * * * the most serious threat to Social Security is the Federal Government's fiscal irresponsibility. If we continue to run Federal deficits year after year, and if interest payments continue to rise at an alarming rate, we will face two dangerous possibilities. Either we will raid the trust funds to pay for our current profligacy, or we will print money, dishonestly inflating our way out of indebtedness. Both cases would devastate the real value of the Social Security trust funds.

Finally, I would say that this is a sincere bipartisan effort to address the real issues concerning budget deficits, and those who are willing to actually balance the budget and those who are not. For those who are opposed to the constitutional amendment to balance the budget, they are saying yes to the economic status quo, and they are saying yes to the range of $200 and $300 billion levels of budget deficits. I do not believe that that is the answer the American people want to hear.

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

Mr. Chairman, the best way to preserve Social Security and keep it intact is to keep it off budget. That, indeed, is what I think I have heard at some point. A majority of my colleagues, in written statements, spoken statements, speeches to senior citizens, say that we have to preserve the integ-

rity of Social Security. I suspect that if we look deep within our minds, that everyone in here at some point has promised to work to get Social Security to the status of an independent agency and off budget.

If we want it off budget, then we cannot pass a constitutional amendment that locks it forever in the budget. The gentleman from Texas [Mr. STENHOLM] and I were talking, and we may mix it up a little bit in the interest of debate in a few minutes, once we get through some of these speakers on Social Security. I think that could be informative, but there is a clear difference here. If we want to protect Social Security, then I think we have to support the so-called Wise-Price-Pomeroy-Furse amendment that takes it off budget and settles that question.

Mr. Chairman, I yield such time as he may consume to the gentleman from North Dakota [Mr. POMEROY], who has been very active in promoting and developing this amendment, on which we have spent many, many hours in developing and crafting the language.

Mr. POMEROY. Mr. Chairman, I came to this body prepared to cast very difficult votes to deal with the deficit, the terrible and deep deficit which faced this country's budget. I have cast those tough votes. Yet, we still have a deficit.

I have become convinced that in order to avoid the havoc that we face as we deal with this budgetary dilemma facing the country, we need to place a guarantee in the Constitution that there can never be such a period of irresponsibility when it comes to spending in this country as we saw in the 1980's, so that future generations will not have the dilemma that we face today.

Therefore, Mr. Chairman, I approach this debate differently than I might have in the past. For me it is not a matter of whether or not there should be a balanced budget amendment. I believe recent history in this Chamber shows that indeed, we must have a balanced budget amendment. The debate at this point is how do we best accomplish this objective, what is the most appropriate balanced budget requirement that we can place in the Constitution of this country.

I would commend in particular my colleague, the gentleman from Texas [Mr. STENHOLM], for his tireless efforts on the balanced budget amendment approach. I respect his views, but I believe that the alternative being advanced by myself, the gentleman from West Virginia [Mr. WISE], the gentleman from North Carolina [Mr. PRICE], and the gentlewoman from Oregon [Ms. FURSE], is a better approach to this problem. It is a tough amendment, but it has sufficient provisions to deal with the true emergency conditions which face this country.

□ 1340

It also deals with legitimate budgetary needs in a more sophisticated fashion.

First let me speak briefly to the very limited exceptions, war and negative economic growth in two consecutive quarters. The posting of this type of economic condition would signal a country heading quickly not only into recession but heading into depression, and congressional action in those circumstances would clearly be imperative. Improvements to the earlier versions of the balanced budget amendment, I believe, are offered by exempting the Social Security trust fund. For me this is in part a simple matter of common sense. I practiced law in a small town. You learned from day one that the trust fund was something sacred, you did not confuse the trust funds which held representative clients' assets in with the general ledger accounts.

This country has several trust funds, I acknowledge that. But the Social Security trust fund is the preeminent source of the Social Security Program, the old age and retirement program administered by this country, and deserves, I believe, that special standing.

There are two more immediate policy consequences that flow from this as well. First of all, Social Security is to a degree actuarially priced. It means we are running tremendous surpluses now, but in the future, when the baby boom bulge in this country's population reaches retirement age and begins drawing on retirement, we are going to see this positive cash flow reversed, and there will be actually an outflow from this trust fund. It does not make sense, in my opinion, if we are going to get serious with the budget deficits of this country, to mask those deficits by rolling in the Social Security trust fund and letting its positive cash flow shield and mask and hide the deficit. The true deficit situations run on the rest of the budget.

Second, rolling it into the budget I believe places the Social Security Program at risk. Changes could be made to Social Security not to deal with long-term, future needs of the Social Security Program, but merely to deal with short-term budgetary needs of this country as it would struggle to meet the requirements of the balanced budget amendment. Social Security, in my opinion, is placed very much at risk if it is not set apart as our amendment seeks to do.

Another improvement in the version that we are offering provides for capital accounts for projects which offer long-term economic return. This approach on capital spending sees precedent both in the private sector and in State governments operating under balanced budget constraints.

I do not think there is an MBA in the country that would suggest to a business never ever consider debt as you evaluate expanding your business. Of course not. Plant construction, machinery purchase, all of these things are properly financed by long-term debt, but debt which is amortized over the future. That is not reckless spending. It is prudent in the private sector.

In the State governments operating under balanced budget constraints we commonly see capital spending approaches. My own State, North Dakota, a State where the balanced budget approach is held in highest regard by both political parties in the legislative session, they specifically fund a bricks and mortar account in the capital budget and amortize the payment over the bonds issued to fund those projects. It tracks, of course, with the useful life of the actual projects constructed.

It makes no sense as we look at a balanced budget approach for the country to reject the real life example seen in the private sector and seen in other spheres of government with balanced budget approaches.

This capital fund is an enhancement, an improvement, a better balanced budget idea that our amendment offers as opposed to the other versions.

In conclusion, let me suggest that this debate is not an exercise in budgetary machismo as to who has the biggest, baddest balanced budget amendment to offer for this country. This is an important debate where we recognize that future generations deserve the assurance of a balanced budget amendment to the Constitution of this country. And let us now get about the business of trying to craft, and carefully so, the requirement that gets that best accomplished.

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

Mr. POMEROY. I yield to the gentleman from West Virginia.

Mr. WISE. Mr. Chairman, I thank the gentleman very much for some of the remarks and points he has made. He has already sent a "Dear Colleague" letter on the relationship of States.

If I could just follow up for a second, a lot of Members in this Chamber say they want a balanced budget amendment because most of the States in the United States have similar provisions in their constitution, and just as North Dakota does, so does West Virginia. When the Governor went out of office. And the only way, incidentally, it got back was with some courageous steps and efforts to cut spending and raise taxes, both unpopular measures.

But notwithstanding that, the point is, is it not, that if we want a balanced budget amendment that mirrors what the States have done using their experience, that every State, including the ones that were surveyed, and I believe 50 States were surveyed by the General Accounting Office which had balanced budget requirements focused largely on the operating or general funds, every

State has some sort of capital investment program, whether it is a capital budget itself or indeed the ability to borrow and thus issue bonds, which in itself in servicing that debt is a capital budget? Is that not the case?

Mr. POMEROY. That was the finding of the General Accounting Office as they surveyed the State requirements.

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

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

Mr. STENHOLM. Mr. Chairman, in the gentleman's research on the States and what they are doing regarding capital budget, did he look to see how many of those States might perhaps now be getting into financial difficulty because they have stretched the definition of capital accounting to the point that they now have problems paying for the capital side of the ledger?

Mr. POMEROY. The General Accounting Office report that I read, I say to the gentleman from Texas, did not detail that particular aspect of the question.

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

Mr. POMEROY. I yield to the gentleman from West Virginia.

Mr. WISE. Mr. Chairman, I know of what the gentleman speaks in the sense that many have expressed concern about the experience of New York City back in the early 1970's. I am not aware of any great problems arising out of capital expenditure in my own State. For instance, we have a debt ceiling that we cannot go above in the sense of how much we can bond, how much we can borrow, and I think the tightest control on that is the implementing legislation that must be passed.

The converse to what the gentleman from Texas is suggesting is not to have capital budgeting, is to count $1 of investment the same as we do $1 of consumption, and thus we are not able to develop and not able to grow, and indeed, we are not able to make those investments to develop our own economy.

If the gentleman would not mind yielding just a little bit further, let me make the point that, for instance, we have been restricted in our own growth with the Federal Government. Most people, I think, think it is time to be about the business of building infrastructure. But are people aware that we are spending, in relation to our GDP by percentage amount, by one-half of what we were spending only 25 years ago, and so what has happened is that capital investment, that which would help us grow, has been squeezed down as we see mounting consumption or operating income rise? That is once again reflecting the need for a capital budget similar to what it is my understanding just about every State has.

Mr. POMEROY. Language in the General Accounting Office report states, I believe, that a capital budget helps narrowly focus on infrastructure needs and the funding and establishment of those needs, and addresses it in a much better fashion than is presently the case.

Mr. WISE. The gentleman is also correct, because the language in our amendment says capital budget reflects those investments, capital investments which produce a long-term economic return. That language was specifically added to make sure to provide greater protection so that we would not be randomly adding any project we wanted.

I do not think wages and salaries are a capital investment. I do think concrete and infrastructure are.

I thank the gentleman.

Mr. POMEROY. The people I represent I think understand that you do not fund operating costs out of debt. That is what this country has done, and it is time for it to stop. The balanced budget amendment approach we seek would put a stop to it.

On the other hand, they do not want the Social Security Program placed in jeopardy as short-term, budget-driven decisions might erode the sanctity and ability of the Social Security Program to meet the retirement needs of this country moving forward.

□ 1350

They do not want this country to be unable to maintain a vital Interstate Highway System, to be able to make the essential capital expenditures that this great country must make, just like States make under their own balanced-budget requirements.

Mr. WISE. If the gentleman will yield further on that point, because as you point out as well, our language in the Wise-Price-Pomeroy-Furse substitute, what our language does is to track the language in many State constitutions by saying that that which you consider a capital investment, the debt service, what you pay to finance it each year, that is included as part of your operating income. So, please, do not make the mistake, as some have, of assuming that we just moved capital investments off budget.

In fact, that may have been the approach taken in the other body. This is far different from that, because we bring the debt service into the operating income in the manner that most States do.

Mr. POMEROY. I would only conclude by saying that is precisely correct. The Wise-Price-Pomeroy-Furse amendment is not a sham. It is not saying, "We do not want a balanced-budget amendment, but, wink, wink, we will vote for this one, great cover."

This is a better balanced-budget amendment. The debate is not about whether we ought to have a balanced-budget amendment, as far as I am concerned. I agree with those of you who for so long have contended that was an essential step needed by the country at this point in time.

How best do we do it? I believe the proposal we are offering does represent the best way to tackle this problem.

Mr. SMITH of Oregon. Mr. Chairman, I yield 5 minutes to the gentleman from Arizona [Mr. KYL], an outstanding Member of Congress, and one who wants to move his position across the street or down the road. We wish him great luck. The gentleman will be offering an amendment which I support.

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

Mr. Chairman, I, too, will support his amendment as I have willingly done in the past.

Mr. Chairman, the amendments the house is debating today are of critical importance to every American, but I think particularly to young Americans.

This year alone, interest on the national debt will amount to about $300 billion. That is $800 million a day just to pay the interest on the national debt. That is $800 million a day of hard-earned tax dollars that cannot be applied to education, health care, highway improvements, law enforcement, defense, or other good causes. The national debt is like a ticking time bomb set to explode on future generations.

Congress can either run and hide or stop the debt clock and defuse the time bomb before it wreaks havoc on our children and grandchildren.

A balanced-budget amendment to the Constitution will not solve the problem by itself, but it will establish the framework and impose the discipline absolutely necessary to ensure Congress does balance the budget.

Mr. Chairman, I just received a letter from a 15-year-old Scout from my district in Arizona, Nicky Vejvoda. Nicky's letter reads as follows:

PHOENIX, AZ.

DEAR SENATOR JON KYL: My name is Nicky Vejvoda, and I am a 15-year-old Scout. I am not very happy that our Government is spending more money than they bring in. At home I have a budget book that I keep track of all my money I bring in, and take. If I spend more than what I have, then I am in trouble. How am I going to pay off the debt when I grow up? Please vote "yes" on the Balanced Budget Amendment.

Sincerely

NICKY V.

Mr. Chairman, I invite my colleagues to join me in answering Nicky's letter and the plea of all young Americans to end the destructive practice of deficit spending by passing the Kyl substitute, the balanced-budget-spending-limitation amendment which we will be voting on later today.

This proposal, Mr. Chairman, has been endorsed by a variety of organizations and individuals.

Just today in the Washington Times, there is an editorial by Walter Williams, a respected economics professor

at George Mason University and a nationally syndicated columnist. Here in part is what Dr. Williams said, and he talks about my proposed balanced budget amendment, and he says:

It's Section 2 of Mr. Kyl's amendment that gives it piranha-like teeth and as such creates dim prospects for passage: "A fiscal year's expenditures shall not exceed 19 percent of that year's gross national product." The reasoning is that 19 percent of the GNP is the average federal revenues collected over the last 40 years, despite good or bad economic times or tax rate increases or decreases. The spending limitation mandate would eliminate congressional hot-dogging with our earnings. The bill gives Congress incentive to enact growth policies; that's the only way it'd get more money to spend.

Mr. Kyl's proposal is the best thing going so far and would go a long way toward reining in congressional spending.

My proposal is endorsed by the Americans for Tax Reform, Citizens Against Government Waste, Citizens for a Sound Economy, Free the Eagle, National Association of Manufacturers, National Roofing Contractors Association, National Tax Limitation Committee, National Taxpayers Union, and many more. In fact, just today the Washington Times newspaper in its lead editorial endorsed my proposal, and that offered by my colleague, the gentleman from Texas [Mr. BARTON], and I quote in part from this editorial:

Posturing over a balanced budget is one thing. Actually putting teeth into is something else again. The two toughest of the four under consideration are offered by Republican Reps. Jon Kyl and Joe Barton. Mr. Kyl's proposal is scheduled to come to a vote tonight.

Mr. Kyl's resolution calls for more than just a balanced budget. He would go further, limiting federal spending to 19 percent of gross national product permanently. The Clinton team, trying to frighten the public from supporting a balanced budget amendment in the Senate, threatened huge tax increases, saying that only with them could the budget gap be killed. Mr. Kyl nixes that threat with his limit on spending.

Mr. Chairman, we will have an opportunity to vote on four substitutes beginning tonight and concluding tomorrow. I urge my colleagues to begin by voting yes on the Kyl substitute, the spending limitation which includes the line-item veto. Then I would urge tomorrow that they also vote "yes" on the Barton-Tauzin amendment and the Smith-Stenholm amendment. These are all three good approaches.

I would suggest that the best approach, as Walter Williams and several taxpayer groups have said is the spending limitation, because it not only assures that we achieve the balanced-budget requirement by limiting spending, which is the real problem—our problem is not we are not getting enough revenues, our problem is we are spending too much—but it also assures that we have the line-item veto to help enforce it.

Mr. SMITH of Oregon. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. EWING], a great friend of the balanced budget amendment to the Constitution.

Mr. EWING. Mr. Chairman, it comes as no surprise to some of us that have not been around here too long that the national debt is a rock around our neck.

Now, poor judgment got us into that condition. That national debt has been growing since Harry Truman's time.

I take no great pride in the fact that under some Republican Presidents we have grown a lot on our national debt. But I also point out that at the same time we had Democratic-controlled Congresses.

We have in America separation of powers between the Congress and the administration. When the White House is controlled by one party and the Congress by another, we both have a dual responsibility to spend wisely.

It is obvious we have not been doing a very good job of that. Common sense would tell the responsible American business person that they have to balance their budget or they go out of business, or the responsible American family that if they fail to balance their budget, they will not have money for educating their children, recreation, health care, retirement, even providing a home.

These strangely are the very same things that this Congress wants to provide for our constituents. They are our responsibility of a conscientious government. So we had better put common sense into our spending and look at the American budget, if we want to provide Social Security retirement, health care for the less fortunate, education for our children, recreation, and even defense.

You know, I am very, very upset by the scare tactics used on senior citizens that are calling my office and saying, "If you vote for the balanced budget, they will cut Social Security." That is totally false. Nothing in any of these amendments would make us cut Social Security.

Ladies and gentleman, we have four choices. Three are all right. One is a fig leaf. Let us pass something that is meaningful for the American people.

Let us pass the balanced budget amendment that truly gets the job done.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. WISE. Mr. Chairman, I yield myself such time as I may consume, and I will be glad to yield to the gentleman on my time if that is agreeable to the other gentleman. My question is very simple: I respect what you say about Social Security. But is it not the simplest way—if you know that it will not be cut—is it not the simplest way to take it off budget and remove that issue of concern once and for all?

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

Mr. WISE. I am happy to yield to the gentleman from Illinois.

Mr. EWING. If we do not address the budgetary problems of this country as a whole, taking Social Security off budget will not do it.

□ 1400

We will not have the funds for Social Security in a few years; that is the point. And yet you tell people, senior citizens, that balancing the budget is going to destroy Social Security. In fact, not balancing the budget or taking it off budget will destroy Social Security.

Mr. WISE. Mr. Chairman, continuing to yield to the gentleman: What is the role, then, of Social Security? Why do you not just say we are going to give you the peace of mind, we are going to move it off budget? Unless you want to use Social Security—and I am not accusing the gentleman of planning to cut Social Security, please understand that—but I do understand that Social Security, under any administration, is used to mask the full size of the deficit.

It is used to mask the size of the deficit. Why not, then, move it off and let Social Security worry about Social Security's problems and worry about the operating income and the general Federal income on its own?

Mr. EWING. Because I think of our budget as a whole in this country and we have to look at it as a whole. When we start piecemealing it, that is when we get into trouble.

Mr. WISE. Does the gentleman from Texas [Mr. STENHOLM] want to get in on this?

Mr. STENHOLM. I would share the time that we might consume.

The CHAIRMAN pro tempore (Mr. MCNULTY). We are currently under the time of the gentleman from West Virginia.

Mr. WISE. Mr. Chairman, I request that I use my time and I know the gentleman from Texas will give me some time later.

Mr. Chairman, I yield to the gentleman from Texas.

Mr. STENHOLM. I think it is important that we clarify this. I do not know of a single Member of this House who is proposing to cut Social Security. I do not believe there is anyone who is proposing to do that. I certainly am not, and I know the gentleman from West Virginia is not; neither is the gentleman from Illinois.

What some of us believe, though, is that unless we deal with the total fiscal problems of this country today—and I would like to put in another, a little different perspective—if we agree, and most of us do agree, that the private pension funds of this country are having some difficulties today in this unfunded liability status—and they do—then perhaps we have the same in the Social Security fund today.

It is very true that, by talking about the Social Security trust fund as it is today, with current recipients, there is surplus. But all of us know that unless changes are made in the out years, that we are going to run into some additional problems, we are going to run into some unfunded liabilities. There are two ways to address that:

One of them is what the gentleman from Texas [Mr. PICKLE] will have, if he does not already, and that is to increase the retirement age for Social Security, so that we tell the young, our sons and daughters entering the work force today, "You will not be able to retire at age 67 as under current law but you will have to retire at age 68 or perhaps at age 70, and prepare for it." And if we do that, there will be no problem for anyone.

The second thing—and this is where I object to the language of exclusion of Social Security—if we have the unfunded liability, and we do, if it is true that our current surplus is roughly $360 billion, which it is, if it is true that we will build another add-on of the surplus this year of about $67 billion, let us round it off to $420 billion, that is still only about a 13-month period of obligation of those funds.

Therefore, I would hope that, as we talk about whatever we need to do in the entitlements, in Social Security, that we refrain from using that to spend it for other purposes, but we think in terms of building the Social Security trust fund so that there will be a greater assurance of that money being there for our children and grandchildren.

I yield back and appreciate the gentleman from West Virginia yielding to me.

Mr. WISE. Mr. Chairman, I am beginning to run a deficit on my own time.

Could I give up my time and grab a few minutes from you later on?

The CHAIRMAN pro tempore. The gentleman from Texas.

Mr. STENHOLM. Mr. Chairman, I yield to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. We are balancing our rhetoric, if not the budget, at this point.

Let me just say, in response, that the gentleman makes some good points. I want to point out that the Social Security system is in a separate fund; it has always enjoyed that reputation, that integrity with the American people. Indeed, when many years ago there was a first attempt at encouraging, if you will recall, when the Treasury was beginning to divert some funds coming in, on a bipartisan basis this House raced in, closed that loophole, paid the money back with interest, and said, "Never again." I think that reflected the sanctity of the Social Security system.

Yes, indeed, there are many other areas, but those are not funded. They come out of the general fund, VA, Federal retirees, the COLA's particularly. I do not know of any other program that is totally generated with its own revenues, including the cost-of-living adjustments that Social Security recipients receive.

Furthermore, as the gentleman has been one of the ones most aggressive in promoting honest budgeting and honest accounting, and yet he has to be as frustrated as many of us to know that our real deficit is significantly higher because the Social Security surplus that the gentleman refers to masks that. It just seems to me that you could have sound fiscal policy by moving it off.

Finally, there is one other point sometimes made, and that is the concern that other programs would be moved under the Social Security umbrella if it were off budget, such as veterans' programs or other beneficiary programs. The gentleman and I both know of the sanctity of the Social Security system. We would be hung at every town meeting and every Member in here would, justifiably, if that was attempted to be done. Both those that are retirees and beneficiaries of the Social Security system, as well as those who look forward to drawing from it, watch that program very carefully. They have some questions, particularly younger people, about whether it would be there for them, but, boy, they are watching that program.

So, I do not think it is very likely you are going to see that kind of monkeying. I just think you protect Social Security more by moving it off budget and then you can have the honest debate about the overall income balancing the real budget of the United States.

I appreciate the gentleman yielding.

Mr. STENHOLM. Briefly reclaiming my time, I say that is precisely what the argument should be. It should not be, as we have heard one or two previous speakers, suggesting that those of us who support our version are going to somehow gut the Social Security system. That is furthest from the truth.

And I say, if I hear anyone else saying it, which the gentleman from West Virginia is not, we intend to challenge those statements, because we can differ as to how we fiscally get to the point, but we cannot differ regarding the intent. There is no stronger supporter of the Social Security system in this body than this gentleman from Texas. I believe I share that with the gentleman from West Virginia.

Mr. Chairman, I yield 3 minutes to the gentleman from Florida [Mr. HUTTO].

First, let me say that we heard some rhetoric earlier about some tough votes and on May 23, 1985, there was the Leach-Slattery-McCain piece of legislation on the floor. It was defeated 56 to 372, and the gentleman from Florida was one of the 56. It was one of those tough votes we can look back on. If we had all voted as did the gentleman and as I did, we would not be here today discussing the Social Security trust fund or any other aspect of our budget.

Mr. HUTTO. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the Stenholm balanced budget amendment, and I want to commend him on his work through the years. He has worked very, very hard to get our fiscal house in order to balance the budget. And this is the true balanced budget amendment, the Stenholm amendment, which our Nation needs to put our fiscal house in order.

The time has come to get our Government on the right track.

When I speak to my constituents about the deficit, I try to explain that the American people and Members of Congress want to reduce the deficit, but at the same time do not want a reduction in Government programs. We all know that something must give. While one can argue that Congress has the power to balance the budget right now, the political reality is that Congress needs an enforcement mechanism like the balanced budget amendment to hold our feet to the fire.

The Stenholm balanced budget amendment will provide the stick to see that the tough decisions are made to reduce our deficit. This is not an easy vote, but we must stand up now for the sake of our Nation's fiscal future.

I recently received a very touching letter from a 10-year-old constituent named Candy Magee from Pensacola who told me how much she wanted a balanced budget amendment, because she feared for the economic future of our Nation. Out of the mouths of babes—We must listen to our future. Much has been said about leaving this debt for future generations to bear.

My friends, the debt has already built to enormous proportions, more than $4 trillion, and we must correct this injustice. We simply cannot afford to mortgage the future of our young people.

Candy Magee says she thinks her debt to the Government at $17,500 this year is unfair. I agree. Can you imagine that? All of us, every man, woman, and child in the United States owes $17,500 just in interest on the national debt this year.

□ 1410

This constitutional amendment is necessary to get us out of the sea of red ink. The times demand it. We cannot continue to go on with business as usual. We must not think about special interests or what might happen when tougher votes follow. The American people sent us here to do what has to be done, and they deserve our devotion to duty.

So, Mr. Chairman, I urge my colleagues on both sides of the aisle to put aside the bickering over how to reduce the deficit and agree that we absolutely must balance our budget. So, vote for the Stenholm balanced budget amendment for this Nation's recovery.

Mr. SMITH of Oregon. Mr. Chairman, I yield 2 minutes to the gentleman from Wyoming [Mr. THOMAS].

Mr. THOMAS of Wyoming. Mr. Chairman, let me begin by thanking the gentleman from Oregon [Mr. SMITH] and the gentleman from Texas [Mr. STENHOLM] for the very long and tireless efforts that they have put in on this issue, and I appreciate it much, and I hope everyone does.

The Federal Government has run deficits for 25 years straight; 55 of the last 63 years, deficits.

My colleagues say, "Well, we don't need to do much; we'll just fix it." That is not the evidence. That is not what we have done.

The national debt will grow to over $6 trillion by 1998, so the numbers speak for themselves. The national debt restricts economic growth and job creation, and it puts funding of every Federal program at risk. We need the discipline of a constitutional amendment.

Mr. Chairman, we have it in my State, a constitution amendment to balance the budget, and we balance the budget. We either cut back expenditures or we raise taxes, and it causes us, which is proper, to have a consideration of whether this expenditure is worth the taxes at cost-benefit ratio. That is what it is all about, and it forces that to happen.

Everyone here has said we need to do something, but I am a little concerned that we will have a wimpy amendment pass where people can say, yes, I voted for a balanced budget amendment, but the fact is it does not work. We had that a few years ago. We had it here in 1988, when they had the lowest—seventy-six had the lowest deficit, and then we found a way to go around it and say that is off budget so it does not count. It does count. It counts in the debt.

Mr. Chairman, this problem just will not go away. The longer we ignore the responsibility, the tougher it gets. The choice is simple. Either vote for Stenholm and begin to move forward or saddle our future generations with additional taxes.

It seems to me that budgets are more than a collection of numbers, that they are, in fact, a philosophical direction of where we want to go. Budgets decide whether indeed we want more government or whether we want less. If we want more government, we have to have more money, we have to have more taxes, or do what we have done in the past, and that is charge it. But our charge card is maxed out. And so budgets have something to do with philosophy.

I ask my colleagues, "Do you want more taxes or do you want less? Do you want more programs? Do you want less? Do you want to use the private sector? You want to use local government? You want more Federal Government programs?"

I certainly support the Stenholm amendment and the other two amendments that go with it, and I urge their support.

Mr. WISE. Mr. Chairman, I yield 2 minutes to the gentleman from Georgia [Mr. BISHOP].

Mr. BISHOP. Mr. Chairman, Congress has a spending problem that threatens the economic foundation of our country. Our red-ink policies are mortgaging the future of our children and grandchildren.

In my home State of Georgia, we are required by law to have a balanced budget—and we do. We simply cannot spend more money than we collect—except for capital outlays which can be financed with bonds.

Georgia is one of the most fiscally sound States in the Nation today, largely due to the legal requirement of a balanced budget.

Yet, we are moving swiftly in Georgia to improve the quality of life for our people with quality programs for economic development, education, crime control, highway construction, tourism, health care, the environment, and agriculture.

We must have the same fiscal responsibility here in Washington as we do in Georgia.

That's why I signed the discharge petition to bring the balanced budget amendment to the floor today. That's why I support the Wise substitute to the balanced budget amendment that will force a balanced budget by the year 2001—except for instances of war and recession.

Most of all, Mr. Chairman, I strongly support the Wise substitute because it excludes the Social Security fund so as to protect our senior citizens. We need to protect the Social Security fund because its belongs to the people who helped build a strong America, who have worked hard and are now in the sunset of their lives. They deserve no less.

However, I will reluctantly support the Stenholm version of the balanced budget amendment as a less attractive option, because of the impact it could arguably have on senior citizens.

Yet, we all know that it's time for us to bite the bullet in favor of fiscal responsibility. It's time for a balanced budget. And to make that happen, it's time for a balanced budget amendment.

I, therefore, urge my colleagues to vote to lift us from the quicksand of deficit spending that is about to suck us under. Vote for the balanced budget amendment.

Mr. STENHOLM. 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. WISE) having assumed the chair, Mr. MCNULTY, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the joint resolution (H.J. Res. 103) proposing an amendment to the Constitution to provide for a balanced budget for the U.S. Government and for greater accountability in the enactment of tax legislation, had come to no resolution thereon.

CONFERENCE REPORT ON H.R. 3345, FEDERAL WORKFORCE RESTRUCTURING ACT OF 1994

Mr. CLAY submitted the following conference report and statement on the bill (H.R. 3345) to provide temporary authority to Government agencies relating to voluntary separation incentive payments, and for other purposes:

CONFERENCE REPORT (H. REPT. 103-435)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the amendment of the House to the amendment of the Senate to the bill (H.R. 3345), to provide temporary authority to Government agencies relating to voluntary separation incentive payments, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, and 4, and agree to the same.

Amendment numbered 1:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

SEC. 6. MONITORING AND REPORT RELATING TO VOLUNTARY SEPARATION INCENTIVE PAYMENTS.

No later than December 31st of each fiscal year, the Office of Personnel Management shall submit to the Committee on Governmental Affairs of the Senate and the Committee on Post Office and Civil Service of the House of Representatives a report which, with respect to the preceding fiscal year, shall include—

(1) the number of employees who received a voluntary separation incentive payment under section 3 during such preceding fiscal year;

(2) the agency from which each such employee separated;

(3) at the time of separation from service by each such employee—

(A) such employee's grade or pay level; and

(B) the geographic location of such employee's official duty station, by region, State, and city (or foreign nation, if applicable); and

(4)(A) the number of waivers made (in the repayment upon subsequent employment) by each agency or other authority under section 3 or the amendments made by section 8; and

(B) the title and the grade or pay level of the position filled by the employee to whom such waiver applied.

SEC. 7. DISLOCATION PAYMENTS FOR CERTAIN CONTRACTOR PERSONNEL.

(a) PAYMENT.—No later than October 31, 1994, the Director of the National Aeronautics and

Space Administration shall pay $5,000 to each full-time contractor employee who—

(1) was hired, under a contract relating to the Advanced Solid Rocket Motor Program, by—

(A) Lockheed Missiles and Space Company;

(B) Aerojet Corporation, Advanced Solid Rocket Motor Division; or

(C) Rust Corporation;

(2) was separated from employment in Yellow Creek, Mississippi, as a result of the termination of the Advanced Solid Rocket Motor Program; and

(3)(A) had been hired locally at Yellow Creek, Mississippi; or

(B) based on the separation referred to in paragraph (2), was eligible, but elected not, to be relocated.

(b) OFFSET.—No payment made under this section shall be offset against the severance costs of a contractor.

(c) SOURCE OF PAYMENTS.—Payments under this section shall be from funds appropriated under the subheading "SPACE FLIGHT, CONTROL AND DATA COMMUNICATIONS" under the heading "NATIONAL AERONAUTICS AND SPACE ADMINISTRATION" under title III of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1994 (Public Law 103-124; 107 Stat. 1299).

(d) LIMITATION ON PAYMENTS.—The amount of total payments made under this section may not exceed $1,000,000.

And the Senate agree to the same.

From the Committee on Post Office and Civil Service for consideration of the Senate amendments to the House amendment, and modifications committed to conference:

WILLIAM CLAY,
FRANK MCCLOSKEY,
ELEANOR H. NORTON,
CONSTANCE MORELLA,

From the Committee on the Judiciary, for consideration of Senate amendment numbered 1 and modifications committed to conference:

JACK BROOKS,

From the Committee on Government Operations, for consideration of Senate amendment numbered 1 and modifications committed to conference:

JOHN CONYERS,
EDOLPHUS TOWNS,

From the Committee on Rules, for consideration of Senate amendment numbered 1 and modifications committed to conference:

BUTLER DERRICK,
ANTHONY C. BEILENSON,
Managers on the Part of the House.

JOHN GLENN,
DAVID PRYOR,
JIM SASSER,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the amendment of the House to the amendment of the Senate to the bill (H.R. 3345) to provide temporary authority to Government agencies relating to voluntary separation incentive payments, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

SENATE AMENDMENT NUMBERED 1

Senate amendment numbered 1 to the House amendment proposed to insert a new section 6 and section 7 in the House amendment. The proposed section 6 would establish a "Violent Crime Reduction Trust Fund" as a separate account in the Treasury. For each of fiscal years 1994 through 1998, specific amounts would be deposited in the Fund representing the savings achieved by the Federal employee workforce reductions mandated under section 5 of the House amendment. The amounts in the Fund would be appropriated only for the purposes authorized in the Violent Crime Control and Law Enforcement Act of 1993 and would not be subject to any budget enforcement procedures under the Congressional Budget Act of 1974 or the Balanced Budget and Emergency Deficit Control Act of 1985.

The new section 7, proposed to be inserted by Senate amendment numbered 1, would require the Director of the Office of Management and Budget to reduce the discretionary spending limits set forth in section 601(a)(2) of the Congressional Budget Act of 1974 by $720,000,000 in new budget authority and $314,000,000 in outlays in FY 1994; $2,423,000,000 in new budget authority and $2,330,000,000 in outlays in FY 1995; $4,267,000,000 in new budget authority and $4,184,000,000 in outlays in FY 1996; $6,313,000,000 in new budget authority and $6,221,000,000 in outlays in FY 1997; and $8,545,000,000 in new budget authority and $8,443,000,000 in outlays in FY 1998.

The conference agreement substitutes an entirely new text for the text of sections 6 and 7 as proposed to be inserted by Senate amendment numbered 1. In lieu of the matter contained in the proposed section 6 of the Senate amendment, the conference agreement substitutes a new section 6 which requires the Office of Personnel Management to submit a report, no later than December 31 of each fiscal year, to the Congress relating to the voluntary separation incentive payments authorized under section 3 of the Act. The annual report must include information on the number of employees who received a voluntary separation incentive payment under section 3 of the Act; the agency from which each such employee separated; the employee's grade or pay level at the time of separation; the geographic location of the employee's official duty station; the number of waivers granted in the case of reemployment by the Government; and the title and pay level of the position filled by the employee to whom such waiver applied.

In lieu of the matter contained in the proposed section 7 of the Senate amendment, the conference agreement substitutes a new section 7 which authorizes "dislocation pay" for NASA Advanced Solid Rocket Motor contractor employees hired locally by Lockheed Missiles and Space Company, Aerojet ASRM Division, and the Rust Corporation at Yellow Creek, Mississippi.

Two major science/space programs, the Super Collider and the Advanced Solid Rocket Motor Program (ASRM), were terminated by the Congress last year. While Congress provided Super Collider contractor employees with both relocation and dislocation assistance, ASRM employees were allowed only relocation assistance. This language would provide equity and consistency with respect to how these contractor employees are treated after program termination.

The new section 7 authorizes dislocation payments of $5,000 to each of approximately 175 individuals who were full-time ASRM contractor employees at Yellow Creek. Since the dislocation pay would be funded from existing appropriations for ASRM termination, the amendment has no budgetary impact.

SENATE AMENDMENTS NUMBERED 2, 3 AND 4

These are clerical amendments redesignating section numbers. The House recedes.

From the Committee on Post Office and Civil Service for consideration of the Senate amendments to the House amendment, and modifications committed to conference:

WILLIAM CLAY,
FRANK MCCLOSKEY,
ELEANOR H. NORTON,
CONSTANCE MORELLA,

From the Committee on the Judiciary, for consideration of Senate amendment numbered 1 and modifications committed to conference:

JACK BROOKS,

From the Committee on Government Operations, for consideration of Senate amendment numbered 1 and modifications committed to conference:

JOHN CONYERS,
EDOLPHUS TOWNS,

From the Committee on Rules, for consideration of Senate amendment numbered 1 and modifications committed to conference:

BUTLER DERRICK,
ANTHONY C. BEILENSON,
Managers on the Part of the House.

JOHN GLENN,
DAVID PRYOR,
JIM SASSER,
Managers on the Part of the Senate.

BALANCED BUDGET CONSTITUTIONAL AMENDMENT

The SPEAKER pro tempore (Mr. WISE). Pursuant to House Resolution 331, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the joint resolution, House Joint Resolution 103.

□ 1417

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the joint resolution (H.J. Res. 103) proposing an amendment to the Constitution to provide for a balanced budget for the U.S. Government and for greater accountability in the enactment of tax legislation, with Mr. SKAGGS in the chair.

The Clerk read the title of the joint resolution.

The CHAIRMAN. When the Committee of the Whole rose earlier today, we were in general debate on House Joint Resolution 103.

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

Mr. STENHOLM. Mr. Chairman, I yield 3 minutes to the gentleman from Tennessee [Mr. TANNER].

Mr. TANNER. Mr. Chairman, I come to the well of the House today somewhat reluctantly but in strong support of the approach of the gentleman from Texas [Mr. STENHOLM] to our monetary difficulties.

Since 1974, Mr. Chairman, the country, through the Congress, has weighed this Budget Act for deficit spending over 600 times. We, as history will con-

clude, collectively, both administrations, Democrat or Republican, and the Congress, whether it was Democratically controlled in the House or the Senate, both or one, have been unable, with the collective advice and consent of the citizens of this country, the voters of this country, to bring our financial house in order.

There are two factors about this debt that concern me. No. 1, it is relative. A $4 trillion debt to a $7 trillion economy is one thing. A $4 trillion debt to a $15 trillion economy is somewhat less severe.

□ 1420

Our economy needs to grow and our debt needs to stay the same or stable.

The second thing that bothers me most about this debt is that we have mortgaged our country. In 1979 to 1980, about 8.9 cents out of every revenue dollar went to pay interest on our national debt. Today we are paying 14.5, almost 15 cents of every revenue dollar as interest on the national debt. What we and others who have come before us and the people who return us here have done is mortgaged our home, our country, from an 8-percent rate in 1980 to an almost 15-percent rate today. That cannot continue. We now, even with the Budget Act that was passed last year, are headed toward a 15, 16, or 17-percent mortgage rate on our country.

It has been suggested that we cannot get to a balanced budget if we do just a yearly balanced budget by 2001. As the gentleman from Texas has suggested, we still have a $4 trillion debt, and that will go to $5 or perhaps $6 trillion by the year 2000. So we have a debt, no matter what we do here today. We just cannot continue raising the interest rate and continue to mortgage our country. That is why I think the time has come for us to collectively put everything on the table. I think we are going to have to do something about our debt and our deficit, and we are going to start today.

Mr. SMITH of Oregon. Mr. Chairman, I yield 2 minutes to the gentleman from Colorado [Mr. HEFLEY].

Mr. HEFLEY. Mr. Chairman, 200 years ago, Thomas Jefferson wrote that if he could add just one amendment to the Constitution, it would be a prohibition against Congress borrowing money.

Such an amendment, he reasoned, would defend the American people from the tyranny of government by keeping the Federal Government within its constitutional bounds. If Jefferson thought taxation without representation was bad, he should see it with representation.

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

How bad is it? This year, with the introduction of his budget, Bill Clinton claimed his administration's policies had solved the budget crisis.

His Director of OMB, Leon Panetta, stated that Republicans would have killed to be able to offer this budget.

And we have been exposed to Democrat after Democrat crowing about the strength of the economy and their success at cutting the deficit.

What were they all cheering about?

According to Clinton's budget, the deficit will fall to $175 billion next year. Then it will rise to $182 billion in 1997, $256 billion in 2001, and $365 billion in 2004.

In Washington, this is considered success.

Obviously, something stronger is needed.

Despite these awesome numbers, some groups still oppose the balanced budget amendment.

First, they fear a balanced budget amendment will tie the hands of Congress and force it to cut some programs in order to fund others.

In other words, they fear that Congress will have set priorities and stick with them.

That is not an argument against a balanced budget amendment. It's an argument for it.

If special interest groups object to the balanced budget amendment because it would restrict Congress' ability to spend and make the budget process less flexible let's pass it quickly.

Unrestricted, flexible spending is what created the deficit in the first place.

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

Someone should get the opponents of the amendment together and let them know their arguments contradict each other.

Which is it? Will the balanced budget amendment will work or not?

The answer is the balanced budget amendment will establish the framework under which Congress will have to make its spending decisions.

Congress will still have to make the spending decisions, but it will be done without the open-ended funding option now available.

Mr. Chairman, this is the third time in the last 4 years the House will vote on a balanced budget amendment.

Four years ago opponents of the balanced budget amendment argued that Congress didn't need the amendment to balance our budget. We have the power right now, they argued, to deal with our deficit without amending the Constitution.

The House defeated the amendment by seven votes.

Since then, the Federal debt has grown by over $1 trillion.

Two years ago, opponents of the balanced budget amendment argued that the amendment would demean the Constitution, tie Congress' hands, and hurt the economy.

The House defeated the amendment by nine votes.

Since then, the Federal debt has grown by over $500 billion.

Mr. Chairman, let us end this deficit madness. Let us allow future generations of Americans to decide for themselves how they want to spend their money.

The balanced budget amendment is not the final answer to our fiscal problems, but it will provide a measure of discipline that doesn't exist now. For that reason, I applaud this effort and strongly support the balanced budget amendment.

Mr. SMITH of Oregon. Mr. Chairman, I yield 2 minutes to my friend, the gentleman from Kentucky [Mr. BUNNING].

Mr. BUNNING. Mr. Chairman, I rise in support of a balanced budget amendment to the Constitution, the amendment offered by the gentleman from Texas [Mr. STENHOLM], the gentleman from Oregon [Mr. SMITH], the gentleman from Arizona [Mr. KYL], or the gentleman from Texas [Mr. BARTON]—any of those or all of the above.

Mr. Chairman, I have 23 grandchildren and not 1 of them has lived a single day under a balanced Federal budget. That says something is wrong. That says it's time to change the way Congress does business.

A balanced budget amendment would force us to change: force us to make the hard choices we should have been making all along; it's the right thing to do.

Still, there are those today, squawking away like dime store parrots, who say we don't need a balanced budget amendment. Before you listen to their song, take a close look at who they are and why they're squawking.

Sure, the hogs on the bill—the Washington big spenders—say we do not need an amendment. They say we can balance the budget without it. Twenty-five years of red ink say they're wrong. The truth is that they don't want to quit spending.

Plenty of other folks around the country; folks riding high on the taxpayer gravy train, are squawking, saying we do not need a balanced budget amendment. The truth is that pigs feeding at the trough never like to be interrupted.

And then there are the so-called senior citizen advocates who are peddling fear to senior citizens by telling them a balanced budget amendment would threaten Social Security benefits. This is an outright lie—an outrageous lie.

The truth is that a balanced budget amendment would be the finest guarantee possible that the Federal Govern-

ment will, in fact, be able to honor its commitments to our senior citizens when we get down the road 10, 20, or 30 years from now.

The largest threat to Social Security is and always has been deficit spending.

We need a balanced budget amendment to protect Social Security; to stop the gravy train; and to slow down the hogs on the hill.

But most of all, we need a balanced budget amendment for our children and our grandchildren. Don't mortgage our children's futures and don't bury our grandchildren's dreams under another 25 years of red ink and broken promises.

This amendment is change. This amendment is reform. This amendment is a bright neon promise to our children—our grandchildren—and to all future generations that Congress has finally gotten the message—it's the national debt stupid.

I urge my colleagues to ignore the squawking and vote for reform—for change—and for a balanced budget for our children.

Mr. SMITH of Oregon. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. LEVY].

Mr. LEVY. Mr. Chairman, with the Nation drowning in a sea of red ink, the debate in which we engage this afternoon may be the most important discussion that we have in this Congress. And I hope that the American people are watching, Mr. Speaker, because today we find out who has been sincere—and who has not—when they said that the Government spends too much.

This is the day in which we learn who thinks that, like every American family, the Government should stop borrowing to finance day-to-day operations except in extraordinary circumstances.

It's the day on which we learn who believes that the Federal Government ought to conduct itself like 90 percent of our States have to—by balancing their books every year and reducing spending levels so as not to exceed the moneys that are available.

Now, many people will come to the floor today to say that we don't need a balanced budget amendment.

It's OK, they say, to routinely spend more money than we have. And apparently, they do believe that.

We need a balanced budget amendment. It's the only way that we will reduce the deficit that Congress has created.

Think about it: If every person in America sent Washington a check for $17,000—if every family of four sent in $68,000 tomorrow—we'd still be in debt. And that is true because the men and women who have served in this Chamber—and in the Senate—haven't had the discipline to say "no" when asked to spend money that their country did not have.

Mr. Chairman, I want to address some comments to the senior citizens who have been told that a balanced budget amendment threatens the services and benefits that they receive from their Government.

In fact, my friends, your benefits are in jeopardy. But it is not what we talk about today that threatens you. It is the rising Federal debt. It is the interest payments we make on the debt—the hundreds of billions of dollars that we pay because we have borrowed so much—that threatens every Federal program. We have got to stop.

Let us bring an end to fiscal irresponsibility. Support the balanced budget amendment.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. The Chair wishes to remind the gentleman from New York [Mr. LEVY] that under the rules of the House he should address his comments to the Chair and not to an audience outside the Chamber.

Mr. WISE. Mr. Chairman, I yield myself such time as I may consume just to say this:

I would just say for the benefit of the previous two speakers that nobody disagrees that one of the best things we can do for all citizens, including senior citizens, is to reduce interest and to keep interest rates down, because reducing the deficit benefits everyone.

But I have to keep coming back and challenging them with this: I ask, why do we not just give senior citizens the ultimate guarantee, and that is take it off budget. We do deficit reduction and we take it off budget, which is exactly what the Wise-Pomeroy-Price-Furse-Byrne-Eshoo amendment does.

Mr. Chairman, I now yield such time as she may consume to the gentlewoman from Virginia [Mrs. BYRNE], who can speak knowledgeably on that subject.

□ 1430

Mrs. BYRNE. Mr. Chairman, I rise in support of the Wise balanced budget amendment and in opposition to the Stenholm and other Republican amendments. As a former Member of the Virginia State Assembly Finance Committee, I helped balance seven consecutive State budgets. We did not do it because it was easy. We did not say to the voters that we had all the answers. We did it because Virginians demand that we keep our fiscal house in order and our Constitution says it.

Forty-nine out of fifty States balance their budgets. Millions of businesses and families every year balance their budgets. I do not think we even need to talk any more about whether the Federal Government should be made to do the same. Of course, it should.

The question is are we going to give the Federal Government the same tools that States, the private sector, and families use to balance their budgets?

If we vote for the Stenholm amendment, I believe the answer is no. These plans continue the same budgetary shell game that has been played for decades. The Federal Government holds the notion that there is no difference between the money they borrow to pay yearly expenses and the money they spend on long-term investment.

No business, no family in the country, budgets this way, certainly no State governments. Businesses borrow to build factories; families borrow to buy homes; and States borrow to build prisons and roads. They all make sure that their operating budgets are balanced, while their long-term expenses are amortized over the useful lives of their investment. They know the difference between investment and overspending, but the Federal Government has never caught on.

Today on the floor we have heard at least three references to Mr. Jefferson's abhorrence of debt. As a gentlewoman from Virginia, I can tell you as President Jefferson, he borrowed $15 million for the Louisiana Purchase and did so without congressional authorization, but that is another story.

The fact is that Mr. Jefferson, as President Jefferson, knew that for the expansion and the great necessity of this country, we had to make investment. We had to do it. There are those times when we should do it, and let us not confuse those times with our operating debt.

Including capital expenditures in the budget is an one-time, fits-all approach to budgeting that will create a constitutional tourniquet that will cripple our strong economy and cost jobs for this Nation. Even worse, the Stenholm and other Republican amendments continue the accounting trick that turns the Social Security trust fund into money that government uses to offset the debt and to mask that deficit.

But, Mr. Chairman, Social Security is not the government's money. Social Security belongs to the people who paid into the system. If you are truly serious about saying that this will not affect Social Security, then take it out of the picture. There is only one way to take Social Security out of the picture, and that is to vote for the Wise amendment.

The other plans that are available, let Government continue to use more false numbers and make more false promises. Their supporters claim they are doing just what other States do, but if we hold the Federal Government to the same standards as the States, let us give them the same rules. The only amendment that will allow Government to make investments in the future, while keeping accounting honest, is the Wise amendment, and I ask for its support.

Mr. WISE. If the gentlewoman will yield, I appreciate her statement very much, and particularly her history lesson. Is it not a bit ironic that there are

some in this Chamber who would urge a balanced budget amendment, and yet they are from the area encompassed by the Louisiana Purchase. Had Jefferson carried out what they said he meant, they would be using a voting card in Paris in order to vote on behalf of their constituency.

Mrs. BYRNE. Reclaiming my time, I would say to the gentleman that I am sure that President Jefferson knew that he had an opportunity to make this country greater, and he took it. And when he looked at deficit spending in theory, I am sure he did not anticipate those kinds of capital expenditures when he did become President. So indeed it is an irony that those same people who would support not having a capital improvements budget, would also not be here if the Louisiana purchase were not made, if they followed Jefferson's prescription.

Mr. WISE. If the gentlewoman will yield further, it is true as well, and I thank the gentlewoman, that the only amendment on the floor during this debate and that will be voted on that has a capital budgeting provision and permits those kinds of expenditures that have a long term economic return is the Wise-Price-Pomeroy-Byrne-Eshoo-Furse substitute.

Mrs. BYRNE. Mr. Chairman, reclaiming my time, that is the only one that has a capital budget and the only one that absolutely guarantees that Social Security will not be a part of this discussion.

Mr. WISE. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. FAZIO].

Mr. FAZIO. Mr. Chairman, I wanted to congratulate the gentleman from West Virginia [Mr. WISE] and the Gang of 6 that have joined together in this effort to offer a constitutional amendment that I think really faces up to the problem that we have in this country of sustained long-term annual deficits, but does it in a way that I think is very realistic and fair in the traditional analogy that is always made to the budgets of our States and localities.

Amending the Constitution does not provide a major stumbling block for me personally. I think there is nothing inappropriate about having in the Federal Constitution language similar to what exists in many of our States on the question of annual deficits. Discipline might be actually advanced if we had such a provision.

But what I am concerned about is the constant analogy that we face that pretends that the budget that we have at the Federal level is similar to the kinds of budgets we have at the State and local level. In my view, that is just not the case.

So I have serious concerns about the Stenholm proposal, and I think the proposal that the gentleman from West Virginia [Mr. WISE] and the gentleman from North Carolina [Mr. PRICE], and others have put together, really does go to some of the essential differences that ought to be included in any amendment that we would adopt.

First of all, I think we all understand that many of our States have general or operating funds which are in balance, but which have large capital budgets which are accounted for in a totally different way.

We at the Federal level, of course, put them all into one pot. We have I think, an impossible task in the short run, certainly, if we are to take the concept of a balanced budget and apply it to our system. Because not one, and this is really the bottom line, of the States has a balanced budget requirement like the one that the Stenholm proposal would mandate for the Federal Government.

Forty-eight percent of all total spending in 1992 was of the general fund or operating fund type. That is, I think, a very different environment than what we face here. And I would hope that all of us who really believe that we have got to be more honest about the way we budget would begin by creating a concept of a capital or investment budget that is included in this proposal.

The reason I think this is the most intellectually honest one though is that we should not take the annual cost of paying that debt off budget. The Wise-Price budget amendment will make sure that we factor into our annual operating budget, should their amendment be adopted, the cost of servicing that debt, which should be considered every time we incur it, just as it is at the State level when legislators vote to put on the State ballot a bond act for any number of positive purposes.

In addition, I cannot support a super majority. A three-fifths vote, or any vote beyond a majority, it seems to me, strikes at the fundamental principles of majority rule.

My State of California annually ties itself in knots during the budget process because, I think like only five other States, it requires a two-thirds majority to pass a budget. In recent years, the Governor, a Republican, has been unable even to get most members of his Republican minority in the legislature to support his budget resolution.

Last year, that impasse was resolved more quickly because the public outcry over gridlock in Sacramento reached such a point that both parties concluded it would be appropriate once and for all to put aside the annual budget battle for the good of the order.

□ 1440

But whether it be for personal or political or policy reasons, too often a minority, for reasons perhaps even unrelated to the issue at hand, the passage of the annual budget, can tie the process of legislating, of governing, in fact, up into such a tight knot that nothing gets done. And while that may serve the interests of a few, in the long run it does nothing but undermine public trust in government.

If we were to take a step in the enactment of the Stenholm amendment to further complicate the process of passing the most important document anybody enacts in any given fiscal year, it seems to me we would be taking not only a step back toward gridlock but moving in the direction of further reducing public trust in the institutions that we serve in.

It seems to me, as well, that last but not least, we really do need to look at Social Security as a separate program. We understand that Social Security runs surpluses at times in order to cover the needs of the baby boom generation, perhaps, that is coming in the next century and burdening us at a time when taxpayers will have enough on their plate but to absorb a rapid increase in some sort of payroll tax.

So we adjust our income, our revenue from Social Security to fit the demographics of the time we are part of. This is not a trust fund in the traditional sense of a pension fund, but it is a revolving fund that has historically meant to seniors, in fact, all who hope to become seniors in our society, that we will, in fact, have money for them when they are eligible. It seems to me that we ought not to expose Social Security to the kind of cuts that would be perhaps required under a draconian imposition of the Stenholm constitutional amendment.

I think we are all aware that it is going to take time for us to get to a point where even any of these amendments could be adopted and implemented, because, in fact, while we are moving in the right direction, now with the lowest deficits since 1978 in real economic terms, with a 40-percent reduction over the deficit anticipated under the last administration for the next fiscal year, while we are moving in the right direction for deficit reduction, we are going to have to stay the course And we are going to have to avoid, frankly, spending on many things that would be preferable and desirable in our society. But we are not going to be able to get the ultimate point where any of these amendments could apply without continued discipline. So what I would suggest is that we pass the Wise-Price amendment, put in place a timeframe in which we could begin to live with it, and at the same time, stay the course on the economic policies that this administration has in place, plus enact the additional restraints on entitlements that we know are needed, particularly in the area of health care, which is driving almost all our outyear spending, and then begin to learn to live with a capital budget, with an investment budget that will more honestly account for the way in

which we set priorities among the annual expenditures for the maintenance of government operations and the entitlements, the efforts to maintain income in the private sector that we are so heavily involved in as a society.

I want to congratulate those who have come together to put this package together. I think it meets the challenge that the amendment of the gentleman from Texas [Mr. STENHOLM] presents us in a more understandable and honest and realistic way. I do want to say, however, that the contribution of the gentleman from Texas [Mr. STENHOLM] is clear to us all.

Not only on this issue but on all related spending matters, his ability to galvanize the public and to speak to the conscience of his colleagues here in Congress has been most helpful. And while I think I come to a different point than he does on the solution to this problem, I want to congratulate him for advancing his cause and a cause that we are all caught up in and want to deal with. Regrettably, I think it will be seen soon in a variety of different ways. But I do want to conclude my remarks by particularly thanking those who have intellectually and honestly addressed the challenge and have brought us an amendment that I can strongly support, when it is voted on tomorrow.

Mr. Chairman, I rise in support of the Wise substitute to House Joint Resolution 103, the constitutional amendment to require a balanced Federal budget.

Amending the Constitution to provide incentives for fiscal restraint will give us the discipline we need if we are going to continue to reduce our overwhelming deficits. But we need to ensure that our budget process balances this critical discipline with the flexibility that will enable us to make fiscal policy adjustments. That is why I have serious concerns about the Stenholm proposal.

First, supporters of the Stenholm proposal like to cite the fact that it requires the Federal Government to balance its budget just like States have to. But we must be both honest and realistic when we look at how States actually do balance their budgets. To begin with, States' balanced budget requirements often do not apply to their total budgets. They only apply to their general or operating funds which, in 1992, only accounted for 48 percent of total State spending. And, in spite of requirements to balance their budgets, we must remember that States issue bonds, borrow money, carry funds over from year to year, and they have the ability to cut programs and services unilaterally. The bottomline is that not one State has a balanced budget requirement like the one that the Stenholm proposal mandates.

Second, the Stenholm proposal requires that total Federal outlays for any fiscal year shall not exceed total receipts for that fiscal year, unless three-fifths of the total membership of the House and senate vote for a specific deficit by a rollcall vote. This gives the minority—the other two-fifths—the ability to control the process of passing the budget.

I can well remember the California State budget crisis in the summer of 1992 when the State legislature and Governor were held hostage because a two-thirds majority was needed to approve budget changes made by the Governor. This created gridlock. By example alone, this represents the need for the majority, not two-thirds or two-fifths, to control the budget process and to change our spending priorities. But the Stenholm proposal would take us right back to where we were before—enmeshed in the gridlock that plagued this Government for over 10 years.

Third, we must realistically confront capital budgeting—the critical investments in essentials like our schools, our infrastructure, and our national security that provide long-term economic returns—something which the Stenholm proposal does not do. The Wise substitute, however, deals with capital spending honestly and effectively. It sets up a separate capital budget—just like States do—for these expenses, and it provides that these investments be paid for over their useful life.

Last—but by no means least—the Stehnolm proposal leaves the Social Security Program wide open for cuts. In these times of deficit reduction and spending cuts, Social Security is a most appealing target. But cuts in Social Security would deprive older and retired Americans of critical benefits that are rightly theirs—benefits that have been promised to them to help ensure their economic security in their golden years. By not exempting Social Security, the Stenholm alternative lays the groundwork for pulling the rug out from under older Americans at the time in their lives when they are most vulnerable. But the Wise option protects their interests by specifically exempting Social Security from balanced budget calculations.

I have always maintained that the budget must be balanced—that the large annual deficits we are carrying are undermining America's future. We cannot continue to perpetuate this burden on our future generations. But, if we are to meet this challenge, we must do so responsibly, honestly, and realistically.

For this reason, I support the Wise Price substitute to the balanced budget constitutional amendment. It will not permit a minority in Congress to overpower the majority for their own political or policy interests. It will enable us to continue to make the critical long-term investments that we need to ensure our continued economic health. And it will not balance the budget on the backs of older and retired Americans. I urge my colleagues on both sides of the aisle to support its passage.

Mr. SMITH of Oregon. Mr. Chairman, I yield myself 1 minute and 30 seconds.

Mr. Chairman, I just wanted to reflect for a moment, the first section of the Smith-Stenholm resolution states, section 1:

> Total outlays for any fiscal year shall not exceed total receipts for that fiscal year, unless there are three-fifths majority of each House, House and Senate, which allows that to happen.

That sentence strikes fear into the big spenders in this Congress. That is the thing they cannot handle. And the reason it is very difficult is simply because we indeed have masked this budget over the years. Of $150 billion trust funds, there is $113 billion that is masked. This takes the mask off. We have to identify every receipt and every expenditure and, therefore, the mask comes off, not goes on.

Beyond that, this amendment will save Social Security. There is not one person that supports Smith-Stenholm that does not support Social Security, not one. And yet the threat here seems to be that we are going to eliminate Social Security. How ridiculous.

And one other point here, the capital budget idea is a giant loophole in this whole process. Congress will continue to spend money, calling it "capital expenditures." It is a way to duck the hard decisions that we are all trying to make and to bring this budget into balance. It is a method of getting out of the responsibility.

Mr. Chairman, I yield 2 minutes to the gentleman from Delaware [Mr. CASTLE].

Mr. CASTLE. Mr. Chairman, I am a firm believer that our States are the laboratories of democracy—49 States have a balanced budget requirement. This responsible fiscal policy has served the States extremely well. It is time to require the Federal Government to play by the same, sound financial rules that have proven to be so effective in our States.

And, I know first hand the value of a constitutional balanced budget amendment. As Governor of Delaware, I submitted and managed eight consecutive balanced budgets. During times of prosperity in the early 1980's, we were able to cut taxes three times and fund some much-needed social, children's, housing, and highway programs.

However, during a couple years of tough economic conditions, Democrats and Republicans came together—tightened our belts, cut spending—and, implemented a highly successful early retirement option for State employees to reduce the government payroll. Due to the fiscal discipline required under the balanced budget law, the State of Delaware maintained its excellent bond ratings on Wall Street and weathered the recession remarkably well.

As Governor of Arkansas, Bill Clinton knew the value of a balanced budget requirement. On February 17, 1979, he told the Arkansas Gazette,

> Arkansas was lucky that we can fall back on our constitution that doesn't allow us to spend more than we take in * * * I believe the government in Washington ought to be run on a balanced budget too, unless there is an economic emergency.

Unfortunately, President Bill Clinton has abandoned his support of a balanced budget amendment. In a letter to congressional leaders dated November 5, 1993, he expressed his, "firm opposition" to a balanced budget amendment—saying it would, "promote political gridlock and would endanger our economic recovery."

Mr. Chairman, I respectfully disagree. A balanced budget amendment has not promoted political gridlock or endangered economic recovery in our States. To the contrary—from my experience as Governor of Delaware, the need to enact and maintain a balanced budget brings the two parties together—working toward a common goal, and promotes sound fiscal decisions to sustain economic growth.

The bottom line is that since 1969, the Federal Government has spent more money than it takes in. Congress has proven it is unable to control its appetite to tax and spend. Make no mistake, simply enacting a balanced budget amendment will not balance the books. However, I believe it will impose the financial discipline needed to make the tough decisions on how to cut spending and restructure Government operations so we can stop charging billions and billions of dollars every year on some imaginary credit card—leaving our children and grandchildren to pay the bills.

I urge my colleagues to vote for the Stenholm, Smith, Kyl, and Barton balanced budget amendment substitutes.

Mr. WISE. Mr. Chairman, may I inquire of the Chair how much time is remaining on each side?

The CHAIRMAN. The gentleman from West Virginia [Mr. WISE] has 56 minutes remaining, the gentleman from Texas [Mr. STENHOLM] has 36 minutes remaining, the gentleman from Oregon [Mr. SMITH] has 45½ minutes remaining, and the gentleman from California [Mr. GALLEGLY] has 1 hour and 22 minutes remaining.

□ 1450

Mr. WISE. Mr. Chairman, I yield 4 minutes to the gentlewoman from Connecticut [Mrs. KENNELLY].

Mrs. KENNELLY. Mr. Chairman, Mark Twain used to say, "Everyone talks about the weather, but no one does anything about it." I would like to paraphrase that, and say, "Some of us talk about a balanced budget—and some of us do something about it."

In this case, we know who the talkers are. They are those of my colleagues—on both sides of the aisle—who are advancing the idea that amending the Constitution can balance the budget. With all due respect, this is simply not the case.

We know how to balance the budget. We know it is not easy, quick, or pleasant. It is done through painstaking scrutiny, not through broad-brushed rhetoric. It is done through tough-minded decisions, not through easy slogans. And above all, it is done honestly—by laying out the options, explaining the consequences, and debating the choices.

This Congress knows how to do it, and has made substantial progress in that direction. Last summer's reconciliation package is working, moving us toward the lowest Federal budget deficit in a decade. Yet many of my colleagues who are most dedicated to a balanced budget amendment passionately opposed that plan. And now, some say they opposed it because it did not do enough.

Mr. Chairman, how can a statement that we ought to do something—or even a statement that we be required to do something—take the place of actually doing something?

Of course, there is no guarantee that a balanced budget amendment will ensure fiscal responsibility. In fact, there is every reason for fear that, with an amendment, that goal will become more elusive.

Far from ensuring that a balanced budget must be passed, the amendment simply ensures that a budget supported by three-fifths of the House must be passed. Why? Why make it more difficult to enact a responsible budget? Why make it more difficult to kill unnecessary programs, to enact responsible reforms, to make unpopular choices?

As the Washington Post noted on Tuesday, a balanced budget amendment would allow 40 percent of the House or Senate to hold the entire process hostage. At what cost might that hostage's freedom be purchased?

Mr. Chairman, I believe that the balanced budget amendment is more than unnecessary. It could block our progress toward a responsible budget, and I urge my colleagues to oppose it.

Mr. STENHOLM. Mr. Chairman, I yield such time as he may consume to the gentleman from Mississippi [Mr. MONTGOMERY], another one of the courageous 56 who voted for the Leath-Slattery-Mackey amendment in 1985. Had that been in the majority, we would not have been here today.

Mr. MONTGOMERY. Mr. Chairman, I thank the gentleman for yielding time to me. I rise in strong support of the balanced budget amendment, and I want to thank the gentleman from Texas [Mr. STENHOLM] and the gentleman from Oregon [Mr. SMITH] for the work they have done on this balanced budget amendment.

Mr. Chairman, I rise in strong support of the balanced budget amendment and I want to commend congressman STENHOLM and congressman BOB SMITH for the work they have done to bring it before us.

Amending the Constitution is not an easy thing to do. It requires a two-thirds vote in both Houses and ratification by 38 States. It should only be done on issues of critical national importance. I think putting an end to deficit spending and forcing the Federal Government to live within its means is such an issue.

We spend $816 million each day on interest payments. In 1993 the Government paid $293 billion just to pay the interest on its debt. That is more than we spend today on defense and it is more than the entire Federal budget in 1974. This is a serious problem that will only grow worse if we don't act now to turn it around.

This balanced budget amendment represents the strongest and most binding incentive to force congress to address the issue. If we start now, congress will still have the flexibility to set budget priorities to protect social security and other vital programs.

But if we delay and allow the debt to continue to grow, no program will be safe from drastic cuts in the future. And as growing interest payments take more and more of the Federal budget, we will also be threatened by higher inflation and worsening conditions throughout the Nation's economy.

Mr. Chairman, we cannot afford to delay any longer, passing this balanced budget amendment is the right step to take today to start the process of restoring fiscal responsibility.

I urge my colleagues to vote yes on this resolution.

Mr. STENHOLM. Mr. Chairman, I yield 2 minutes to the gentleman from Oregon [Mr. DEFAZIO].

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

The CHAIRMAN (Mr. SKAGGS). The gentleman from Oregon [Mr. DEFAZIO] is recognized for 3 minutes.

Mr. DEFAZIO. Mr. Chairman, I thank the gentlemen for yielding time to me.

Mr. Chairman, even if I believed the extraordinarily dire predictions of doom and gloom that I have heard from some of my colleagues who oppose the balanced budget amendment, I would still be in favor of it, because the choice before us is quite simple. We either balance the budget or we declare bankruptcy.

The current debt is $4.3 trillion. That is $17,495 per person. The youngest baby born this minute owes $17,495. The oldest retiree, over 100 years old, owes $17,495, a crushing burden of debt. We are adding to it daily. We are going to leave it as an inheritance for our next generation and the generations to come.

Mr. Chairman, $816 million a day in gross interest payments, they do not go to make any of the needed investments in education, infrastructure, or health care. They go to pay debt. Those payments are growing every single day. When I first came to Congress, I said I was opposed to the balanced budget amendment because it was a gimmick. Certainly, I said, our leaders in Congress and Washington realize the imperative of restraining our spending.

In my third budget cycle a number of years ago I came to the bitter reality that the temptation to borrow and spend is much more attractive than fiscal responsibility. Since I have been here, we bailed out the savings and loans to the tune then of $150 billion, off budget. It did not count. We still have to borrow the money. We still have to pay it back with interest, but it does not count. The California earthquake relief, just a month ago, we are going to borrow the money, over $11 billion. We are going to have to pay it

back, but it was a dire emergency supplemental. It does not count.

Mr. Chairman, we added into the dire emergency supplemental $1.2 billion for the endless appetite at the Pentagon, and last week in the budget we increased the authorization for the Pentagon by $2.4 billion. We will never restrain the endless appetite for money at the Pentagon until we have a balanced budget amendment. Vote for this amendment, and set some hard guidelines.

Mr. SMITH of Oregon. Mr. Chairman, will the gentleman yield?

Mr. DEFAZIO. I yield to the gentleman from Oregon.

Mr. SMITH of Oregon. Mr. Chairman, the gentleman raised the point that I want to enunciate again, and that is simply by this Congress declaring an emergency, somehow we do not count it. We do not count the sham and the disguise of the trust funds, including the Social Security surplus. Is that what I heard the gentleman say?

Mr. DEFAZIO. That is correct. We spend the money, we borrow the money from the trust funds and elsewhere. Someone is going to have to repay it some time, but we just pretend that it does not count.

Mr. SMITH of Oregon. If the gentleman will continue to yield, should this amendment pass, all those funds would have to be identified exactly, would they not?

Mr. DEFAZIO. I believe Social Security would be more secure under this amendment. I worry about the day when Social Security will owe the entire debt of this Nation, which is coming in the near future, after the next century, and the temptation of a future Congress to say, "Why should we pay ourselves $350 billion or $400 billion interest out of the Social Security trust fund? Let us wipe it out and start all over with some new tax to support Social Security." Of course we will have to cut the benefits.

Mr. SMITH of Oregon. I thank the gentleman.

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

Mr. BAKER of California. Opponents of the balanced budget, including the old Democrat, President Clinton, claim it is a gimmick, that Congress already has the power to balance the budget. However, Congress has demonstrated it is incapable of balancing a Federal budget. Bill Buckley, former editor of National Review, said what we need in Congress is "Spenders Anonymous."

Look at this chart, and parents at home, you may not want your children to see this. The budget was last balanced in 1969. Since then, we have had six Presidents, 25 years, and every year since then we have spent more money than we have brought in. Every year we have enlarged the Federal debt burden on our children and grandchildren.

Mr. Chairman, debt levels have skyrocketed, thanks to our spendthrift Congress. David Gergen, editor-at-large at U.S. News and World Report, in 1992 wrote a letter saying, "We can no longer flinch from reality. We can no longer afford the illusion that we can borrow our way to prosperity," in an article for U.S. News and World Report entitled "Balance the Budget by Force."

□ 1500

Walk down the hall and tell that to the President, Mr. Gergen.

In 1993 Congress increased the national debt limit without my vote $225 billion, from $4.1 to $4.3 trillion. That means $17,000 for every man, woman, and child in this Nation.

Interest on the debt equals 57 percent of all of your income tax paid this year. The second largest item in the Federal budget is interest on the national debt, not the debt itself, for government we have already consumed.

The balanced budget spending limitation amendment offered by the gentleman from Arizona [Mr. KYL] attacks the root of the deficit problem: congressional spending. First it requires a balanced budget unless three-fifths of both Houses vote to increase the debt limit.

Second, it establishes Federal spending limits of 19 percent of GNP. I support the Kyl amendment.

I support the Barton amendment and I support the Stenholm amendment. You balance the budget; I will vote for it.

Mr. WISE. Mr. Chairman, I yield 3 minutes to the gentlewoman from New York [Ms. VELÁZQUEZ].

Ms. VELÁZQUEZ. Mr. Chairman, I rise today in strong opposition to the balanced budget amendment.

Mr. Chairman, I too am concerned about the Federal budget deficit. We must make every effort to realign our national priorities and focus limited Federal dollars on our most pressing national needs.

The problem with the balanced budget amendment is that it makes no provision for social programs benefiting our most vulnerable population, as in previous budget reduction measures. Under this proposal it would likely be the sick, the poor, and our children who will sacrifice.

If this amendment is adopted, today's health care crisis will become tomorrow's public health disaster. Revenues earmarked for financing health care reform—Medicare and Medicaid cost reductions— would instead be directed towards deficit reduction. With this constitutional amendment, we will have no dollars for universal health coverage, too few funds for HIV research and treatment, inadequate support for community health centers, and scant attention to breast cancer research and other urgent health needs.

This amendment would also force us to turn our backs on our most precious resource—our children. Today, almost 15 million of our kids live in poverty. Many have no chance for a meaningful, quality education. More than 50 percent of eligible children are never reached by Head Start. Federal dollars for educating our children, which have dropped to a mere 2 percent of the budget, would drop further if the balanced budget is adopted.

The constitutional amendment would also mean cut-backs for critical antipoverty measures, such as low-income housing assistance and urban revitalization. During the dark Reagan years the poor in our cities were relegated to the shadows. The Department of Housing and Urban Development, the primary vehicle for urban aid, saw its budget slashed by more than any other Federal agency. With a new administration and the strong leadership of Secretary Cisneros, our urban poor are again getting the attention and support they desperately need. Passage of this amendment would mean severe cutbacks for housing assistance and the community development funds critical to the revitalization of our city neighborhoods.

Mr. Chairman, we do need to make tough budget choices. We need to turn billions for weapons into medicine for the sick, computers for school children, and housing for the homeless. We must not balance our budget with further tears in the safety net. Vote "no" on the balanced budget amendment.

Mr. SMITH of Oregon. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. HERGER].

Mr. HERGER. Mr. Chairman, I rise in strong support of the balanced budget amendment, and in opposition to the Wise substitute.

Everyone is talking about the need to make tough choices, but its clear to the American people that that is not happening. The system is broken, and the only people who will not admit it are Members of Congress. The balanced budget amendment is critical to fixing what is wrong with the system.

Those who think Congress will make tough choices to control spending without the amendment must have forgotten how this very Congress refused only a few weeks ago to terminate a $10 million program for native Hawaiians that even President Clinton said was unneeded and duplicative.

Last week, we adopted a budget resolution that increased the national debt from $4.6 trillion this year to $6.3 trillion in 1999, or nearly a 50 percent increase. This is even more debt piled onto the backs of future generations to finance current consumption. We are literally mortgaging the futures of not only our children, but also of our grandchildren.

Moreover, the $203 billion in net interest we're paying on the debt this

year alone produces absoletly nothing of value for the American public. It does not put one more policeman on our streets, or repair one road or bridge.

Let us end this irresponsible practice by adopting the balanced budget amendment.

Mr. SMITH of Oregon. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey [Mr. FRANKS].

Mr. FRANKS of New Jersey. Mr. Chairman, today I rise in strong support of the Stenholm balanced budget constitutional amendment. I also intend to support the Kyl and Barton amendments. These are all serious proposals that would help Congress do what it refuses to do now—spend the taxpayers' money with intelligence and restraint. The Stenholm amendment would require a three-fifths vote to increase the official limit on our national debt. With such a tool in hand, I believe we in Congress could find the collective will to truly challenge the special interests and the entrenched House leadership with their business as usual mentality.

In response to the demand for real change, the Democratic leadership has produced a phony balanced budget amendment, one which exempts major elements of the budget and imposes no new requirements for approving a deficit or raising the debt. This empty alternative gives nothing to the American people; rather, it merely seeks to provide political cover to those who vote for it.

In my home State of New Jersey, where we have a requirement to enact a balanced budget each year, support for a Federal balanced budget amendment is overwhelming. The people I represent know it will take sacrifices if we are going to put the Nation on the road to fiscal responsibility. But it must be understood that the people are way ahead of their elected representatives in their willingness to try new ways to tame the deficit monster.

Mr. Chairman, sooner or later Congress will have to put its spending programs in priority order. With the $4 trillion national debt projected to grow by at least 50 percent over the next 5 years, it would be better for all of us to begin now. I urge my colleagues to support the Stenholm balanced budget amendment.

Mr. WISE. Mr. Chairman, I yield myself such time as I may consume. Since the gentleman described my amendment as phony, I want to respond, and I am sorry the gentleman would not yield, particularly when I was offering to put my time on the line. But since he would not yield, then I will go ahead and give the unexpurgated and uninterrupted version.

First of all, there is nothing phony about this. Members have to make a decision as to whether or not they think Social Security should be on budget or off budget. The gentleman has not been here in previous years, but many of our predecessors, both from your State and other States who have been here more than 2 years, have sworn, raised their hands and sworn an oath in town meetings that they thought Social Security was sacrosanct and should be off budget. So to the gentleman who just spoke, I would say that I think that there is an honest difference of opinion, but please, I would hope that no Member, Mr. Chairman, would characterize an amendment as phony. We can have honest differences of opinion, and that is valid, but not characterizations which so far have not come into this debate, and I hope they will not.

But I do want to address some subjects the gentleman brought up. One is capital budgeting. The gentleman is from New Jersey, and New Jersey being a State of the Union, and having determined that almost every State, at least 49 States of the Union have a form of capital budgeting, now I know the form in West Virginia, and I suspect it is similar in New Jersey in which you may borrow money for roads and bridges and infrastructure, and you have a fund, and you probably sell bonds. I am assuming that is what it is. I think it should be pointed out that what the Wise-Price-Pomeroy-Furse amendment seeks to do is to replicate that experience of the States. You say you want to have a balanced budget like every State does. We give you that opportunity.

□ 1510

Furthermore, I find it interesting, and I have heard others come from legislative backgrounds, is there some kind of blinders that happens when you get within the Beltway that you forget your State legislative experience? The 2 years that I had the privilege of serving in the West Virginia legislature I learned about the need for capital investment. I learned about the need for a balanced budget. But we did it within the context of being able to make the investments that were necessary for our State to build the infrastructure to promote our economic growth.

In the amendment, the Wise-Price-Pomeroy-Furse amendment, what we do is do exactly what many of the States do, and that is to take that stream of investment and to take that which is debt service, that which you either through depreciation or that which you pay for debt service, and to make that part of the operating income.

There is no free ride with capital investment. Make no mistake about it. But what you do is to account for it in the same way that a business does and that a State does and every municipality.

I would hope we can avoid those kinds of characterizations. Honest differences of opinion, yes, but phony, absolutely not, and we feel that if you are serious about wanting to be similar to what the States do and to have the same strictures that a State does then our amendment actually gets you closer, because I am not aware of any amendment, and I would be delighted to get into a discussion with the gentleman from Texas [Mr. STENHOLM] possibly at some point on this.

I am not aware of any State that has a structure similar to either the Stenholm amendment, the Kyl amendment, or the Barton amendment.

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

Mr. SMITH of Oregon. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, I come from a small State, the State of Oregon. We have a capital budget. We also have a little problem, a $6 billion budget this year, and we are going to have to take $1 billion out of the budget, $1 billion.

We are in the face of crippling higher education, education in our State, beyond suspending the whole issue of a capital budget.

I only am suggesting that this is a way to spend more money which is not allowed.

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

I will point out to the gentleman that he has more time if he is going to be exercising the other time.

My question simply would be this way: Does Oregon have some form of capital budgeting? And I believe that it does.

Mr. SMITH of Oregon. Mr. Chairman, will the gentleman yield?

Mr. WISE. I am happy to yield to the gentleman from Oregon.

Mr. SMITH of Oregon. Mr. Chairman, that is exactly my point. We do have a capital budget. It is the whole budget that is in jeopardy in our State. Higher education is in difficulty, many times because of our capital expenditures, which are stopped at the moment. They are gone.

So do not tell me that a capital budget is the epitome of success budgeting. It does not work that way.

Mr. WISE. Does Oregon also have a balanced-budget provision?

Mr. SMITH of Oregon. Absolutely.

Mr. WISE. And so somehow even with those structures in there something has slipped, which tells me a balanced-budget amendment in and of itself is no panacea.

Mr. SMITH of Oregon. I will be delighted to answer the gentleman's question.

Exactly, we have a balanced-budget amendment to the constitution, and we do spend for capital outside of it including bonding. The payment on the interest of the bonds has us in so much trouble we are going to have to strip $1 billion out of the budget of $6 billion.

Now, had we had a balanced-budget amendment that included capital ex-

penditures, we would not be in this shape.

Mr. WISE. I appreciate the gentleman's remarks. I would say obviously you have to keep capital budgeting under control if you seek to control operating expenses. At the same time, though, I think we enter into an illusory world to think that a dollar of investment that can produce a greater return should be treated the same as a dollar of everyday consumption.

Now, I cannot speak to the experience in Oregon. But I can speak to the experience in West Virginia, and the experience I have had in my State legislative experience, which is that you have to be able to promote those policies that provide growth; the reality of the situation, Mr. Chairman, is that after all the charts, the red lines, and seas of red ink and all of that are done, the reality of the situation is you can pass umpteen balanced-budget amendments tomorrow. The fact is that until you take some hard steps, you will not begin to balance the budget.

You cannot tax your way out of this situation. You cannot cut your way out of this situation. You are going to have to do a mixture of both, but you are also going to have to have a strong element of growth, and growth will not be facilitated by saying that you will not recognize investment for long-term economic return. You will not recognize that and make provisions for it, encourage it, but instead you will stifle it even further than it already is in the Federal budgeting process.

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

Mr. SMITH of Oregon. Mr. Chairman, I yield 3 minutes to the gentleman from Rhode Island [Mr. MACHTLEY].

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

Mr. Chairman, I rise in strong support of the balanced-budget amendment.

It is a resolution that I have supported since I came to Congress. I have supported it because I believe it is the only way that we will get the debt away from our children.

American families in my home State of Rhode Island and across this Nation every year must make tough choices. They must live within their own budgets. Federal, State, and local taxes, high mortgage payments, car payments, tuition payments, medical bills, all of these are factors in everyone's life, but they must live within their budgets. The Federal Government must start doing that as well.

Even though we have tried, we have seen over the last 15 years our expenses going up and our revenues going down. In fact, during the last 12 months, spending has been up 4 percent, and revenues have only been up 0.2 percent.

Just 20 years ago, no Federal debt annually approximated $25 billion. Now we casually treat an annual debt of $300 billion as if that is acceptable.

It seems that if American families are going to have to have two people working just to make ends meet, we in the Federal Government have an obligation to our children to make sure we are not spending their heritage.

But here in Washington things work differently. For far too many years our Federal Government has assumed that somehow we can reap some huge source of money in the future to pay for our expenses today. Because we put people on the Moon and discovered cures for enormous and difficult diseases, we have assumed we could have it all.

Unfortunately, we cannot. We must live within our means.

Since the 1960's we piled up a deficit amounting to more than $4 trillion. Unlike American families who would have to face foreclosures, garnishments of wages, and other legal proceedings, the Federal Government merely passes it effortlessly to our future generations. That is the cruelest.

We have Gramm-Rudman, Gramm-Rudman 1 and 2, we have had amendments, we have had the 1990 Bush budget agreement, we have had the 1993 Clinton budget agreement, but nothing seems to work.

This is like when the patient goes to a physician and has a terrible case of cancer. When all else has failed and the physician says there must be a dramatic surgery, the patient has to make that choice.

The balanced-budget amendment may not be perfect, but clearly after 20 years of attempting to maintain a budget for future generations, something is needed.

Alexis de Tocqueville said in his writings and in his "Democracy in America,"

> The American republic will endure until the politicians find that they can bribe the people of the country with their own money.

We are getting very dangerously close to bribing the people of this country through entitlements and other spending programs with their own money. We must in fact balance the budget, and I think this is the appropriate method to do so.

Mr. SMITH of Oregon. Mr. Chairman, I yield 3 minutes to the gentleman from New Jersey [Mr. SAXTON].

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

Mr. Chairman, I was not going to take part in this debate today, but as I was in my office and heard one of the speakers, I felt compelled to come here, because I have heard people say over and over again in the 10 years I have been in this House, particularly when they are back in their districts:

> You are sending me to Washington, and I am going there for one main purpose. I am going to balance the budget. I am going to help the people in the Congress. We are going to change things. We are going to do it differently, and we are going to balance the budget.

I have heard that enough times to say that if I had $5 for every time I have heard people say that, I could give that to the Government and balance the budget. That is fact.

People talk about it all the time. But the fact of the matter is we all come here with good intentions, and most of us do, but when we get here, the process proceeds as normal.

I suggest, therefore, in order to get this job done, we need to change the rules. We need to change the rules so we have to balance the budget like many of the States do and like families and like people all over our country in businesses do as well.

This chart is wonderful, and it demonstrates wonderfully exactly what we do around here. All of these red lines all the way back to when we had a balanced budget in 1969, and the year before that was 1960, and it is kind of incredible. We sit here and argue about whether or not we are going to balance the budget when, in fact, we have no choice. Someday the budget has to be balanced.

I would remind everybody that one of the previous speakers said all we need to do is have the intestinal fortitude to carry out this mission so important to our country and our children, that is, balancing the budget.

□ 1520

That is balancing the budget.

Then the other Member from the other side of the aisle pointed out that in 1990 we took a step toward balancing the budget and all the progress that has been made because of what we do in the Budget Reconciliation Act of 1993. Let me remind you of something: In 1990 the President's people, President Bush's people, and the leadership in the House and the Senate went out to Andrews Air Force Base and they met out there in a closed room, and they came back here and said:

> Well, we got a deal. We got a deal. We're going to increase taxes because we have to do something about this deficit.

Well, we projected then—CBO projected then—Congressional Budget Office projected then, it was not our projection, CBO projected that the budget deficit in 1995 would be $141 billion if we did not pass this tax increase. Well, the years went by and we got to 1993. The 1993 Budget Reconciliation Act, "We are going to raise taxes, we have got to do something about this deficit." So, in 1990 we raised taxes by $130 billion; in 1993 we raised taxes by $163 billion. Guess what CBO's projection for the budget deficit in 1995 is this year, not $141 billion, it is $170 billion.

So we have had two tax increases, and yet the spending continues to grow. And as I said in my opening statement, in order to get this under

control, we need to do exactly what CHARLIE STENHOLM says, we need to vote for the balanced budget amendment and change the rules around here so we can get to where we need to be.

Mr. STENHOLM. Mr. Chairman, I yield 3 minutes to the gentleman from Utah [Mr. ORTON].

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

Mr. Chairman, I rise in support of House Joint Resolution 103, the balanced budget amendment. I support the basic concept of balanced budgets. My record is clear on that both in votes here in the House and in the Budget Committee.

The debate here today and in the other house last week on this issue has focused on several particular objections that people have to provisions of the balanced budget amendment. There are three, I think, that have come up regularly: First, that the amendment would create a supermajority; second, the provisions of waiver, just what and how the Congress could in fact waive the provisions of this amendment; then, third, whether or not this amendment would really be enforceable.

Now, I have to tell you that I can agree with many Members who have spoken, that these are perils. I agree there are risks. I agree perhaps there are refinements needed. There have been many attempts to resolve some of these issues here on the floor today. Mr. WISE here, and in the Senate, Mr. REID, attempted to do that. I would like to commend the gentleman from West Virginia [Mr. WISE] for the valiant attempt he is making. I agree with the capital budget concept, and I have a bill to do that. His bill would not create a super majority and would expand those areas for which waiver would be approved.

In fact, I and several of my colleagues on a bipartisan basis have worked, and worked very closely with Mr. STENHOLM, trying to identify some solutions to these particular three objections. I would like to refer you to and I will submit into the RECORD a side-by-side comparison of the Stenholm amendment, which is 103, and also House Joint Resolution 103, which is an amendment very similar to this one which I have filed which in fact differs only in three areas with the Stenholm amendment; that of supermajority, waiver, and enforcement.

Let me just indicate that on supermajority, while the Stenholm provision would require three-fifths' majority to either overspend beyond the budget or to increase the debt limit, House Joint Resolution 133 would not create a supermajority. The Stenholm provision on waiver would only provide for waiver in time of war. House Joint Resolution 133 would allow for a waiver for any purpose that Congress chooses to waive with a majority vote, but would have to do so by statute, which would then subject that statute to veto by the President and would then require a two-thirds' supermajority to override the veto.

This would bring the legislative and the executive branch together in actually balancing the budget and would avoid the need for supermajorities.

Finally, on enforcement, while the Stenholm provision would require future legislation to enforce, our provision would simply say that it must be repaid in the ensuing fiscal year or be subject to sequestration.

The document referred to follows:

ORTON AMENDMENT—HOUSE JOINT RESOLUTION 133

SECTION 1. Total outlays of the United States for any fiscal year shall not exceed total receipts to the United States for that fiscal year.

SEC. 2. Prior to each fiscal year, the President shall transmit to the Congress a proposed budget for the United States Government for that fiscal year in which total outlays do not exceed total receipts.

SEC. 3. For any fiscal year in which actual outlays exceed actual receipts, the Congress shall provide by law for the repayment in the ensuing fiscal year of such excess outlays. If Congress fails to provide by law for repayment, within fifteen days after Congress adjourns to end a session, there shall be a sequestration of all outlays to eliminate a budget deficit.

SEC. 4. The provisions of this article may be waived for any fiscal year only if Congress so provides by law by a majority of the whole number of each House. Such waiver shall be subject to veto by the President.

SEC. 5. Total receipts shall include all receipts of the United States Government except those derived from borrowing. Total outlays shall include all outlays of the United States Government except for those for repayment of debt principal.

SEC. 6. This article shall take effect beginning with fiscal year 2000 or with the second fiscal year beginning after its ratification, whichever is later.

STENHOLM AMENDMENT—HOUSE JOINT RESOLUTION 103

SECTION 1. Total outlays for any fiscal year shall not exceed total receipts, unless three-fifths of the whole number of each House of Congress shall provide by law for a specific excess of outlays over receipts by a rollcall vote.

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

SEC. 3. (Same as Orton, Section 2.)

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

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

SEC. 6. The Congress shall enforce and implement this article by appropriate legislation, which may rely on estimates of outlays and receipts.

SEC. 7. (Same as Orton, Section 5.)

SEC. 8. (Same as Orton, Section 6, except uses year 1999.)

Mr. SMITH of Oregon. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. COX].

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

Why do we need a balanced budget amendment? I will suggest three reasons. First is rather straightforward: Spending is out of control.

The second is that taxes are out of control, driven by the insatiable appetite for more and more Federal spending.

The higher taxes are, themselves, the reason for economic stagnation, the lack of new job creation and less individual freedom.

The third is that it is the right thing to do and that laying off our obligation to pay for the spending that we occasion this year is the wrong thing to do.

Since 1969, Federal spending has increased on an annual basis more than 800 percent. Now, in 1969, it was a guns-and-butter year, and yet the entire Federal spending from 1969 through 1973, 5 years, is less than Bill Clinton's 1994 budget for 1 year.

Sixty percent of next year's deficit will consist of the new spending that Congress has added to 1993 levels. Spending is running out of control.

And yet the Clinton budget proposes additional spending of $1.475 trillion on top of the current levels for the years 1994 through 1998. Spending is out of control, and record tax increases are occasioned by this insatiable appetite for more and more spending.

We need not only a balanced budget amendment but we need a tax limitation amendment such as my colleague, the gentleman from Texas [Mr. BARTON], has proposed, and because spending is the problem, we need a spending limitation such as my colleague, the gentleman from Arizona [Mr. KYL] has proposed.

I mention finally that passing amendments like these would be the right thing to do. I point out that President Clinton's chief spokesman, David Gergen, wrote an editorial saying precisely this on June 1, 1992, in U.S. News & World Report. The headline, "Balancing the Budget by Force." Here is what David Gergen said in 1992, just 1 year before he went to work for Bill Clinton, who is now fighting a balanced budget amendment.

Mr. Gergen said:

> The time has come to recognize that the right thing to do is something we have long resisted, amend the Constitution so that Congress and the President are required to balance the budget.

Now it is David Gergen's White House that is long resisting a balanced budget amendment.

We in this body must do the right thing. We must bring spending under control, we must bring taxes under control. Today is the day we can do just that.

Mr. SMITH of Oregon. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. BARTON] who himself has a substitute which includes a tax limitation and which I support.

Mr. BARTON of Texas. I thank the distinguished gentleman for yielding this time to me.

Mr. Chairman and Members of the House of Representatives, this is an historic debate. We should congratulate the balanced budget leaders, Mr. STENHOLM, Mr. SMITH, and others, Mr. TAUZIN, who helped on my amendment and Mr. KYL, for their efforts to bring this before the American people.

There are a number of balanced budget amendments that will be voted on this evening and tomorrow. They all have merit. I think that the case has probably been made about the need for some sort of balanced budget amendment, but I will add to the case very quickly.

As has been pointed out in the chart presented earlier, we have not had a balanced budget in this country at the Federal level since 1969, 25 years ago.

I would stipulate that if we do not pass an amendment to the Constitution requiring a balanced budget, we will never ever again in the history of this Nation have a balanced Federal budget. And if we never again balance the Federal budget, we are going to be in serious, serious financial difficulty in the very near future.

□ 1530

The national debt is now $4.6 trillion. The good news is that it is not going up as rapidly as it has been. A year ago, Mr. Chairman, it was going up approximately a billion dollars a day. It is now going up at only half a billion dollars a day.

Having said that, the Clinton administration has dropped any pretense that their policies would get us to a balanced budget. The budget they submitted to this Congress in the 5-year budget plan shows the budget deficit at $176 billion this year and then going up each year thereafter.

The primary reason that the budget deficit has gone down is because interest rates have gone down, and, as interest rates have gone down, the Federal Treasury has refinanced the long-term public debt at short-term rates. At the end of this year the average outstanding maturity on Federal debt is going to be less than 3 years. As long as short-term interest rates stay low, Mr. Chairman, that is fine. But if short-term rates go back up and long-term rates stay as high as they are now or go higher also every increase of one point adds $46 billion in interest on the Federal debt that has to be paid in a given fiscal year. $46 billion would pay for two food stamp programs, or 1 year's spending on the entire Federal housing program.

Mr. Chairman, we simply cannot condone that kind of increase in spending just on interest on the national debt if interest rates go back up. We simply must amend the Constitution to require a balanced budget.

The question is today not whether we should balance the budget, but how should we balance the budget, Mr. Chairman. Myself and many others, the gentleman from Louisiana [Mr. TAUZIN] and 200 Members of the House, last year voted that we should do it by doing everything that the gentleman from Texas [Mr. STENHOLM] and the gentleman from Oregon [Mr. SMITH] do, but in addition require a super majority vote to raise taxes, that is, a 60-percent vote to raise taxes. If our amendment had been part of the Constitution this year, we would not have passed the budget reconciliation bill that was passed by a two-vote margin in the House of Representatives. We would have passed the budget reconciliation bill; it just would not have had the tax increases in it. We would have forced the Congress to cut spending, not to allow taxes to increase.

Mr. Chairman, many, many States are adopting tax limitation amendments to their constitution. In those States that have a tax limitation requirement, a super majority tax limitation requirement, the average increase in taxes has been 2 percent less than in those States that do not. So, it is not impossible to raise taxes, but in States that have the super majority requirement for tax increases, Mr. Chairman, their tax rates have gone up an average of 2 percent less than those States that do not.

I say to my colleagues,

When you look at the tax burden per taxpayer in those States that have a super majority requirement for tax limitation, the tax burden has actually gone down when adjusted for inflation by 2 percent in the period from 1980 to 1989. In those States that do not have the super majority requirement for tax limitation, the tax burden has gone up by 2 percent. So that is a 4 percent difference.

Now, Mr. Chairman, my colleagues may say, "What's 4 percent?" Well, 4 percent at the Federal level is an average of $20 billion a year in lower taxes, I repeat, $20 billion a year, $20 billion would pay for an entire year's spending on our agriculture programs.

Our problem in Washington is not insufficient taxes. In the time period between 1980 and 1989, Mr. Chairman, the average revenue to the Federal Government went up $55 billion a year. We doubled Federal spending between 1980 and 1990. The problem was, Mr. Chairmen, as revenues went up, spending went up even faster, and we have a number of charts that we are going to show in the debate tomorrow on my amendment that make that point very graphically.

The bottom line is:

We need to balance the Federal budget. There is no serious debate about that. At least there has not been so far this afternoon in the House of Representatives.

The question is how to amend the Constitution. We should build on the approach the gentleman from Texas [Mr. STENHOLM] and the gentleman from Oregon [Mr. SMITH] are offering by going the additional step and requiring the 60-percent supermajority vote to raise taxes.

Tax limitation works.

Mr. WISE. Mr. Chairman, I yield 4 minutes to the gentleman from Ohio [Mr. FINGERHUT].

Mr. FINGERHUT. Mr. Chairman, I thank the gentleman from West Virginia [Mr. WISE] for yielding this time to me, and I would like to thank all of the sponsors of the various balanced budget amendment proposals here today for bringing this issue before the House and for enabling us to have this significant debate.

I intend to support a balanced budget amendment. Indeed I intend to support a number of different proposals in the hopes that at the end of the day we will have a balanced budget amendment pass this House of Representatives. I care about reducing the deficit. I have voted to do so repeatedly throughout the course of the legislative process over the last year and a half. The interest on the debt is killing us. It is stopping us from doing a whole variety of things that we need to do in this country, and we simply must get it under control.

But let me take just this moment to put in a word about Wise because I think that the proposal that the gentleman from West Virginia brings before us today deserves the serious consideration of this body.

When people ask me why I support a balanced budget, Mr. Chairman, I tell them that more than any another reason it is because I care about children. I do not want to run up bills today and have my children have to pay for them. But I also do not want to leave them a country that is impoverished of the basic infrastructure to enable them to build the kinds of economy, and jobs, and growth that they need. If we leave them crumbling roads and crumbling bridges because we squeeze out all of our infrastructure and investing to consume more and more of today's dollars on today's expenses, then we will have done our children an equal disservice. If we do not set aside the funds to build the schools and the recreational facilities that are necessary in this country, if we do not protect our environment, then it will mean little if we have left them with a balanced budget but require them to start from scratch to build the basic infrastructure necessary in this country.

The second word about Wise that I would like to add is this. As I have traveled throughout my district and talked to my constituents invariably the conversation about the balanced budget goes something like this:

"Why can't you balance the budget like we do in our home? Or, "why can't

you balance the budget like we do in our business?" Or a city leader will say to me, "Why can't you balance the budget like we do in our city?" Or a State will say, "Why can't you balance the budget like we do in our State?"

My answer to them is that we have a chance to do that today, to balance the budget like we do in our homes, and our cities, and our businesses, and our States, and that is to balance our operating budget but set aside the necessary funds to invest in the future by separating capital expenses from operating expenses and insisting that we balance our operating budget, insisting so much that we put in the Constitution insistence that we set aside something for the future in our capital budgets.

I simply want to say, as I said at the beginning, that I thank all of the sponsors of these constitutional amendments. This is an important debate. I am going to support a number of the amendments that come before us today. But I particularly wanted to rise and let this body think through very carefully what the gentleman from West Virginia [Mr. WISE] has put before us. The concepts behind it are important. They are important to this debate about the Federal budget, and I urge support in addition to a general balanced budget amendment, the Wise amendment, today.

Mr. SMITH of Oregon. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. LAZIO].

Mr. LAZIO. Mr. Chairman, I rise today in support of House Joint Resolution 103, the balanced budget constitutional amendment. My constituents back on Long Island agree with me that such a measure is necessary. In response to a questionnaire I sent to every household in my congressional district, 85 percent of the respondents said they support a constitutional amendment to balance the budget.

Some of my colleagues in this House argue that an amendment is not needed because we are on the right path, citing the declining deficit at least over the next 2 years. This misses the point. Even assuming that all the projected revenues appear and spending cuts occur as projected, the gross Federal debt increases by 35 percent to over $6 trillion in 1999. From 1995 to 1999, Federal outlays will increase by almost $340 billion, and the deficit is expected to begin rising in 1997 unless we take further action. The Congressional Budget Office projects that net interest on the debt alone will be over $200 billion for 1994. This is almost 80 percent of what we will spend on all domestic discretionary programs.

The path we are on imposes nothing less than a huge mortgage on our children. Thomas Jefferson said it well 200 years ago when he said, we must "consider ourselves unauthorized to saddle posterity with our debts and be bound to pay for them ourselves." Our inability to make the hard decisions necessarily lowers their standard of living.

Despite overwhelming demand from the American people, time and again, Congress has shown it does not have the internal discipline to balance the budget. Given Congress' dismal record, it is time for stronger medicine. Deficits have become ingrained and their perpetuation has become a structural pattern of behavior for Congress. Having tried everything else, I am convinced that a constitutional amendment is the only way to break this cycle of spending beyond our means.

In the 102d Congress, the House failed to pass a balanced budget amendment by just nine votes. This year, the Senate has acted first and with a disappointing result—four votes short. Some have argued that this result renders the House vote moot or even symbolic. I disagree. It is not moot, and as for reducing the House vote to symbolism, I would argue that House passage of this amendment will clearly show, for the record, our intent.

We must learn to live within our means, and not saddle our children and future generations with our debts.

To my very small daughters, Molly and Kelsey, 2 years old and 6 months old, this vote is cast for you and your future.

□ 1540

Mr. STENHOLM. Mr. Chairman, I yield 2½ minutes to the gentleman from Georgia [Mr. DEAL], an outstanding member of the freshman fiscal caucus.

Mr. DEAL. Mr. Chairman, I thank the gentleman for yielding me this time, and I rise in support of a constitutional amendment to balance the budget.

The United States of America is the demonstration project of modern civilization whose purpose is to prove that free people can govern themselves without the supervision of monarchs or dictators. Our pilot project has entered its third century, but is still an infant on the amortization table of history. Our success is not assured simply because we profess noble purposes and lofty ideals. Others have shared these dreams, yet they have failed.

The energy force of all governments is power—the power to take and the power to give. Democracies take in the form of taxes and give in the form of spending. Although taxes and spending are the opposite sides of the same coin, one would assume that the law of averages would dictate they would equally appear when the coin is tossed. For the last 25 years, however, the coin has always landed on the spend side, because Congress has the ability to load the coin and to spend more than it receives. In fact, we have done this for so long that some would elevate it to a religious requirement with the perverted admonition, "It is more blessed to give than to receive."

I believe this debate about a balanced budget amendment is really a debate about preserving our Republic. The greatest inherent danger in allowing free people to govern themselves is that the euphoria of liberty will produce an addition that denies the necessity of self discipline. Could we achieve the same result without this amendment by just saying no? Of course! But telling an addict to just say no will not work—and Congress is addicted to deficit spending. We have sold our own possessions and mortgaged our children's inheritance to support the habit. We have lost the ability to say no.

Anarchy is the twin brother of irresponsible democracy. The mystery of the American drama on the stage of history is—when will the twins swap places?

Mr. Chairman, I urge the adoption of this constitutional amendment.

Mr. SMITH of Oregon. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. ROTH].

Mr. ROTH. Mr. Chairman, I thank my friend, the gentleman from Oregon, for yielding time to me. Let me say that I am going to miss the gentleman when he leaves this body, because he is a voice of reason, and we appreciate that.

Mr. Chairman, we have a historic opportunity before us today. We can start to make a lot of things right again by casting a vote for the balanced budget amendment. No family or household in America can spend more than it has, yet we allow the Federal Government to run huge budget deficits every year instead of forcing them to make tough decisions about Government spending. No father or mother can simply decide to ignore the bottom line and spend their hard-earned money recklessly or foolishly. Like almost everybody, American families and businesses are held accountable for the spending decisions they make. If they don't have the money, they don't spend the money. It is as simple as that.

Mr. Chairman, it is time we return to that notion of spending accountability. It is time for Congress to act like responsible Americans do all across this country and end the pattern of spending and borrowing this institution has tolerated for too long.

It is shameful that it has come to this—that the U.S. Congress has to pass binding legislation in order to balance its budget—but the balanced budget amendment we have before us today is the instrument we need. We need it to put Congress' feet to the fire. In the past, we have passed a multitude of budget laws—Gramm-Rudman-Hollings being the best example—that Congress was able to routinely waive or ignore. Today, we have an opportunity to cast a vote for legislation

that, if passed, Congress would be unable to ignore. The balanced budget amendment will ensure that Congress must do what it has not done since man first landed on the moon 25 years ago: pass a balanced budget.

Mr. Chairman, we cannot afford to wait 1 minute longer. It took America over 200 years to accumulate our first trillion dollar national debt—that is one thousand billion—in national debt. The budgets for the last three fiscal years alone increased the national debt another trillion dollars. Interest payments on the debt are now the largest item in the budget; in fact, 57 cents of every dollar in personal income taxes is spent on servicing the national debt. In fiscal year 1993, the Federal Government spent more to service the debt—the product of decades of budget deficits—than what the U.S. Government collected in total revenues in 1976.

And our national debt is getting bigger by the hour. This time tomorrow, it will be nearly one-half billion dollars more than it is right now. Government spending is completely out of control. The Federal Government hasn't ended a fiscal year in surplus in almost a quarter-century and this profligate spending is expanding Government to gargantuan dimensions. For the first time in our Nation's history, there are more Americans working for Government than in manufacturing. Government employs more people in my neighbor state, Michigan, than the entire automobile industry.

Mr. Chairman, Government spending is a runaway train careening out of control. The full throttle of multibillion dollar budget deficits has powered an unprecedented growth in Federal spending, and entire generations of Americans stand to suffer as a result.

We must balance the budget now and attack the problem of the national debt before we further mortgage our children's quality of life. Congress can simply no longer live beyond its means, and the balanced budget amendment will force this institution to be responsible and accountable in their spending.

Do not let anybody tell you that it cannot be done either. If every American family can manage to balance their budget, then the Congress of the United States can do so as well. In fact, some of us already have. This past month, I joined Congressmen SOLOMON, FAWELL, and UPTON and others in drafting a budget that would eliminate the deficit within 5 years. These three, along with the entire balanced budget task force, deserve a great deal of credit for the leadership they have shown in cutting the deficit. Our budget, with almost 500 specific spending cuts slashing over $600 billion in Federal spending, managed to balance the budget without reducing Social Security, cutting earned veterans' benefits, gutting defense, or raising taxes.

These exceptions are important: The budget cannot and should not be balanced on the backs of seniors and Social Security recipients. Our budget cut the deficit without raiding the Social Security trust fund. We were successful: Our budget represented the largest and most specific deficit-cutting proposal ever considered by the House of Representatives, and the only one that ever actually resulted in a balanced budget.

The Solomon-Fawell-Upton budget is proof that balanced budgets are possible, and that all that is lacking is the political will and courage to restrain spending. The balanced budget amendment will give Congress that will because the American people demand it.

Just this month, a CNN/USA Today poll found that 66 percent of Americans support a constitutional amendment to balance the budget. This past December, a survey by the U.S. Chamber of Commerce showed that over 91 percent of businesses believed in the necessity of a balanced budget amendment. My constituents in Wisconsin want a balanced budget too; I have an annual questionnaire where people indicate to me their most pressing concerns. This year, as in years past, the single greatest worry to the people of my district is wasteful Government spending.

America needs the balanced budget amendment and Americans want Congress to pass it. Let us heed the wishes of the American people, and let us address the concerns of generations of future Americans. Today represents a historic opportunity to end a quarter-century of budget deficits, fire the first shot in the war against the national debt, and take the bold step of forcing Congress to act as fiscally responsible as every household in America. All with one vote. Cast that vote wisely—vote in favor of the balanced budget amendment.

Mr. SMITH of Oregon. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. FAWELL].

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

Mr. Chairman, I have heard it argued over and over again that it isn't necessary to have a balanced budget amendment to our U.S. Constitution. Opponents of the amendment argue: "Trust Congress" to balance the budget and protect the basic right of future generations not to be saddled with debt for which they had no part in creating—but for which they will have total responsibility for paying.

The argument that we don't need constitutional safeguards was made over 200 years ago against the first amendment to the Constitution, guaranteeing free speech. They said "Trust Congress" to not pass laws infringing on freedom of speech. But, wisely, the people of the original 13 States, in ratifying the Constitution, did not trust Congress to protect this basic right. In the ratification process of the Constitution it was agreed that a bill of rights, including the first 10 amendments to the U.S. Constitution, would be added to the Constitution.

Why, in light of the dismal and profligate decades-long record of congressional overspending should anyone now trust Congress to balance the Federal budget without a constitutional obligation to do so?

Congress has not balanced a budget for 24 years in a row and has run deficits in 56 of the last 64 years. This year, $300 billion will be incurred in order to service that debt.

When I came to Congress in 1985, the national debt was $1.4 trillion. During my 9 years in Congress I heard cumulative promises of trillions of dollars of deficit reductions in the form of all kinds of 5-year deficit-reduction agreements—the last two of which, in 1990 and 1993, were front-loaded with $414 billion in new taxes over 5 years.

And what did we get? Literally trillions of dollars of new debt. The national debt is now $4.4 trillion and growing. Worse, by 1999 even the administration admits there will be new debt of $1.9 trillion, for a 1999 national debt of $6.3 trillion. Worse, the OMB and CBO agree the deficit for 1999 will be over $200 billion and that—combined with estimated trust fund borrowing of $145 billion—gives us over $350 billion of new debt in the year 1999, with nothing but $350-billion-plus of new debt per year in the next century for as far as the eye can see.

And look what happened last week when Congressman SOLOMON's CBO-scored balanced budget was presented to this body—with $698 billion in cuts, producing an $8 billion surplus in 1999, with no cuts in Social Security or veterans' benefits. Yet there were only 73 Members of the House with enough courage to vote for the cuts required under the Solomon balanced budget resolution for fiscal years 1995 through 1999—56 Republicans and 17 Democrats. Ironically, some in news media are using that vote to argue against the constitutional amendment. But, obviously, that vote is the best argument for a constitutional amendment—it proved that Congress is incapable of balancing the budget without a constitutional amendment requiring them to do so.

So here we are, drowning in decades of red ink with no plans in this century or the next century to balance the budget. This body is like Nero fiddling while Rome burned.

If Congress cannot, under these circumstances, vote for a real balanced budget amendment to the U.S. Constitution, or, more accurately, to simply start the constitutional amendatory process to begin for ultimate approval by a sufficient number of State legislatures, it is painfully obvious

that the leadership of Congress simply doesn't care about the basic rights of our Nation's children to be free from debilitating debt.

I urge my colleagues to support the Kyl, Barton, Stenholm balanced budget amendments.

□ 1550

Mr. SMITH of Oregon. Mr. Chairman, I yield 3 minutes to the lovely gentlewoman from Maryland [Mrs. BENTLEY].

Mrs. BENTLEY. Mr. Chairman, I thank the gentleman for yielding time to me and for leading us in this battle.

Mr. Chairman, the time has come to pass a balanced budget amendment.

Opponents say that the Constitution should not be trifled with, and that because we as a body have failed, we should not pass the buck to the Constitution.

We also hear that economic policy should not be incorporated in the Constitution.

Such statements overlook the obvious and forget our heritage.

The Constitution is a contract between the Government and the governed. Like any contract, it has economic provisions.

The Constitution gives Congress the right to regulate foreign and interstate commerce—that is an economic provision.

The Constitution prohibited the Congress for levying direct taxes on the people. I might remind this body that this country's economy grew quickest when Congress only levied tariffs and this country's growth slowed only when Congress started to collect income taxes.

The Constitution permitted slavery, which was an economic provision that had to be repealed by a civil war.

History shows that the Constitution is an economic document.

We are debating this amendment because Congress will not balance the books.

For all the talk of hard choices, the Democrat leadership consistently muzzles any serious consideration of balancing the budget.

Last week during the budget debate, the Rules Committee disallowed discussion of blanket freeze budget proposals.

Why? Because they were fair and might pass. All budget proposals with hundreds of cuts are doomed to fail, because each cut represents a special project for a Member. Only an evenhanded freeze can pass—which is why the leadership precludes any vote on such an approach.

This resolution itself reaches the floor only by way of a discharge petition.

Hard choices are not being made, which is why over 30 States have called for a constitutional convention. If we cannot do our job, the buck will be passed to that convention.

The only way we can continue to provide Social Security for current and future recipients is to pass a balanced budget amendment.

Mr. STENHOLM. Mr. Chairman, I yield 3 minutes to the gentleman from New Hampshire [Mr. SWETT].

Mr. SWETT. Mr. Chairman, I rise today in support of my colleague, the gentleman from Texas [Mr. STENHOLM], and the balanced budget amendment. I salute his determination and skill in bringing about this amendment, in bringing it to the floor of the House of Representatives, and extend my personal thanks for his leadership in this critical and crucial issue. I am proud to be cosponsor of the gentleman's amendment.

Today's action I find to be a little bit confusing, because we are debating among several different substitutes for a balanced budget amendment, and there is a great deal of angst and concern among those speaking about the differences between the two of them, whether or not we should have a balanced budget amendment to the U.S. Constitution. And what we really ought to realize is that no matter what happens today, no matter what vote is cast, we will not have any impact on the U.S. Constitution. The Senate has already destroyed that opportunity with the vote that they cast several days ago. So it seems to me our real issue here is not to debate what kind of a balanced budget amendment we need to have on the U.S. Constitution, but whether in fact we support the concept of balancing this Nation's budget.

Now that, I think, is a very elemental issue and ought not to have a whole lot of partisan or ideological disagreement involved with it. But it seems to have engendered that, and I am just trying to clarify and simplify the debate.

Every substitute that is on the floor ought to be supported. This is a golden opportunity for Democrats to support the idea of balancing this Nation's budget.

We are not going to implement an amendment to the Constitution. We are going to send a strong message back to our constituents, one that I think we are hearing from them, that we ought to get our fiscal house in order, and next term, next year, when we have an opportunity, we should work seriously to craft an amendment to the U.S. Constitution or to craft legislation that has to do with appropriating moneys that will effectively control the budget of this country and brings us to a point of responsible fiscal policy, balancing the budget, eliminating the deficit.

Democrats have this opportunity to make this statement today. We do not need to stand and let the other side of the aisle control this debate. That is why I think my colleague from Texas [Mr. STENHOLM], has done the responsible thing. That is why I think we ought to support every substitute on the floor today. That is why I think they ought to all pass unanimously. Because then the real educational debate begins, how is this going to be crafted. We know we want it.

Mr. Chairman, I ask for all of my colleagues to support all of the substitutes on the floor.

Mr. SMITH of Oregon. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. HOKE].

Mr. HOKE. Mr. Chairman, I thank the gentleman from Oregon, and rise today in strong support of House Joint Resolution 103, the Stenholm-Smith balanced budget amendment.

Mr. Chairman, as I stand here, I am reminded of the James Taylor song, "That's Why I Am Here" because in fact this is one of the fundamental reasons that I was sent to Congress, to balance the budget.

Mr. Chairman, nearly 220 years ago the colonial subjects of King George III were energized, inspired, and finally incited to revolution by the slogan "No taxation without representation." It was the central, unifying theme of the Declaration of Independence. Taxation without representation was the straw, if you will, that broke the people's back. It was the single most inflammatory, unacceptable, and abhorrent characteristic of England's colonial domination and dominion over the fledgling colonies. Taxation without representation was the fundamental cause of the American Revolution.

And here we stand, fully two centuries later, having indulged for the past 25 years in the subtlest—and yet all the more insidious—kind of taxation without representation ever perpetrated. That is—a tax which we in this Congress and Congresses past have levied on our children, and our children's children—and perhaps their children too—without any representation at all.

They have no vote; they have no choice; They cannot speak; and who will speak for them?

The special interests who oppose this amendment—the guerilla warriors of intergenerational feuding and class warfare.

Who will speak for these children? Will it be the politicians who cynically continue to vote staggering deficits, deficits which are in effect nothing more than public financing of their own re-election campaigns—and which give them the ability to provide largesse and benefits to their special interest beneficiaries on the backs of future generations—those generations not represented.

That is, after all, what this debate is really all about. It is no less compelling, it is no less inflamming, it is no less true today than it was 220 years ago.

We cannot accept and will not tolerate for our children and grandchildren

any form of taxation without representation.

□ 1600

Mr. SMITH of Oregon. Mr. Chairman, I yield 3 minutes to the gentleman from South Carolina [Mr. RAVENEL].

Mr. RAVENEL. Mr. Chairman, Members have all heard about the straw that broke the camel's back. They just kept piling one straw on top of another straw, on top of another straw. And then, all of a sudden, the camel's back was broken.

Well, what dollar is going to be the dollar that breaks the back of the Federal Government?

If we do not get a handle on our deficit situation, let me tell Members what is going to happen. It happened on October 19, 1987, a lot of Members remember it, when all of a sudden for no apparent reason, the Dow just dropped out of bed and went on down and down and down. And when the bell rang, it was down 500 and 8 points. The next day, it went down 300 points more. And at 11:22, IBM, which at that time was the greatest common stock in the world, quit trading. The reason it quit trading was because there were no bettors.

Let me tell Members what can happen, if we do not pass this balanced budget amendment, and it is coming, folks, I am telling Members, it is coming, one of these Monday mornings when the Treasury goes in there to refinance the debt and raise $200 million or $300 million more dollars to cover those checks that they sent out on Friday, something is going to happen in this country or somewhere in the world. And the bond market is going to fall out of bed. And all those government checks, retirees' checks, pension checks, contractors' checks, all the checks will start flipping all over the country like a bunch of rubber checks. And it is going to be, "Kitty, bar the door" for the financial collapse will have occurred.

So I say to all my colleagues, for the sake of our country, for crying out loud, please, this day vote for this balanced budget amendment.

Mr. SMITH of Oregon. Mr. Chairman, I yield 3 minutes to the gentleman from Tennessee [Mr. DUNCAN].

Mr. DUNCAN. Mr. Chairman, I rise in strong support of the Smith-Stenholm balanced budget amendment.

I also want to congratulate BOB SMITH, he has done yeoman's work on this issue over the years, and when he leaves this House in a few months, his constituents will miss him but this institution will miss him even more. This House needs more men like him.

Mr. Chairman, I have spoken out many times on this floor about out of control Federal spending. I have brought to this house the message that my constituents in east Tennessee keep giving me, and that is: stop putting all of this spending on our children and grandchildren and get Federal spending under control.

Yet, year after year, our deficits keep growing and our enormous debt continues to mount.

We hear speakers opposed to a balanced budget claiming that Social Security and Medicare will be cut if a balanced budget amendment is approved. This is totally ridiculous.

In fact, we can reduce our enormous debt without touching either of these programs.

I would like to share with my colleagues a letter to Senator PAUL SIMON from Robert J. Myers, a former 37-year employee with the Social Security Administration who served as Chief Actuary from 1947 to 1970, and as Deputy Commissioner from 1981 to 1982.

Mr. Myers states:

> In my opinion, the most serious threat to Social Security is the Federal Government's fiscal irresponsibility. . . .
>
> Regaining control of our fiscal affairs is the most important step that we can take to protect the soundness of the Social Security trust funds. I urge the Congress to make that goal a reality and to pass the balanced-budget amendment without delay.

I agree with Mr. Myers. Furthermore, most national polls show that 75 to 80 percent of the American people want us to balance the budget.

Almost every leading economist tells us our staggering national debt is holding us back economically and that we would be booming if we were not so far in the hole.

We are really hurting the poor and working people of this country with our fiscal irresponsibility.

Since the political will in this Congress will not let us balance the budget on our own, we must have a constitutional amendment that will force the majority here to make the tough decisions that must be made.

Most States across our Nation have balanced budget requirements in their constitutions. It makes sense, it is responsible, and it is what the American people want.

We are spending over $50,000 a second, every second of every day, Saturdays, Sundays, and holidays included. We will take in one trillion, four hundred billion this year alone at the Federal level. This is enough to operate a strong, active, vibrant, Federal Government without going deeper and deeper into debt. I urge passage of this amendment.

Mr. Chairman, I include for the RECORD the letter to which I referred.

Hon. PAUL SIMON,
U.S. Senate,
Washington, DC.

DEAR SENATOR SIMON: I am pleased to have this opportunity to express my support for the Balanced Budget Amendment.

For 37 years I worked for the Social Security Administration, serving as Chief Actuary in 1947–70, and as Deputy Commissioner in 1981–82. In 1982–83, I served as Executive Director of the National Commission on Social Security Reform. And I continue to do all that I can to assure that Social Security continues to fulfill its promises.

The Social Security trust funds are one of the great social successes of this century. The program is fully self-sustaining, and is currently running significant excesses of income over outgo. The trust funds will continue to help the elderly for generations to come—so long as the rest of the federal government acts with fiscal prudence. Unfortunately, that is a big "if."

In my opinion, the most serious threat to Social Security is the federal government's fiscal irresponsibility. If we continue to run federal deficits year after year, and if interest payments continue to rise at an alarming rate, we will face two dangerous possibilities. Either we will raid the trust funds to pay for our current profligacy, or we will print money, dishonestly inflating our way out of indebtedness. Both cases would devastate the value of the Social Security trust funds.

Regaining control of our fiscal affairs is the most important step that we can take to protect the soundness of the Social Security trust funds. I urge the Congress to make that goal a reality—and to pass the Balanced Budget Amendment without delay.

Sincerely,

ROBERT J. MYERS.

Mr. SMITH of Oregon. Mr. Chairman, I yield 3 minutes to the gentleman from South Carolina [Mr. INGLIS].

Mr. INGLIS of South Carolina. Mr. Chairman, I thank the gentleman for yielding time to me.

I rise in strong support of the Stenholm-Smith balanced budget amendment. I believe that the amendment is needed for two reasons:

First of all, we need it for the necessary discipline to cause this House to do what we cannot seem to do on our own in the ordinary budget process. We need the discipline of a constitutional requirement of balancing the Federal Government's budget. That is the first reason.

The second reason is that we need, frankly, to create a crisis by the passage of the balanced budget amendment. Make no mistake about it. As a member of the Committee on the Budget, I am well aware that passing the balanced budget amendment will create a crisis in our budgetary process, because it will mean that all of us will have to come to the table to figure out how to balance a budget that is terribly, terribly out of balance.

That will require, that crisis will create an environment where we will come together, I believe, just as this country has come together before with other crises, where we have been faced with an outside threat. We will forget Republican and Democrat differences. We will come together at a table where we can figure out together how to balance the budget and do what we all know we need to do.

Yesterday I was in Greer, SC, doing what I call a walking town meeting, which basically means picking out a street, walking down and finding out what America thinks. The interesting

thing I found out yesterday in Greer is that on that street of ordinary Americans, everyone there is living currently under a balanced budget amendment in their homes. They cannot do what we do here, spending and spending and writing new checks. Because as Members know, in that neighborhood in Greer, SC, eventually the sheriff comes for those folks who do that sort of thing. But here in the Congress, we can get away with it forever and ever, continuing to run imbalanced budgets.

Actually, though, we cannot get away with it forever, because sooner or later we will have to pay the piper. I think that for my sake and for, I hope, the other Members here, what we have got to do is make sure that we do not expect our grandchildren to pay the piper. We have got to deal with it now. We have to pass the balanced budget amendment now, create the crisis, get everyone to the table and figure out how to balance this budget.

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

Mr. SMITH of Oregon. Mr. Chairman, may I inquire how much time I have remaining?

The CHAIRMAN. The gentleman from Oregon [Mr. SMITH] has 1 minute remaining.

Mr. SMITH of Oregon. Mr. Chairman, I ask unanimous consent to yield that 1 minute to the gentleman from California. [Mr. GALLEGLY].

The CHAIRMAN. Without objection, it will be added to the time of the gentleman from California [Mr. GALLEGLY].

There was no objection.

Mr. GALLEGLY. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. BOEHNER].

Mr. BOEHNER. Mr. Chairman, I rise today in strong support of the Stenholm-Smith balanced budget amendment.

During my service in Congress, I have stressed the need for reform in Government. To me, there is no more significant reform Congress can take than to enact a balanced budget amendment to our Constitution.

As it currently stands, our national debt currently exceeds $4.3 trillion—that works out to $17,495 for every man, woman, and child in the United States.

In 1993, our gross interest payments equalled $293 billion. This is greater than the total outlays of the Federal Government in 1974. These interest payments consumed 57 percent of all personal income taxes.

More ominously, 43 percent of national income is being consumed by all levels of Government. We have almost reached the point where Government is taking half of what we generate in income. This trend must stop or our economy will no longer be able to generate the growth necessary to create new jobs and maintain our standard of living.

Failure to enact the Stenholm-Smith balanced budget amendment will make it impossible for the procedural changes necessary to control spending to be put in place.

Congress must restore some degree of sanity in our spending and demonstrate to the American people that we can get our own house in order. Deficit spending is not acceptable and Congress must kick its deficit spending habit.

Under the alternative, it would be possible to continue to run deficits as large or larger than our current deficits. Enacting a balanced budget amendment that allows us to continue burdening future generations with a rapidly increased debt will undermine public confidence in the Constitution and Congress—confidence that is already at an all-time low.

There has been a lot of talk about Social Security being harmed by enactment of a balanced budget amendment. The truth is the largest threats to Social Security are deficits and debt.

Ballooning interest payments on the national debt already are squeezing out other fiscal priorities. Spending more and more on interest eventually threatens all programs—even Social Security.

There is nothing in the alternative amendment that would prevent Congress from balancing the budget on paper by altering definitions to classify spending as capital investments or Social Security. It would be possible to evade the amendment by funding any number of programs by draining the Social Security trust fund.

Without the backdrop of enforcement of a requirement for three-fifth's vote to increase the debt limit, it will be easy to move items off-budget to evade the balanced budget requirement.

It is time for Congress to stop playing games and pass a true balanced budget amendment. Support the Stenholm-Smith amendment and help us to restore some fiscal sanity to the budget process.

□ 1610

Mr. Chairman, let us all remember, the debate today and tomorrow is not about how to balance the Federal budget. It is about whether we should begin to balance the Federal budget. That is a very important distinction that we are going to hear more and more about tonight and tomorrow, that this will not balance the budget. But like an alcoholic who wants to quit drinking, the first step in that process is the commitment, the decision and the commitment to stop. Then after that, it is day by day, the effort to stay off of that substance. That is the commitment that we are debating, that is the commitment that this Congress should make.

Mr. GALLEGLY. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. UPTON].

Mr. UPTON. Mr. Chairman, I rise in support of the amendment offered by my good friend from Arizona, JON KYL.

The opponents of a balanced budget amendment say that we don't need it, well, 24 straight unbalanced budgets says we do.

The opponents of a balanced budget amendment say that we don't need it, well, $200 billion deficits says we do.

The opponents of a balanced budget amendment say that we don't need it, well, a $4.5 trillion debt says we do.

The opponents of a balanced budget amendment say that we don't need it, well, a 73 to 342 vote against the Solomon-Fawell-Upton balanced budget last week says we do.

My constituents in southwestern Michigan not only say that they want Congress to balance the budget, but also they want, less Government spending and a Presidential line-item veto—that's exactly what we have in the Kyl spending limitation amendment.

The Kyl amendment is very similar to the Stenholm proposal—except that it places a specific spending limit on the Federal Government and gives the President a line-item veto.

Under the Kyl amendment, Federal spending would be limited to 19 percent of the gross domestic product, which is about the average level of tax dollars collected by the Federal Government over the last generation.

Let us give our constituents what they want: a balanced budget, a Federal spending limit, and a Presidential line-item veto.

I urge my colleagues to vote for the Kyl spending limitation amendment.

Mr. GALLEGLY. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. SMITH].

Mr. SMITH of Texas. Mr. Chairman, I thank my colleague, the gentleman from California, for yielding time to me.

Mr. Chairman, the balanced budget amendments being offered by Representatives KYL, BARTON, STENHOLM, and SMITH deserve our support. The alternative being offered by Representatives WISE, PRICE, POMEROY, and FURSE is just a diversion. Political cover is no substitute for fiscal responsibility.

When you threaten the Washington power structure, you can expect a powerful response. This is what the authentic balanced budget amendments do.

Critics claim an amendment would "lock-in" Congress to draconian deficit reduction that would burden the economy. In the event of a recession, an amendment would supposedly have adverse effects—keeping taxes up when the economy needed just the opposite from the Government.

But, these amendments are not inflexible. They can be overridden with sufficient votes, and I am sure they would be with sufficient cause, such as a dramatic economic downturn or na-

tional emergency. Getting congressional support for spending has not been a problem. If it had been, we would not be debating this legislation today.

Is the amendment too draconian? Does it cut too deeply, too quickly?

There is a fundamental flaw in the critics' assertion that less Government spending equals less national spending. The money the Government does not spend will still be spent and invested. The only difference is, it will be spent and invested by those who earned it, and no doubt, more carefully and more productively than by the Government.

Will States suffer under a real balanced budget amendment? There probably will be less money from Washington—the whole idea being to cut Federal spending. However, State and local governments will see their tax base increase from more retained earnings of their citizens and from greater local investment.

The real complaint of critics is not that it hurts vulnerable groups, but that it hurts federally funded special interests claiming to represent these groups. This is the Washington status quo and it is little wonder they are frightened by the balanced budget amendment. In contrast to those who earn and invest, the only economic system special interests know is to receive payments from Washington.

Is a balanced budget amendment a substitute for tough choices, as critics say? On the contrary, it will only be a substitute for tough choices if it does not pass. If it passes, then the tough choices will have to be made, and no one will be held more accountable than those who supported this amendment.

Finally, what is the solution being proposed by those opposing the balanced budget amendment? Presumably we are to count on the economy to grow us out of the problem.

The question then becomes: What will improve the American economy faster: a government spending more than it takes in, or a private sector that gets to spend more of what it takes in? I believe the latter will, and I believe my colleagues who support the amendment, and the American people, who pay the bills, agree with me.

While I support a balanced budget amendment, I do not support every amendment that calls itself by this name; specifically, the amendment being offered by Representatives WISE, PRICE, POMEROY, and FURSE.

Rather than solving the root problem of the deficit—uncontrolled Federal spending—their amendment will seek to redefine it out of existence. They will do so by calling some spending capital investment. If this passes, the category of capital investment will grow hand-in-hand with Federal spending.

The only thing their amendment will do is to give Members who are afraid to tell taxpayers that they couldn't say "no," a flimsy excuse to hide behind.

I urge Members to oppose the amendment being offered by Representatives WISE, PRICE, POMEROY, and FURSE. This contrived sheep in wolf's clothing will do nothing to solve the problems arising from our irresponsible spending. Instead it will provide cover for it in every sense of the word.

Instead I urge my colleagues to support a true balanced budget amendment and vote for the versions being offered by Representatives KYL, BARTON, STENHOLM, and SMITH.

Mr. GALLEGLY. Mr. Chairman, I yield 4 minutes to the gentleman from Massachusetts [Mr. TORKILDSEN].

□ 1620

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

Mr. Chairman, I rise today to support an amendment to the Constitution requiring a balanced budget.

This dramatic, historic step is necessary. We cannot continue down the path of never ending, ever increasing debt.

The buck must stop here, today, in this chamber, and with this amendment.

We all know of national polls that show overwhelming public support for this amendment, but perhaps that only reflects the frustration the American people feel about the inability of this institution to deal with many difficult problems.

The fears of the American people are reaffirmed every budget and appropriation cycle. Forty-nine States have balanced budget amendments to their State constitutions, and no one cries calamity in those 49 States. Yet some Members of this body act as if adding one here would bring the end of the world.

It is remarkable that the Federal Government has not posted a surplus since 1969. The Federal Government has in fact run a deficit for 56 of the last 64 years.

Only last week, this body debated and passed a measure that purported to take tough action on the deficit. However, that supposed tough action still increases the public debt by $1.2 trillion over the next 5 years, for a staggering total debt of $4.7 trillion. No wonder the American people have lost confidence in the way the decisions are made here and the decisions themselves.

Thomas Jefferson viewed the frugal management of money as "among the first and most important virtues, and public debt as the greatest danger to be feared."

Amending the Constitution is not an endeavor that I support lightly. But the Framers of the Constitution never envisioned that the Federal Government would violate the trust of the people my mortgaging away the future of not only their children, but also their grandchildren and great-grandchildren.

What is the result of doing nothing? The result, simply stated, would be economic disaster.

Even if interest rates remain steady, we as a country are rapidly approaching the day when interest on the debt will consume nearly all personal and corporate income tax receipts. And should interest rates rise, the results will be even worse. Moreover, huge Government borrowing to finance this deficit spending is thwarting investment in new enterprises and new jobs.

Not for the sake of political expediency—but for solid economic reasons—this amendment must pass.

Our obligation today is to put our Nation's fiscal house in order. The reason we need a constitutional amendment is that previous statutory efforts have failed, whether Gramm-Rudman-Hollings, zero based budgeting, or any other attempt during the past quarter century.

The serious step of amending the Constitution is warranted: The consequence of doing nothing is economic calamity. Let us do the right thing and pass the balanced budget amendment.

Mr. STENHOLM. Mr. Chairman, I yield 3 minutes to the gentleman from North Carolina [Mr. VALENTINE].

Mr. VALENTINE. Mr. Chairman, I thank the gentleman for yielding me this time, and I compliment him for the work that he has done in this endeavor over the past over 10 years.

Mr. Chairman, I rise today in strong support of the Stenholm version of the balanced budget amendment.

Today, we in this body are considering exercising our most powerful legislative option—an amendment to the U.S. Constitution. Only 27 times in our history have we amended the Constitution. Our Founding Fathers made this procedure difficult. We should never act in haste or frivolity when tampering with our Constitution.

I could stand before you today and reel off the financial figures our Nation faces today—a debt in excess of $4 trillion, and deficit which, thanks to the diligent efforts of President Clinton, has been drastically lowered, but still comes in at the astounding figure of $180 billion. We have reached the point where our debt is discussed in figures which were beyond our imaginations just 50 years ago. My colleagues, the time to stop this debt spiral is long passed.

The Stenholm balanced budget amendment is strong medicine. It requires a balanced Federal budget by fiscal year 2001. It requires a super-majority of three-fifths of each body in order to operate a deficit. Unlike the various Republican substitutes, it recognizes that a realistic balanced budget will, in all likelihood, require a com-

bination of deep cuts in Government services and increases in revenues. Unlike the leadership substitute, the Stenholm plan forces us to make the tough decisions that will be necessary to bring fiscal responsibility to our Federal Government.

Mr. Chairman, make no mistake. Passage of the Stenholm balanced budget amendment will mean pain. Our constituents will likely be shocked at the sacrifice that will be required in order to balance the budget. And Members of Congress will feel the pain of not being able to say yes to every spending request that comes down the pike.

There are no magic pills, no golden eggs which can cure our deficit problem. Our national debt is not a bad dream that we can simply wake up from to find things okay. It is a serious problem which requires a serious solution—something that had eluded this body, and other body, and every administration in power, over the last two decades. We will not make the tough decisions without the power of constitutional restraint.

Mr. Chairman, the pain we will have to face to balance our budget today does not compare to the pain that will be forced on my grandson, Carr Valentine, his generation, and future generations if we do not make the tough choices today. We are, I say to my colleagues, spending our children's inheritance. We are living high, and leaving them the bill. That practice must stop, and it should stop today.

I urge my colleagues to join me in support of the Stenholm balanced budget amendment.

Mr. Chairman, it is an irresponsible and immoral practice which must cease, and the only way to cease it, in my judgment, is to adopt the Stenholm balanced-budget amendment.

I urge my colleagues to join us in this crusade.

Mr. PRICE of North Carolina. Mr. Chairman, I yield 6 minutes to the gentleman from Maine [Mr. ANDREWS].

Mr. ANDREWS of Maine. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, we have an extraordinary opportunity before us today, and when we vote on these measures tomorrow.

We have a breath of fresh air that has entered into this debate, and that breath of fresh air is the Wise substitute that says that it is time that we stop rehashing the tired old balanced-budget-amendment debates year after year, session after session of Congress, and decide instead that we are going to fundamentally reform the budget process in this country, and we are going to start by telling the Federal Government in Washington that it has to start looking at its budget like every successful business in America looks at its budget and every successful household looks at their budget across the country, and that is simply to recognize the fact that there is a fundamental difference between capital investment for growth and economic productivity and strength on the one hand, and an operating budget to meet your day-to-day, week-to-week expenses on the other hand. That is exactly what the substitute that the gentleman from West Virginia [Mr. WISE] is presenting to us will do.

We have a chance, ladies and gentlemen, to look forward in this country. to recognize that the way we get this budget finally under control is through economic growth and strength, and that if we realize that investment, planning ahead, building a strong economic foundation is important, then we need a vehicle. We need a budget that will allow us to make those critical investment decisions.

You know, in my State of Maine, we have been suffering and continue to suffer from a recession, tremendous problems all over our State, with people who are out of work and unemployed and without hope, looking for an opportunity to turn their lives around, looking for a chance for a future and to build a future.

They turn to us to say, "What are you doing about it," particularly those who have been involved in the area of defense who have helped through their labor this Nation win the cold war and are now asking us in the post-cold-war era what are we, as a nation, going to do to help them.

Well, I will tell you something, ladies and gentlemen, we need them. We need that defense industrial base. We need that skilled work force. We need those communities and those neighborhoods to go to work, to rebuild the foundation of this country's economy.

But we are not going to have it if we continue to be locked into this Federal budget process that does not recognize the difference between investment for economic growth on the one hand and operating expenses on the other. If you took over a business today and you were asked to turn that business around that was failing because of bad mismanagement, you would probably do two basic things: First of all, you would look at what spending you are incurring that has no relationship to the productivity and success of your business, and as painful and as difficult as it may be, you are going to cut that spending. That would be obviously important.

□ 1630

But the second thing you are going to do, which is just as important as the first, is you have got a business plan. You are going to set goals for your company, have a strategy to reach those goals, and you are going to invest capital in that strategy so that you can realize those goals.

Ladies and gentlemen, why can we not as a nation, why can not the politicians in Washington, DC, do exactly the same thing? Let us set our goals on strong, robust economic growth; let us set a strategy that we rebuild our crumbling infrastructure, the foundation of this country's economic strength.

Put people to work rebuilding that foundation and then put people to work from the success that we will generate from that revived foundation. Then, ladies and gentlemen, we will get a return on investment in economic growth, increased revenues, increased numbers of people and families working, and we will turn this budget around in the correct way.

The Stenholm balanced budget amendment, ladies and gentlemen, is flawed, for a fundamental reason: It locks us into the status quo. It fails to make that critical distinction between investment looking ahead, planning and growing our economy, and operating budgets on the other hand. The way that we can—and this is the first time that I as a Member of Congress will have an opportunity on this floor of this House to vote for this basic budget reform—I am going to take advantage of that and I urge all of you to do the same thing.

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

Mr. ANDREWS of Maine. I yield to the gentleman from West Virginia.

Mr. WISE. I thank the gentleman for yielding.

Mr. Chairman, I appreciate the gentleman's remarks. He is absolutely correct. I suspect that, just like West Virginia, does the State of Maine have a capital budget program?

Mr. ANDREWS of Maine. Yes, it does.

Mr. WISE. Does it treat operating income in one way and capital investment another?

Mr. ANDREWS of Maine. Exactly right. We look at what our basic capital investment needs are, we establish a budget for that, and we invest. That is separate from the operating budget of our State. That is exactly right.

Mr. WISE. I thank the gentleman for making that point, because that is simply what we are trying to do in this amendment, to make the Federal policy much more in common with that of the States, which some people who have trooped down here in the well say they want to do.

Mr. ANDREWS of Maine. I appreciate the gentleman's leadership. I went to the Committee on Rules last year to try to bring up on the floor exactly what the gentleman from West Virginia is doing today.

Mr. WISE. The gentleman from Maine has been a leader in this effort, and I thank him for supporting us as aggressively as he has.

Mr. GALLEGLY. Mr. Chairman, I yield 3 minutes to the gentleman from Arizona [Mr. KOLBE].

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

Mr. Chairman, I rise in strong support of the balanced budget amendments put forth by Congressmen STENHOLM, SMITH, BARTON, and KYL and against the Wise substitute.

Listening to what has been said about the balanced budget amendment, I cannot help but be reminded of the "Chicken Little" fable.

Recall that Chicken Little was struck in the head by an acorn while walking though the woods one day. Believing that the sky was falling, Chicken Little ran to warn the King of the imminent danger. On his way to see the King, Chicken Little convinced other animals of the apparent tragedy, except one—the wolf—who saw through their foolishness and took advantage of their fears.

What does this all mean in the context of the balanced budget debate? It means we can imagine many of our fears into existence. "Courage," said Plato, "is knowing what to fear"—and we most certainly should not fear the balanced budget amendment.

Administration and Democratic leaders want us to believe the sky will fall if the BBA were to pass. They are using scare tactics—targeting various groups and segments of the population—seniors most notably—arguing that the amendment would wreak havoc, causing massive cuts if not outright repeal of programs.

They have convinced themselves and others that the amendment is a "sham," "horrendous," "harmful," and "terrible." The administration itself said, "We need to save the country from this disaster." But I ask: Are not $200 billion deficits, $4.5 trillion debt, and mortgaging our grandchildren's future the real disaster?

Americans are not buying this Chicken Little foolishness. That is why a vast majority of Americans when polled support the balanced budget amendment. These scare tactics are wrong. Ratification of the balanced budget amendment will not be a disaster—particularly for seniors.

There can be no denying that very hard choices will have to be made by all Americans if we are to balance the budget by the turn of the century. If the BBA is passed by Congress, it will take at least a couple of years before the amendment is ratified by 3/4ths of the States, as required.

According to the amendment language, Congress then would have 2 years before the amendment would take effect. Since the balanced budget amendment is not going to take effect until at least 1999, Congress effectively has 5 years to bring deficit spending under control.

Some of us have put forth spending cuts plans that would put the budget in balance or on a downward path by the turn of the century—without touching Social Security—Republican budget alternatives and Penny-Kasich to be specific. So it can be done.

More importantly, the real threat to Social Security is interest on the debt which is squeezing out other fiscal priorities. Spending more and more on interest eventually threatens all programs, even Social Security.

Because the numerous legislative opportunities to lock-in deficit reduction have led nowhere but up—in both deficit and debt terms, we are left to conclude that amending the Constitution is the only remaining hope to impose fiscal responsibility on this Nation.

Because a majority in Congress continues to buckle under special interest pressures—which is what is driving the opposition—we must pass a constitutional amendment.

Because the myriad of interest groups feeding at the public trough, are not persuaded by arguments on behalf of the public interest—we must pass a constitutional amendment.

The balanced budget amendment is not draconian. It allows for orderly transition to get us to balance. And it provides enforcement teeth.

It reestablishes a level playing field, forcing Congress to place higher priority on balancing the budget than spending and taxing.

It restores the Constitution's limited government concept.

The balanced budget amendment will help us achieve the objective all of us agree with. Let us not allow the wolf to see through our foolishness. Vote for the real balanced budget amendment. The sky will not fall.

Mr. GALLEGLY. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. KNOLLENBERG].

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

Mr. Chairman, although it may not seem so now, this discussion surrounding the balanced budget amendment is truly one of the great debates of our time.

For over two decades, the Federal Government has suffered from severe fiscal hemorrhaging. We all know it, we can all see the inevitable consequences. The question we face is whether to finally apply a tourniquet, or continue using Band-Aids.

Like a tourniquet, the balanced budget amendment is an imperfect tool. It would be great if we could make the tough choices on our own, but we have proven over and over again that we cannot or will not.

We have not balanced the budget in 25 years, and there is no evidence we ever will without a balanced budget amendment.

We have three very thoughtful alternatives before us today.

The Stenholm-Smith amendment is the classic approach, both tough and enforceable. The Kyl amendment builds on the good work of Stenholm by providing important safeguards against a creeping welfare state. And the Barton amendment protects the American people by requiring a supermajority of Congress to raise their taxes.

Any one of these three would be a giant step on the road to fiscal sanity.

But let us not lose sight of the real issue here.

Congress has a spending problem. The entire country knows about it. The American people have tried time and time again to tell us. But many of us are not listening.

That is because we are in denial. Spending makes us feel good—it gives us a feeling of importance. And let us face it, it is easier to spend than to say "no" to the many groups who come through our doors with opened hands.

So we tell our critics, "Hey, it's okay, we've got our spending under control. Just give us a few more years, we'll balance the budget.

But we are not making the grade. The CBO numbers show it. The OMB numbers show it. The only question left is how far will we go before we hit bottom.

The real choice we face is this: Should Congress admit that it is powerless over its addiction? Should we cede our control to the higher authority of the Constitution?

I say yes. It is time we face our problem. We do not need to figure out today exactly how we are going to do it. We only need to make the commitment.

I implore my colleagues, let us pass a balanced budget amendment. Let us make that commitment. We are hurting the people we represent. We are ruining our childrens' future.

And in our heart of hearts, every one of us knows that it is the right thing to do.

So remember why we are here. Remember your responsibility to our children and grandchildren. Vote for a balanced budget amendment.

Mr. WISE. Before I yield to the gentleman from Pennsylvania [Mr. BORSKI], I just want to go on record: Ours is an alternative, and we are saying that we are prepared and want to craft a reasonable amendment to the Constitution of the United States.

But I do want to disassociate myself from the remarks of some who want to join the stop-me-before-I-kill-again club. The reality is, I do not think Members of Congress are powerless to do something about deficit spending or economic growth.

□ 1640

We think that our amendment, the Wise-Price-Pomeroy-Furse amendment, goes a long way toward putting responsible policy into the Constitution and yet still leaves up to Congress its basic authority.

Someone earlier today in a debate I was in talked about the need to inject

spine into Members of Congress. This was another Member. My feeling is that the taxpayers do not look at us as needing to inject spine. They are quite capable of kicking us in the backside when they think the job is not being done, and they expect the job to be done.

So my message, Mr. Chairman, is that this is a very important debate. We have legitimate reasons why we think there should be language in the Constitution or those who do not think it should be in the Constitution, but I would just ask Members not to portray themselves as powerless in this.

Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. BORSKI].

Mr. BORSKI. Mr. Chairman, I wish to express my strong support for the Wise amendment. A forward-looking and realistic balanced budget proposal that will attack our true deficit problems while protecting important investments that have long-term economic benefits.

The Wise amendment will not only bring us a balanced budget but it will, for the first time, give this Nation the sensible and rational approach of long-term capital budgeting.

I support the Wise amendment because, unlike all the other proposed constitutional amendments, the Wise amendment will create a capital budget and protect senior citizens.

The Wise amendment will protect long-term economic growth and our Nation's senior citizens. Unlike the Stenholm amendment, the Wise amendment would take Social Security and veteran and disability programs off budget.

Under the Wise amendment, Social Security is protected. Under the Stenholm amendment, the average senior citizen in Pennsylvania could face an annual Social Security reduction of $1,136.

We should not attempt to balance our budget by squeezing those who can least afford it—our senior citizens and the disabled.

By exempting capital investments that have long-term economic benefits and Social Security from the balanced budget calculations, the Wise amendment will allow a true accounting of the operating budget.

It would allow us to make needed investments in our physical infrastructure—highways, airports, transit systems, wastewater treatment systems, ports and inland waterways.

These investments are absolutely critical to our Nation's economic growth and to our ability to compete effectively in the global economy.

The Wise amendment would allow needed infrastructure investments under the type of accounting procedures used by most State governments, by local governments, and by virtually all businesses in this Nation.

In contrast, the Stenholm amendment would continue to use our Nation's infrastructure trust funds, supported by dedicated taxes, to balance the budget.

By forcing cutbacks in capital investments, by limiting what we can invest in highways, transit, airports, ports, inland waterways and environmental infrastructure, the Stenholm amendment would ensure that America would not be competitive in the global economy.

Unlike the Stenholm amendment, the Wise amendment would not require super-majorities to allow deficit spending when it is absolutely necessary—in time of war, imminent security threat, or recession.

The Wise amendment would maintain the long tradition we have in this Nation of majority rule, not minority veto.

The Stenholm amendment would use the Social Security trust fund, the highway trust fund and the aviation trust fund to shield those very operating programs that should be reviewed annually to balance the budget.

For 20 years, our Nation's investment in the infrastructure has declined when compared to other spending. The result has been declining productivity and a decline in the American standard of living.

The Wise amendment would apply the same accounting principles of long-term capital investment to the Federal Government that a substantial majority of States use.

Most important, the Wise amendment would apply the same accounting principles to the Federal Government that virtually every American family uses.

Just as the American family does not include its mortgage balance and other total, long-term obligations in its annual accounting, the Federal Government should not be required to include infrastructure investments in its budget.

Just as the American family balances its yearly income and expenses, the Federal Government should balance its operating budget.

I urge passage of the Wise amendment as the only proposal before us that will lead to a true balance budget while protecting our senior citizens and maintaining our ability to invest for long-term economic growth.

Mr. GALLEGLY. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia [Mr. COLLINS].

Mr. COLLINS of Georgia. Mr. Chairman, I rise in support of all amendments, the Stenholm, the Kyl, the Barton, and the Wise amendments.

The message has been clear from working people and those who have worked all their lives and now are enjoying the fruits of their labor from all across this Nation, and that message is: "Stop spending more money than you take in. Cut spending. Treat the Federal budget the same way that we have to treat our home budgets."

Mr. Chairman, it is unfortunate that the majority of the Members of this body have not received that message and are not willing to face up to true responsibility, and that calls for a balanced budget amendment as being the only way.

Mr. Chairman, it kind of reminds me of holding a shotgun wedding. As my colleagues know, we know what our responsibilities are. We are just not willing to walk down the aisle unless we are forced to.

I regret that we have opponents of the balanced budget amendment who are using our senior citizens by implying that a balanced budget amendment threatens Social Security. A balanced budget amendment, I believe, is the only way that we can ensure not only Social Security but programs that we have—very worthwhile programs—are maintained and continued.

I am going to vote for the balanced budget amendment, only I wish we would face that responsibility without such because we could do it in much shorter time. But also I hope that this body will face up to the responsibility of looking at the tax codes and changing those tax codes. It will put in place incentives, incentives for business to invest and to create jobs, encourage investment, and I hope again we will go back and look at the tax codes to see how we can help the middle class, how we can put more money back into their pockets and their home budgets and help them, as they are the working force and the real cash flow of not only the country but of this Government.

Mr. Chairman, I urge all of my colleagues to support each and every one of these balanced budget amendments.

Mr. WISE. Mr. Chairman, I yield 3 minutes to the gentlewoman from the District of Columbia [Ms. NORTON], one who has been a very aggressive Representative for capital budgeting and the need for investments.

Ms. NORTON. Mr. Chairman, I urge that we reject the balanced budget amendment and go no further than the amendment offered by the gentleman from West Virginia [Mr. WISE].

Mr. Chairman, there have been 10,938 amendments to the Constitution introduced since our founding as a nation. Only 27 of them have become amendments. Ten of these were added by the Founders, and only two-tenths of 1 percent, or 17, by those of us who have followed the Founders. One of these was a repealer. We see in this small number the wisdom of the Founders, the wisdom of our fellow Americans, and the understanding that we must not trivialize the greatest Constitution ever written by trying to get everyone's pet issue into it.

I speak, Mr. Chairman, as a constitutional lawyer with special respect for

the Constitution. I respected it as a document even before I was in it, and I must note the irony that we are talking about putting the annual budget, as it were, in the Constitution when half the population isn't in the Constitution yet.

I oppose putting in the Constitution even those matters with which I agree. In the District of Columbia there was a referendum this past election approving a constitutional amendment to direct resources to domestic concerns following the end of the cold war. I interpreted that to mean that I could put in a piece of legislation, and I refused to put it in as a constitutional amendment.

I pulled out my Constitution before coming to the floor to look at its provisions. All that one has to do is look at the document to see how radical is the idea of a balanced budget amendment. There is almost nothing in the Constitution about finances or taxes. The most important is the 16th amendment generally giving us the ability to raise money through the income tax. It is a schoolboy's exercise to dictate annual, unforeseeable financial matters in the founding document of our country. It is unworthy of a sophisticated National Legislature.

The Wise amendment is surely as far as we can safely go, and its most important provision is a structural provision of the kind ready made for constitutions—its capital budget section.

Moreover, Mr. Chairman, this amendment comes at an ironic moment, when we have already reduced the deficit by $80 billion since the Clinton administration came to power.

□ 1650

Thus, we have already shown that we can do it. Yet here comes this constitutional amendment to do for us what we are resolutely showing, finally, we can do for ourselves. Moreover, even what we are doing in the next 5 years is already causing pain and is going to cause even greater pain.

Imagine the kind of pain we will get if we rush blindly toward a balanced budget. We have seen a preview of what we would get—in the California debacle of 1992. California needs a two-thirds vote to pass a budget. For months they went with IOU's to their employees. Can you imagine millions of Federal employees with IOU's of the same kind? This would be a self-inflicted wound.

Moreover, we would, in effect, pass many of the expenses of the Federal Government to the States and localities. Watch out, America. A balanced budget here means regressive taxation for you. One of the best kept secrets is that your taxes at the State and local government levels will go up because we have decided to balance our budget on your backs.

Moreover, this is a rigged amendment. As to revenue increases, there will be rollcall votes of the full membership of the House. For program cuts, we need only those present and voting.

In 2001 we would get a balanced budget at the expense of a wrecked economy. If we pass this amendment, we will soon see the first repealer since prohibition. Not every bright idea belongs in our Constitution, and this is a very bad one. I ask my colleagues to reject it.

Mr. GALLEGLY. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Florida [Mrs. FOWLER].

Mrs. FOWLER. Mr. Chairman, I rise in support of a strong balanced budget amendment.

The House debate on the 1995 budget last week confirmed once again our need to halt Congress' terrible addiction to deficit spending. Unless we do, we will give our children, and our children's children, a future with little hope for economic prosperity.

The debate today carries with it significant ramifications. Amending the Constitution that has served this Republic well in so many ways for 205 years should not be taken lightly.

But a review of our spending patterns for the last 6½ decades provides powerful arguments in favor of this strong medicine. The Federal Government has run a deficit for 56 of the last 64 years. Our Nation is nearly $5 trillion dollars in debt. The interest we paid on the accumulated debt last year was almost $300 billion.

I should note that some special interest groups are using fear tactics to scare senior citizens on this issue. The balanced budget amendment does not mena our seniors need fear a reduction of Social Security or other benefits. In fact, our current policy of borrowing from the Social Security trust fund to finance our debt represents the greatest threat to the fund's solvency.

Mr. Chairman, our runaway spending represents a danger to the future prosperity of our Nation and to all Americans. A balanced budget amendment will require sacrifice, but without it we will never achieve fiscal sanity. I urge my colleagues to support the Kyl, Barton, and Stenholm amendments.

Mr. GALLEGLY. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. HOEKSTRA].

Mr. HOEKSTRA. Mr. Chairman, today I rise in support of the three real balanced budget amendments, the Stenholm-Smith, the Kyl, or the Barton balanced budget amendments.

It is time that we really address the problem. It is interesting for me as I listen to the debate that says we can solve the problem in other ways, rather than passing a balanced budget amendment. But being a freshman in Congress and watching what we have done over the last 2 years, the record that this Congress has accumulated over the last number of years, listen to the numbers. Today the country is in debt to the tune of approximately $16,000 per individual. In 1995, we will add another $700 in debt per individual, another $2,800 per family of four.

This Congress is not disciplined. It is like many of the ones that have come before it. We continue to spend more than we take in, and we can no longer continue that process.

The willingness of Congress to spend more than it takes in proves that we need the balanced budget amendment to the Constitution. Our ever-growing national debt is the legacy of shame that we are leaving to our children and our grandchildren. As a father of three, I cannot stand idly by and watch this Congress continue to threaten my children's future and the future of this country.

The balanced budget amendment is not a threat to the lifeblood and the health of this country over the next 5 to 7 years. The lack of having a balanced budget amendment is the threat to what this country and this economy will look like in 5 or 7 years.

The American people will no longer tolerate wasteful and unnecessary spending in Washington. A balanced budget amendment, sorry to say, provides the only mechanism to help Congress reduce the deficit now, rather than later. I rise in support of these three balanced budget amendments. We need to impose more needed discipline on Congress.

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

Mr. Chairman, I want to respond to some of the Members who have spoken ahead of me. A balanced budget amendment in an of itself solves nothing. I spoke earlier about folks who want to get a spinal injection of some kind of courage. I would point out to the gentleman who just spoke, who wants to lament about Congress, when it enacted the budget package in August, which no one on his side of the aisle, including himself, voted for, Congress put into place a program which so far has defied every projection that was made from the other side of the aisle about job killing economy, putting us in the economic tubes, about all sorts of maladies, economic maladies that would happen.

Indeed, what we have seen is the highest amount of deficit reduction and the lowest deficit in 6 years, a deficit that this year is projected to be 40-percent lower than last year, and far lower than anyone projected; a deficit that is on track with what the President originally proposed, which is to have the deficit as a percentage of our budget reduced by one-half. And that is happening.

Now, I agree with all Members in this Chamber who say that is not satisfactory, that that is only part of the job. More must be done. But I think it is wrong to say that Congress has not

done anything and is incapable of doing something.

Second, I do want to share with Members why it is that I am here in the well supporting an amendment to balance the budget. And I will be honest, I come here reluctantly, because from a lot of the debate this year and past years, I find myself wondering whether I really support an amendment to balance the budget, as I would like an amendment to require balance rhetoric. Because what I have heard today here is do not worry, senior citizens, Social Security will be on budget. You are not going to be affected. Do not worry. To those of you concerned about massive program cuts, there will not be cuts that affect you or hurt you. Do not worry. And no one mentions the T word: The reality of the situation is if any of these amendments pass, including the one I am sponsoring, there will have to be tough steps taken to get to a balanced budget in 7 years.

I have great respect for the gentleman from Texas [Mr. STENHOLM] who last year, after his amendment failed, went to work with the chairman of the Committee on the Budget, then Leon Panetta, and crafted, along with others a legislative approach that laid out how you would get a balanced budget. Basically it would have required cuts across the board, and I believe it was roughly $4 of cuts for every dollar of tax increases, but it would have gotten there.

I still remember the meeting of many of the ones who were in here today beating their breasts proudly about how much they support a balanced budget amendment when they saw the figures of what it would be under that legislation, how much you would have to cut from entitlements, for instance, in the out years. I still remember the priceless quote of someone who will remain nameless forever, but forever identified in my mind, of saying Leon, could we not just slip the years a few? Could we not just change it and make it effective in the out years, because these cuts in the first few years are too tough.

The reality of the situation, the chairman then looked at him and said, you just voted to put this in the Constitution. What did you think you were going to do?

I am here because I believe that you can craft a balanced budget amendment. I believe the Wise-Price-Pomeroy-Furse is a proper one. But once again, Mr. Chairman, this is not a powerless body, and we have to understand that by enacting this budget, it is a first step, a tough step, but the really tough votes come right after it, and that is how you actually implement it.

I will finally leave this challenge once again, which I have not had answered yet: If you believe that Social Security is not going to be affected, and I do not make the claims that some have made about great cuts in Social Security, if you believe it is not going to be affected, fine. Then let us make that clear to everybody and put everybody's mind at ease and take it off budget.

Second, if you believe this budget ought to be like the States from which we all come, then put capital budgeting in as your State has.

□ 1700

Mr. GALLEGLY. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. COX].

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

We need a balanced budget amendment, because spending is running out of control. Take a look at this chart.

In 1969, 1970, 1971, 1972, and 1973, a 5-year period, the total Federal spending was $1.1 trillion. In 1994, Bill Clinton's budget for 1 year is far more than the 5 years from 1969 to 1973, the guns-and-butter years of Vietnam, the height of the Vietnam war.

Look at this number, 1994 through 1998, the Clinton budget, $8.1 trillion in spending compared to what George Bush and this Congress did, $6.6 trillion in spending over 4 years.

We are not cutting things. They are getting more and more and more expensive. And we are financing it, yes, with the largest tax increase in American history, because that is what happens when we spend this rapidly, but also, with increased borrowing from the Treasury, that gives us a national debt that is setting a record.

We are told that we should not have a balanced budget amendment. What we should have is a capital budget. A capital budget would let us achieve the appearance of a balanced budget by moving the goal posts. We would define away most of our spending and call it investment. And if spending is investment, then we get to borrow in order to pay for it. In short, a capital budget would provide the intellectual underpinnings for still more deficit spending.

Since 1969, the annual budget of the Government, the appropriations by Congress, has increased by 800 percent, 800 percent on an annual basis.

Sixty percent of next year's deficit will be represented by increases that this Congress has made to 1993 spending levels.

The Clinton budget calls for $1.475 trillion of additional spending on top of current levels.

Spending is the problem. If Members think that the status quo is acceptable, if they think this trend is acceptable, do nothing and vote against a balanced budget amendment. If Members think that the Congress does not spend enough under the status quo, vote for a capital budget.

Mr. WISE. Mr. Chairman, I yield 7 minutes to the gentleman from Minnesota [Mr. SABO], the distinguished chairman of our Committee on the Budget.

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

Mr. Chairman, today we will begin to vote on a series of proposals to add a balanced budget amendment to the Constitution. I oppose putting this type of requirement in the Constitution and I would like to tell you why.

The Constitution did not create our budget problems and changing it will not solve them. Rather—solving our budget problems will require an exercise of political will which is not dependent on the Constitution and cannot be engendered by the Constitution. The Constitution is our most valuable governing document and it should not be altered without extreme care.

I believe there are three very fundamental problems with putting a balanced budget requirement in the U.S. Constitution. My first objection concerns the manner in which this addition would change the nature of our Constitution. The second involves the change in the balance of powers between the three branches of government which I believe would result from this type of constitutional requirement. And, my third objection relates to the change in the balance of power within the legislative branch under some of the proposals.

I. THE BALANCED BUDGET AMENDMENT IS FUNDAMENTALLY DIFFERENT FROM EXISTING CONSTITUTIONAL PROVISIONS

The Constitution is about fundamental rights and basic limits on the power of Government. The balanced budget amendment is essentially different from the other limits on Government powers found in the Constitution. The existing limits tend to be commands ordering some branch of government not to do something—for example, not to pass laws abridging freedom of speech. This proposal, however, seeks to command Congress and the President to do something very specific each year, namely to enact a package of spending and taxing legislation that balances the budget.

I believe it will either prove to be an unenforceable promise, or its enforcement will shift unprecedented budgetary powers to the courts and the President. Adding an unenforceable promise to the Constitution could undermine respect for the Constitution itself. On the other hand, making it enforceable creates a new set of problems, which brings us to my second objection.

II. ITS ENFORCEMENT WILL DRAMATICALLY ALTER THE BALANCE OF POWERS AMONG THE THREE BRANCHES OF GOVERNMENT

Enforcement of this type of amendment could require an exercise of unprecedented powers by the President and/or the Federal judiciary. One concern is that a President could assert broad powers to withhold spending or

modify programs and benefits using the balanced budget amendment as justification. This could occur even if Congress, acting in good faith, had passed a balanced budget but the President did not believe it was balanced. This shift of power is in direct contradiction to the basic plan of the Constitution which assigns primary power over the purse to the people's elected representatives in Congress.

Second, I believe a balanced budget amendment could give rise to a flood of litigation. I realize that there are some proposals that try to include language limiting the power of the courts, but I am not sure that is possible in this type of situation. And, if the courts do have to enter this area, they could find themselves embroiled in matters of spending and taxes that have always been the province of elected branches of government. This is a profound change in our system of governance.

III. SEVERAL OF THE PROPOSALS WOULD RESULT IN A SIGNIFICANT CHANGE IN THE INTERNAL BALANCE OF POWER WITHIN THE LEGISLATIVE BRANCH OF GOVERNMENT

In three of the four proposals before us, the amendment would greatly increase the power of minority blocs within the House and Senate. This is because they require a super-majority to waive their various requirements. Consequently, in any year when Congress and the President are unable to completely eliminate a deficit, a minority of either Chamber would be able to block budget-related legislation. This is contrary to the basic constitutional principle of majority rule, and could lead to brinksmanship and gridlock.

The Constitution requires a super-majority vote in both the House and the Senate in just three situations: Approving a constitutional amendment, overriding a Presidential veto, and declaring the President unable to perform his duties. All three situations involve action by Congress without the President's participation. The requirement for a super-majority of both Houses and the President's signature is without precedent in the Constitution.

IV. CONCLUSION

In addition to the basic philosophical problem I have with amending the Constitution for this purpose, I have several practical concerns. In my judgment, two of these concerns are very important.

First, national governments have special roles to play, including economic stabilization and responding to emergencies at home and threats from abroad. All of these functions require some flexibility in budgeting. This is inconsistent with a rigid balanced budget requirement in the Constitution.

My second concern involves the way we finance Government debt. Interest costs are the only totally uncontrollable costs in our budget. This year they will account for 14 percent of our total spending. A requirement to balance the budget every year could create real pressures to finance all Government debt over the longest possible terms. This could have the effect of making Government much more costly than it already is.

I fear that we may do serious, although unintended, damage to our finances and to the institutions of democracy if we add this to our Constitution. In flirting with this amendment, we are indeed playing with fire.

□ 1710

Mr. GALLEGLY. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. SOLOMON].

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

Mr. Chairman, I rise in strong support of the balanced budget constitutional amendment.

The question whether one generation has the right to bind another by the deficit it imposes is a question of such consequence as to place it among the fundamental principles of Government.

We should consider ourselves unauthorized to saddle posterity with our debts, morally bound to pay them ourselves. Thomas Jefferson's words ring just as true today as they did 200 years ago. As the guardians of the people's treasury, we are already constitutionally bound to govern responsibly. We, as a body, have failed to do that.

Mr. Chairman, when I first came to Congress 16 years ago our Government carried a deficit of only $60 billion. Today, our deficit postures at $223 billion, scheduled to balloon again after 1997 if Congress continues down the same path.

Time after time, legislative solutions have been brought to this floor, debated and even passed, yet deficits continue to exist and the debt continues to compound.

A constitutional amendment would institute fundamental reform in the Government's fiscal practices. By constitutionally forcing Congress to make the tough decisions, we will have to devise a real solution.

Yes, a constitutional amendment does not in and of itself deal with the problem. But, it sets us on the right path. Balancing the budget will ultimately require specific provisions, not merely constitutional mandates. That is why last week along with a number of my colleagues, I brought a package of specific yet responsible budget cuts to the floor that would have balanced the budget over 5 years by cutting Government spending $698 billion. Those were the hard choices. The fact that this balanced budget package received only 75 votes vividly demonstrates why a constitutional amendment is necessary. Congress won't do it if it has a choice to vote no.

In conclusion, let me address the cries of many Members of Congress, seniors' organizations and even the President who claim that a balanced budget amendment would devastate seniors programs and massively increase taxes. First, the balanced budget we brought to this floor last week proved that the budget could be balanced without touching Social Security or earned veterans benefits; without slashing Medicare and without gutting defense.

It can be done and every senior in this country must realize that a present debt of over $4 trillion and yearly debt interest payments of over $200 billion are the real threat to the existence of all seniors programs. Contrary to its opponents, a balanced budget amendment would protect the sanctity of these programs, not result in massive funding cut backs.

Over 200 years ago, while we were still a British colony, professor Alexander Tytler wrote "A democracy cannot exist as a permanent form of Government. It can only exist until the voters discover they can vote themselves largesse from the public treasury. From that moment on, the majority always votes for the candidates promising the most benefits from the public treasury, with the result that a democracy always collapses over loose fiscal policy."

We can only pray that this is not the case. A vote for a real balanced budget amendment is a vote for the preservation of our democracy. Previous generations have sacrificed and struggled to assure that our democracy endured through the past 200 years. We owe it to them and to our grandchildren to continue this battle.

Vote for a real balanced budget amendment. Vote for the Kyl, the Barton and the Stenholm balanced budget amendments. The founding fathers and America's future fathers and mothers are demanding it.

Mr. GALLEGLY. Mr. Chairman, I yield 2 minutes to the gentleman from North Carolina [Mr. COBLE].

Mr. COBLE. I thank the gentleman for yielding time to me.

Mr. Chairman, I had not planned to debate this matter today, because of a hearing in the Committee on the Judiciary, until I heard the distinguished gentleman from South Carolina [Mr. RAVENEL] give his speech using the analogy of the straw that broke the camel's back. It was his speech that prompted my presence here.

When I return home to my district and visit with church groups, civic clubs, business meetings, meetings with working men and women who work hard for their money, I remind them that in my opinion, we in this country are now standing in the shadow of fiscal bankruptcy. I dislike disseminating seeds of fear, gloom and doom, but not unlike the gentleman from South Carolina, I believe we may well be in our final days, unless and

until we address the consistent problem that plagues us daily, and I refer to the reckless, imprudent practice that appears to dictate the manner in which money is spent in this House.

Mr. Chairman, I dislike rushing to the Constitution each time the urge to do so strikes me, but given the obvious absence of discipline in this body, I believe a balanced budget amendment is a necessary prerequisite if we are in fact serious about resolving the deficit problem. Our constituents must balance their checkbooks. We should apply no less standard to ourselves, as we go about the business of spending our constituents' tax moneys. A move in the right direction to this end, Mr. Chairman, is a vote for the balanced budget amendment.

Mr. WISE. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Colorado [Mr. SKAGGS], who has been very involved in this entire issue.

Mr. SKAGGS. I thank the gentleman for yielding time to me

Mr. Chairman, from time to time, under the duties and obligations the Constitution gives us, we revisit one of the abiding questions of this democracy, that is, whether the Constitution itself, a document conceived in another time and under fundamentally different circumstances, is still capable of doing the job it was intended to so.

The Federal deficit, which has more than quadrupled since 1980, continues to act as drag on the Nation's economy, compromising our efforts to deal with our fiscal problems and indenturing our children, and their children, for decades to come.

I'm deeply concerned—all of us are—about this problem. It has brought us to this point, where we consider exercising one of our most solemn powers, the power to amend the Constitution itself.

No attempt to amend the Constitution has succeeded in more than 20 years. The founders intended it to be a difficult process, so that it would also be a well-considered process. And rightly so. Put simply, we have to be absolutely certain, when we take the extraordinary step of an amendment to the Constitution, that the amendment would actually achieve its purpose. More than that, we need to be extraordinarily confident that any amendment not lead to unforeseen consequences that would make things even worse; confident that the remedy will really work.

While the intent of the Stenholm amendment deserves our praise, it fails this critical test in several respects.

Most troubling is that only a declaration of war, or a vote of three-fifths of the Members of the Senate and the House could suspend the provisions of the amendment. The requirement for a supermajority, particularly is a prescription for gridlock and failure. The whole point of balanced budget amendment is to prohibit deficit spending, but we all know that we're faced from time to time with situations that require extraordinary measures. During periods of recession, for example, it's the responsibility of the Federal Government to develop economic policy to counteract these inevitable downturns and to ease the harsher impacts of recession on the American people. In these situations, it's critical that we be able to act to help turn the economy around. But we have a bad enough record of achieving even simple majorities, much less three-fifths super-majorities, on matters like budgets and reconciliation packages. So I'm afraid that as a practical matter this amendment would act as a straitjacket in those times when action is needed most. We could well be stuck with a policy by default that would aggravate an economic downturn and turn some future recession into a depression.

This amendment contradicts our constitutional reliance on majority rule—which Madison rightly called the fundamental principle of free government. It's not difficult to imagine a worst case scenario. In the midst of a recession or some other national emergency, an attempt to raise the debt ceiling or raise additional revenue could be supported by strong majorities in both bodies, but be blocked by a minority of only 41 Senators, aligned by some particular regional interest or political ideology.

Imagine a situation in which a badly needed measure was blocked by the Senators of the 21 least populous States. Senators from States with fewer than 30 million people—less than 12 percent of the country—could effectively thwart the will of the remaining 88 percent. The amendment, in short, would give exaggerated power to small States, and would effectively give 41 Senators the power to hold the country hostage. Recent experience gives us plenty of evidence that there are those who are willing to do so.

We should also worry about enforcement. Were events to leave a budget in violation of the amendment, no enforcement mechanism exists to resolve the issue. Disputes would inevitably come before the Federal courts with their inherent power to enforce the Constitution. Here again we should foresee a result that is contrary to one of the fundamental purposes of the Constitution. We'd effectively give away one of our primary responsibilities as representatives of the people to a small group of unelected judges, who, for good reason, are not accountable to any constituency. Do we really want Federal judges making decisions about raising taxes or cutting spending?

In addition to these broader questions, this amendment also comes fraught with subtler, but no less troubling, problems of definition and workability.

We should ask ourselves, for example, if the provision, for deficit spending only after a declaration of war, makes sense. None of the national security crises we've encountered since World War II have involved an actual declaration of war. Given this recent experience, we ought to have the budget flexibility to deal with a future security crisis that stops short of declared war.

Then there's the question of estimates. The level of accuracy we've seen in revenue and spending estimates is rarely equal to the job of making budgets to which we must adhere, on penalty of judicial enforcement, during the course of a fiscal year. There are Members here who well remember 1981, when we started to dig this deficit hole in earnest. The first Reagan budget rosily forecast economic growth of 4.2 percent in the year ahead. The economy, apparently not in a mood to obey the President, proceeded to decline by 1.9 percent.

The relevant lesson is that when we make projections, often 18 months or more into the future, our actions are based on economic models that are not perfect. And a lot can happen in the space of only 18 months to overtake the best projections. Given the difficulty inherent in achieving a supermajority to allow us to act correctively, this amendment could well leave us stranded.

And, finally, we should remember to take into account the critical distinction between operating and capital expenditures, as this amendment does not. Balancing an operating budget makes sense, and States are statutorily required to do it. The more difficult issue is investment: something that all States, municipalities, and individuals do regularly when they build a bridge or buy a house. By effectively prohibiting borrowing for investment on the Federal level, we'd force a wholesale shift in investment responsibility to the States and localities. We regularly borrow from future revenues to invest in future well-being, but this amendment would blind us to the needs of the next year, much less the next decade.

Ultimately, the irony of this discussion is that it comes at a moment when, after a dozen years of profligate spending, we're finally moving in the right economic direction. Over the past year, Congress, led by the President, has finally achieved a level of fiscal discipline it hasn't seen in a long time. We've approved a hard freeze on discretionary spending. We've reduced the rate of increase in most entitlements, and actually cut some. We've joined the battle to find a way to lower health care costs. It would truly be a shame if, at this promising moment, we were to wave the rhetorical wand, pass this amendment, and allow ourselves to believe that we've won the battle, only

awaiting State ratification of that amendment. Rather, there can be no letup in the hard work needed to produce sensible budgets over the next several years.

In the end, we should be mindful that when we amend the Constitution, history will judge our actions with an especially critical eye. The Constitution grants primary responsibility for the budget to Congress for a reason: The decisions we make ultimately reflect the needs and preferences of the people we represent. The progress we're finally making is proof of the ability of this body, at its best, to discharge its responsibilities. We must continue and strengthen the discipline recently shown here. That is the best way for us to honor both our fiscal responsibility and our obligation to preserve and protect the Constitution.

□ 1720

Mr. GALLEGLY. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. STEARNS].

Mr. STEARNS. Mr. Chairman, I rise in support of the Kyl substitute, House Joint Resolution 103.

Mr. Chairman, millions of American families abide by the simple rule that you don't spend what you don't have, but today we are being told that Congress somehow knows better. You can spend more than you have; you don't have to watch your wallet—especially if you're spending someone else's money.

In 1776, our country was founded. Providentially, that same year, a great book was published entitled "Wealth of Nations" by Adam Smith.

Adam Smith once wrote that "what is prudence in the conduct of every private family can scarce be folly in that of a great kingdom."

My colleagues: our national debt currently exceeds $4.3 trillion—that's $17,495 for every man, woman, and child in the United States. Under current policies, future generations are projected to face a lifetime net tax rate of 82 percent in order to pay the bills that we are leaving them.

In 1993, gross interest payments equaled $293 billion. This is greater than the total outlays of the entire Federal Government in 1974. Make no mistake, if we don't require some fiscal discipline we will, we are sowing our children's fiscal future to the wind.

Mr. Chairman, the Kyl substitute requires a balanced budget, limits Federal spending to 19 percent of GNP, and provides a real line-item veto for the President. This is simple commonsense approach to the debt and deficit. It encourages economic growth and responsible Federal expenditures. Maybe that's why the National Taxpayers Union, Citizens for Sound Economy, Citizens Against Government Waste, and Americans for Tax Reform have all endorsed the Kyl substitute.

I urge my colleagues to examine and vote for this proposal.

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

Mr. BUYER. Mr. Chairman, during this time of year, as Hoosier and other American families are setting down to prepare their taxes, they wonder why Congress is incapable of balancing the country's budget. After all, common sense dictates that if they have to live within their own budgets, so should the Government.

Since 1969, Congress has failed to balance its spending with its revenues—and the solution has always been to increase taxes on hard-working families or to raise their burden of debt. Unfortunately, with more revenues, Congress has simply increased spending and neglected its fiscal duty. As history has proven, Congress cannot limit its spending practices and Government continues to grow.

As the Federal debt continues to rise out of control, above $4.3 trillion, it is obvious that America's long-term fiscal woes can only be solved with the enactment of a strong balanced budget constitutional amendment. Such an amendment would provide necessary protection to the American people from the continuing fiscal abuses of big government. The expansion of our Government and its intrusion into the daily lives of the American people has resulted in the frequent levying of more and more taxes to pay for Congress' inability to curtail Federal spending. After witnessing the budget resolution vote last week, this year is no exception to the disreputable policy of keeping hard-working Americans burdened with oppressive taxes.

The Stenholm-Smith balanced budget amendment imposes the fiscal responsibility that Congress has forgotten. The amendment compels Congress and the President with constitutional authority to only spend an amount not exceeding revenues. Deficit spending could only occur with the approval of a three-fifths majority vote of both the House and the Senate in time of national emergency and economic distress. Additionally, the amendment requires the reduction of existing Federal debt but does not sacrifice the security of our senior citizens or our national security.

Some opponents of the amendment have spread the myth that a balanced budget amendment would threaten the existence of Social Security and Medicare. The amendment would not force automatic across-the-board cuts in Social Security or any other program. Current statutory protection would not be changed or reduced. Social Security has a long history of special budgetary protection which will not be compromised because the trust fund would still be maintained as separate from general funds. It won't threaten the security of our senior citizens.

Critics also claim that a constitutional mandate is unnecessary, but they ignore the simple fact that all less substantial measures have failed—and failed miserably. Deficit spending must only be used for short-term national emergencies such as war or substantial economic decline. Deficits must be paid, and paid promptly. Over 200 years ago, Thomas Jefferson stated,

> The question of whether one generation has the right to bind another by the deficit it imposes is a question of such fundamental importance as to place it among the fundamental principles of the government. We should consider ourselves unauthorized to saddle posterity with our debts, and morally bound to pay them ourselves * * *.

Congress has lost its political morality. Authors of the Constitution did not add fiscal constraints because they had such a strong moral sense that you do not saddle future generations with debt incurred by the present generation.

You do not pull out a credit card and use it to buy a television, clothes, car, and a vacation to Hawaii and then give the bill to your children and grandchildren. You only have to look into the face of a child to understand why we must pass a balanced budget amendment.

We now have the opportunity to take a giant step toward compelling Congress to fulfill its obligation to fiscal responsibility and limit the size of our expanding Government. I urge my fellow Members to not let this moment escape us. Protect our children and our children's children from the burden of debt. The balanced budget amendment will give freedom to our children, rather than shackles of debt.

Mr. GALLEGLY. Mr. Chairman, I yield 3 minutes to the gentleman from Colorado [Mr. SCHAEFER].

Mr. SCHAEFER. Mr. Chairman, today, I rise in support of a balanced-budget amendment to the U.S. Constitution. For far too long, deficit reduction has been ignored by Congress, but we now have the opportunity to vote on several different amendments which will truly mandate that Congress balance its books.

The long-term health of the Nation demands a balanced-budget amendment. Congress has shown time and again that it is prepared to waive any inconvenient statutory spending limit that it has imposed upon itself.

Two decades of failed attempts to balance the Federal budget has resulted in nothing but gimmicks, deceptions, and ever-higher deficits. Just look at how well these past restraints have worked: The national debt currently exceeds $4.6 trillion. That means that every man, woman, and child in the United States owes over $17,000 because of the extravagant spending habits of this institution. Clearly, if we ever hope to balance the budget, Congress needs the additional weight of the Constitution bearing upon it.

Many skeptics claim that we can't balance the budget without decimating Social Security and other important Government programs. I am here today to tell you, the skeptics are simply wrong. Congressman PENNY and I have proven that, with our introduction of H.R. 3958, the Fiscal Responsibility of 1994.

This bill, which is a comprehensive set of specific budget cuts totalling $550 billion, will bring the Nation within striking distance of a balanced budget, without raising taxes and without decimating Social Security. So before reacting to the alarmists' claims about the draconian impact of a balanced-budget amendment, I recommend that my colleagues take a close look at the Fiscal Responsibility Act.

The Schaefer-Penny bill shows that the budget can be balanced. Congress, however, has to have the political fortitude to do it. Unfortunately, only an amendment to the Constitution will enforce that discipline. I encourage my colleagues to return some fiscal sanity to this institution by voting for a balanced-budget amendment.

Mr. STENHOLM. Mr. Chairman, I yield 3½ minutes to the gentleman from Texas [Mr. EDWARDS].

Mr. EDWARDS of Texas. Mr. Chairman, I rise in strong support of the Stenholm balanced-budget amendment.

I would like to specifically address four of the key arguments I have heard today used against this amendment.

First, the opponents say we have to have the ability to spend and to have deficits and recessions. They are basically referring to the philosophy of that economist, John Maynard Keynes. The problem is the opponents to the balanced-budget amendment forget the other half of what Mr. Keynes had to say.

□ 1730

And that is in good times we are supposed to not have a deficit, you are supposed to have a surplus in the budget. They want to have their cake and they want to be able to eat it too. They want to have deficits and recessions, but they do not want to have to make the choices necessary to have a balanced budget or surpluses in good times. You cannot have it both ways.

The second argument the opponents to a balanced budget amendment make today is that all we have to do is make tough decisions. Well, they have been saying that for 25 years. For a quarter of a century people have been coming down to this well and telling the people of America. "All we have to do is make tough decisions to balance the budget." It has not happened. That is the reality, not the theory.

Why has it not happened? I do not think it is because everybody in this body wants to have a deficit or to spend our children's money. I think it is a flaw in the process. If you are from an urban area, it is easy to vote to cut agricultural programs; if you are from a rural area, it is easy to cut mass transit in urban areas; if you are from the Southwest, it is easy to vote against Amtrak subsidies; if you are from the Northeast, it is easy to vote against the super collider and the space station in Texas. And then all of these people can go home and in good faith say, "I voted to reduce the deficit."

The reality is, and it has been reality for a quarter of a century, that the process is not working. It is time for us to recognize that and to change it.

The third argument that the opponents to the balanced budget amendment offer today is that it is a gimmick. I find that interesting because they say it is a gimmick on the one hand and yet it is going to devastate social security and other critical programs on the other. Once again they are trying to have it both ways.

But I think people can see through that.

People said another thing was a gimmick—the base closing process this Congress set up a few years ago. They said, "Don't change the process. Make policy choices." And yet year after year bases were kept open that should not have been kept open. That added to our deficit and hurt our national defense.

We changed that process on closing military bases, and it has worked. We closed bases in the districts of key and powerful congressional Members' districts that never would have been closed had we not changed the process.

The point is this: The best way to drive good policy is to change our process. And by changing the process, by building fiscal discipline into this fiscal process of Congress, we will have better decisions and we will not mortgage our grandchildren's future away.

Finally, Mr. Chairman, they say this should not be in the Constitution. I would agree, but we have been left with no other alternative.

I think what we are really talking about here today and why it is important enough to put in our Constitution is that we are talking about the property rights of our children and our grandchildren, and property rights are a key fundamental right in this country, built into the very heart and soul of our Constitution. It is not right for us to, year after year after year, take our children's and grandchildren's money, spend it today for the policies that we will enjoy that they will have to pay for.

I strongly urge support of the real balanced budget amendment today, the Stenholm balanced budget amendment proposal.

Mr. GALLEGLY. Mr. Chairman, I yield 3 minutes to the gentleman from Arizona [Mr. KYL].

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

So far today in this debate I have spoken in support of three of the amendments.

In about an hour or so, I guess I will be proposing the first of the amendments that we will be voting on, that we will be voting on tonight, my balanced budget amendment spending limits proposal.

I have been suggesting to our colleagues that we should be supporting three of the four amendments, the Kyl amendment, the Barton-Tauzin amendment, and the Stenholm-Smith amendment.

I would now like to talk just a little bit about the Wise and other amendments, which I think should be opposed. There are three basic loopholes in this bill which I think we should be very, very careful about. The first of these was just spoken about by the gentleman from Texas, the idea that during recession times or negative growth periods we would be able to override—not override, but automatically the provision would not apply.

According to my calculations, that would mean that we would have had unbalanced budgets for 17 of the last 38 years. Now, if that is true, Mr. Chairman, that means that almost half of the time we would not have a balanced budget. We are not talking here about an override, it is an automatic provision.

So, the first loophole would provide for about half of the time not having a balanced budget at all.

I am curious as to why it would be necessary to have this provision in the first place. I think we have gotten away from the idea of Keynesian economics, as the gentleman pointed out. It is unclear why this automatic provision would need to exempt us from the balanced budget requirement during periods of negative economic growth.

In any case, that is one of the loopholes.

The second loophole discussed here is the social security program. I will only say, with respect to that, that by statute we could define other things as falling within this exception. And therefore, I think that represents a second important loophole.

The third loophole, and this is really a big one, is the idea of capital budgeting. I understand our colleagues' concern about capital budgets with reference to the States. But I think that by not further defining this, they have really made it impossible. Let me get right into the language here. The idea of a capital budget is to protect investments with long-term economic return, to quote from the amendment directly.

But the Clinton budget this year specifically has an entire section entitled "Investing for Productivity and Prosperity," setting priorities under budget discipline. Among the items discussed in that section on investments are insuring that children start off healthy

and are prepared to enter school and receive good parenting; specific programs including WIC, Head Start, child immunization. Among other items are: improving education, training disadvantages, and retraining workers, and a whole series of other things.

Mr. Chairman, these things are all important, but I think it points out the fact that under the rubric of investing for long-term economic gain, we could write just about anything we want to under the capital budget requirements and thereby create a third, very, very large loophole.

For these and other reasons, I would suggest to my colleagues that they oppose the Wise and others amendment and support the other three amendments when we have an opportunity to vote on them.

Mr. WISE. I yield myself 2 minutes to respond to the gentleman from Arizona. I am delighted, I guess, to be singled out.

But let me quickly respond. First, his first point on the recession waiver: The gentleman regrettably has not read fully the text of our amendment, because what it says is that you can waive the provisions of the balanced budget amendment in only two circumstances, and only two; one of which is in case of military conflict, the second in case of recession, defined as two quarters of negative growth. Then it requires a majority vote. There is no automatic waiver.

I might add, it is my impression reading the other amendments, certainly the Stenholm amendment and, I believe, the gentleman from Arizona's as well, that you can waive the provisions of the Balanced Budget Act at any time with 60 percent of the vote, a supermajority. We say you can waive it for only two circumstances.

In terms of the Keynesian economics—I never have pronounced that very well—in terms of Keynesian economics, the reality of the situation is that recession is when administrations, Republican and Democrat, recognize they need to do some increased spending to get the economy moving.

The Reagan administration did not use traditional public works programs, although a small bill did pass the House. It used defense spending, but used it in a very Keynesian way.

So, I would say that you do want the ability to respond to any recession.

Social Security: I issue my challenge again to the gentleman from Arizona, if you do not think Social Security is affected under your amendment, the Kyl amendment, or the Stenholm or the Barton, then take it off budget as we do and be honest with people and say we are going to guarantee that it is not going to be affected.

Nobody is going to lose additional programs.

Can you imagine the outcry that would happen?

Finally, in terms of capital budgeting, we are accused of not defining capital budgeting as being too rigorous in the Constitution; and yet if we try to define what capital budgeting is, we would be accused of being too detailed. I think it is much better left to a commission that reports back and Congress will write that definition. But I would point to the language in our amendment that says capital budget must apply only to long-term economic return.

Mr. STENHOLM. Mr. Chairman, I yield 3 minutes to the gentlewoman from California [Ms. HARMAN].

Ms. HARMAN. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise to support the Stenholm and Wise balanced budget amendments.

It has become a cliche to say that there is no easy way to arrest our deficit problem. We've learned that reducing our borrowing levels is about making tough, unpopular choices. Passing last year's deficit reduction package—which has had dramatic effects—was a hard choice. Including the deficit reduction trust fund, which insured that all the net savings from the budget plan went to deficit reduction, was another hard choice. Voting for the imperfect yet necessary Penny-Kasich amendment, which would have made an additional $90 billion in spending cuts, was, for many of us, a very tough choice.

This debate confronts us again with imperfect options, and, again, I urge my colleagues to make the choice toward further deficit reduction.

There is nothing that focuses attention like a hangman's noose. Though the balanced budget amendment is not the perfect solution to our problem, it does focus our attention to the highest degree. Constitutional prohibitions against deficit spending will compel the Congress to make the hard choices, even when the debate focuses, as it inevitably must, on political untouchables like entitlements and subsidies.

Although I respect the work of Representatives KYL and BARTON on their constitutional amendments, I am worried about burdening the Constitution with the unprecedented economic measurements that their amendments include. The Kyl amendment would impose new constitutional-level requirements integrated with the calculation of gross national product and the scoring of "items of spending authority," while the Barton amendment requires the Constitution to govern the raising of revenues at a "rate faster than the rate of increase in national income." Amending the U.S. Constitution should be done with extreme care, and only in ways that minimize legal entanglements down the road. Going too far with injecting economic calculations into the Constitution is unprecedented and risks political crisis, as every such calculation is political in nature. We need a framework that forces us to make decisions, not one that makes too many of them for us.

Voters in my home state of California chose a balanced budget amendment to its constitution that excludes long term investments like bond issues for school, highway, and prison construction. No one doubts, however, that the California requirement dictates tough choices that have led to drastic cuts in spending to erase the State's deficit. We can and must do the same at the Federal level.

Even though it is unlikely that we will be able to send a balanced budget amendment to the States this year, I believe that consideration of these several options by this House is a positive step. We must work harder to make the hard choices to cut spending, and to design a mechanism to force us to do so if the political will cannot be found.

□ 1740

Mr. GALLEGLY. Mr. Chairman, I yield 1 minute to the gentleman from Arizona [Mr. KYL].

Mr. KYL. Mr. Chairman, I wanted to respond to both my colleague from West Virginia and my colleague from California.

The gentleman from West Virginia is correct that it is not technically automatic that in periods of negative economic growth the amendment would have no effect. Congress would have to waive that, but it could be done by majority vote. The practical effect, I think, is the same as has been demonstrated by our waiver of Gramm-Rudman, the Budget Act and other laws in the past.

With respect to the comment by our colleague from California that we need an amendment under which we can make decisions rather than provisions that make them for us, it seems to me that, while that may be true in the abstract, it has been demonstrated that Congress has not been able to make the decisions without the encouragement, shall we say, of a requirement that it do so, and that is why I think we have to set an upper limit, such as my proposal does, and then prioritize within that upper limit. If instead, as under the Wise amendment, we have terms such as investments with long-term economic return, we are going to get into defining that by statute as job training, education, Head Start, lots of other things which simply expand the loophole to the point that the constitutional provision does not mean anything in the first place.

So, that is why I think my proposal meets the test better and that we still should oppose the Wise amendment.

Mr. GALLEGLY. Mr. Chairman, I yield 3 minutes to the gentleman from Virginia [Mr. GOODLATTE].

Mr. GOODLATTE. Mr. Chairman, in the past Congress passed provisions to

set up firewalls between discretionary and entitlement spending in attempts to balance the budget. It did not work. Then we tried pay-as-you-go provisions. They did not work. Just last week we had a chance to approve a budget that would have balanced the budget in 5 years. We did not pass it. When are we going to face the reality that we need something more than empty promises, we need a balanced budget amendment to our Constitution.

Obviously, the current budget process has failed to bring the deficit under control. We can no longer tolerate the practice of freely granting exceptions to budget rules in order to accommodate funding demands. We must respond to the call to cease runaway spending and begin the kind of reform that the balanced budget amendment dictates.

Lawmakers know full well that chronic deficits threaten the Nation's long-term prosperity. Unfortunately some believe that their short-term interest lies in spending more and more on the demands of various special interests. Still others know that we can't keep demanding American families to spend more and more in higher taxes. Therefore deficit spending provides an easy way out. The balanced budget amendment forces lawmakers to do the right thing instead of the easy thing.

The Stenholm-Smith amendment injects much needed accountability into the appropriations process by establishing procedures that will force each and every Member of Congress to put his or her name on the line in order to initiate deficit spending.

Some may argue that we do not need to amend the Constitution. After all, they claim the Constitution did not get us in this problem, changing it certainly won't solve it. But we have tried to regulate ourselves with every type of House rule change that we could dream up. None of them have worked. Congress has shown time after time that it is unwilling and unable to balance the budget on its own accord.

Others may try to take accounts that fund pork projects for their district off-budget. We increase the deficit every time we spend money we do not have, regardless if it is accounted for in the budget or not.

For my colleagues who have an insatiable thirst for spending I say lets erase our deficit and in doing so, stop increasing the billions of dollars we are spending every year to finance the deficit. If we are to preserve our Nation's good credit, the ability to provide for the common defense, promote the general welfare, and save for our children and grandchildren the opportunities to enjoy the blessings that this great land has bestowed upon our generation, we need a balanced budget amendment added to our Constitution. I strongly urge my colleagues to vote for the Stenholm-Smith balanced budget amendment.

Mr. GALLEGLY. Mr. Chairman, I yield 5½ minutes to the gentleman from Texas [Mr. BARTON].

Mr. BARTON of Texas. Mr. Chairman, it has been a long debate today on the balanced budget amendment in general. There has been some debate about the specific alternatives that are going to be considered later this evening and tomorrow. I have listened to the debate over the television in my office when I was not in committee, and I think there are several points that have not yet been totally highlighted.

First, when the Constitution was propounded in the late 1700's, Mr. Chairman, the Founding Fathers were very specific in what spending was allowed for. My recollection is that in the Constitution itself there are only 18 items that are specifically enumerated that money can be spent for. I say to my colleagues:

> If you look at the history of government at the Federal level, you see that for the first 150 to 175 years there were many, many items that the Federal Government spent no money for. Education would be an example of that. Public health would be an example of that. With the beginning of the New Deal in the 1930's, continuing on into the present era, the Federal Government began to expand its role. Well, one can argue that there may not have been a need for a constitutional amendment for the first 150 years because Congresses and Presidents were very specific in what hey were willing to spend Federal dollars for.

Mr. Chairman, as late as the 1950's, when the Interstate Highway Act was passed, it was labeled the Defense Highway Act because defense was something that was enumerated specifically in the Constitution that money could be spent for at the Federal level. Well, as we all know today, that enumeration, that limitation on what Federal dollars can be spent for, has been totally erased, and Federal dollars, for all intents and purposes, can be spent for anything. So, for that reason there is every reason to amend the Constitution to in some way try to limit Federal spending; in other words, to require a balanced budget.

□ 1750

Both the Stenholm-Smith amendment, the Kyl amendment, and the Barton-Tauzin amendment, all three of those, we attempt to do that in a very straightforward and serious way.

There are differences in the amendments. The Kyl amendment says there should be a spending limitation as a percentage of GNP. The gentleman from Arizona [Mr. KYL] supports that amendment because it is in effect in his home State of Arizona at the State level and has been effective in limiting spending at the State level.

I have chosen to say we should try to limit the ability to raise taxes by the requirement of a 60-percent vote to raise taxes. My amendment does not make it impossible to raise taxes. It allows that taxes could be raised no higher than the rate of growth in GNP the year before, and if you want to go higher than that, you have to have the 60 percent vote. We also require the 60 percent vote to increase the national debt ceiling.

These supermajority votes are required quite simply because the specific enumerations of what funds can be spent for at the Federal level have been broken down. We can spend money at the Federal level for anything. I can give you horror story after horror story about what that spending has occurred for.

In terms of tax limitations, as I said earlier this afternoon, tax limitations provisions in constitutions at the State levels work. On average those states that have some sort of super-majority requirement for tax limitations have a tax burden that is 2 percent less than States that do not have such a supermajority. In fact, in States that have no kind of limitation on tax increases, their tax burden as a percent of State GNP has gone up about 2 percent. That is a total of a 4-percent gap.

So in the debate tomorrow on the Barton-Tauzin amendment, I will bring that out in much more detail. Suffice it to say, we need to balance the Federal budget, we need to pass an amendment to the Constitution in order to mandate that, and I hope that we decide collectively that we need to do it by limiting taxes.

Mr. STENHOLM. Mr. Chairman, I yield 3 minutes to the gentleman from Tennessee [Mr. CLEMENT].

Mr. CLEMENT. Mr. Chairman, as an original cosponsor of House Joint Resolution 103, I rise in very strong support for the constitutional amendment to balance the budget proposed by my colleague, the gentleman from the great State of Texas [Mr. STENHOLM], a true cost cutter.

I have had the opportunity since I have been a Member of Congress twice to vote on the balanced budget amendment. We lost the first time by seven votes in the U.S. House of Representatives. We lost the second time by nine votes. And I hope everyone, as these campaigns get hot this summer and if we fail by a few votes, which I hope we will not, will ask every candidate running for public office, where do you stand on the balanced budget amendment?

The U.S. Senate just voted on it recently. We lost by four votes there. So we are very, very close. And I assure the American people that the gentleman from Texas [Mr. STENHOLM] and myself, and other colleagues in the U.S. House of Representatives, are not going to let this issue die. We are going to keep it alive Congress after Congress until it becomes a reality.

Mr. Chairman, many Members will come to the floor to say that this amendment is not needed. Sure, we have done a pretty good job the last several years. We have brought down the budget deficits. We were running budget deficits as high as $400 billion. Now we are bringing them to the level of $200 billion. But $200 billion is still an awful lot of money, and it still does not do what we want done in this country, to revitalize this economy and bring about a strong economy where people have good jobs and better paying jobs. As long as we are being strangled by these budget deficits, it causes us great pain. We can do something about it by working together.

I know recently I have gotten hundreds of letters, thousands of letters since I have been here, from senior citizens and others, talking about the Social Security system and why we are borrowing against it and what that is doing for us for the future.

I get calls and letters from young people that want a future, and yet they feel like we are mortgaging our future, and we are doing just that.

Mr. Chairman, let us stand up and be counted. Every one of us knows that every Member of Congress has a different laundry list of where to cut costs. Unfortunately, all of our laundry lists are different. Therefore, we do not cut anything.

This is the time to stand up and be counted, and let us stand by the gentleman from Texas [Mr. STENHOLM], and this balanced budget amendment, and let us pass it this time.

Mr. GALLEGLY. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia [Mr. KINGSTON].

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

Mr. Chairman, I just want to make a few comments as one of the authors of several of the different balanced budget amendments proposals. One of the things I get an opportunity to do in the First Congressional District of Georgia is speak to a lot of school groups. I often ask children in the fifth grade classes, how many of you are on an allowance? Most of them raise their hands.

I say what do you make, $2, $3 a week, and so forth. And I say look let me just pick on you. And I usually pick on one little boy or girl in the class, and I say if you make a dollar a week, how much do you spend? They say 75 cents, maybe 80 cents. If it is Christmas, I might spend the whole dollar.

Then I ask these 10-year-olds, how many of you ever spend more than you get for your allowance? They look at me, and I have completely lost them with that sentence. And I say if you make a dollar a week, do you ever spend a $1.05, $1.25, or $1.30? They say Mr. Congressman, we don't know what you are talking about. And I say, I just want to say, sadly, that is what has been going on in the U.S. Congress since 1969 when we had our last balanced budget. And I point out to them while there is a lot of partisan politics in Congress, this is not a problem that you can blame on the Republicans, the Democrats, the President, the other body. This is a problem that is a bipartisan problem, and we have to resolve it in a bipartisan fashion.

One of the interesting things that I learned as a new Member of Congress is that in 1980, the revenues of Congress were $517 billion. By 1990, the revenues were over $1 trillion. Yet during that same period of time, our expenditures outpaced revenues. So rather than freezing or slowing down the rate of new expenses, we allowed it to stay way out in front of the revenues. So we continued deficit spending. And now we have I think on February 9, a $4.5 trillion debt. Again, during that period of time you had Democrats and Republicans in charge of various bodies in the executive branch and so forth. So it is a bipartisan problem.

Let me say this: I served in the Georgia General Assembly for 8 years. We always balanced our budget. In my congressional district, or the one I represent, it is certainly not mine, there are 22 counties. Every one of them has a balanced budget. All the cities, and I have about 35 municipalities, every one of them has a balanced budget. We need to operate on the same constraints. Because if it is good enough for Hometown, U.S.A. it is certainly good enough for Washington, DC.

For further reading I would certainly recommend "The Coming Economic Earthquake" by Lloyd Burkett, or "Bankruptcy 1995" by Harry Figgie, because it will keep you up at night. This is a huge problem. We have got to get the debt under control and we have to start with the deficit in order to do that.

Mr. GALLEGLY. Mr. Chairman, I yield 3 minutes to the gentleman from Florida [Mr. MICA].

Mr. MICA. Mr. Chairman, I want to take this opportunity to thank my colleagues, Mr. SMITH and Mr. STENHOLM and others who have had the courage and provide the leadership on this most important issue.

As the freshmen Republican coordinator of Stenholm-Smith balanced budget amendment, I want to thank every new Republican Member, all of whom support this amendment.

Balancing our national budget by enacting a constitutional amendment is the most critical issue to come before the 103d Congress.

As a new Member, I have been shocked and appalled at the reckless manner in which taxpayers' hard-earned dollars are spent here.

After only 1 year in these halls, I am convinced more than ever that we must pass a balanced budget amendment.

Every legislative attempt to curtail Federal spending has failed. If the people really knew how their money was being spent they would charge up the Capitol steps and drag out the guilty parties.

Unfortunately, the average citizen and taxpayer is so busy paying the bill, complying with Government regulations, and trying to keep afloat, they have not taken measures into their own hands.

But, I remind my colleagues, they have sent us here to make sense of the mess Congress has created. Do not believe those who attempt to scare people by saying that a balanced budget will hurt this or that special interest group.

This amendment will not hurt anyone today. This amendment will not hurt anyone tomorrow. What this amendment will do is secure the future financial stability of our country.

Here is a copy of our Constitution. It starts off by saying that the primary purpose of bringing our States together was to provide for the common defense.

Mr. Chairman, in the not too distant future we will be paying more for interest payments on the national debt than we pay for national security.

Because of the reckless spending here, because of the lack of fiscal constraint, we have no other course but to amend this rarely altered document.

Nearly every State operates under a balanced budget provision. Almost every city, local government and school board work under strict spending constraints.

There is no valid reason why our national Government should operate without reasonable limits on spending.

Quite frankly, my colleagues, the question before us goes right to the heart of whether or not a Republican form of government and democracy can survive.

Have we created a Congress that will vote such largess that it will eventually bankrupt our country? Have the beneficiary's of Government programs so outnumbered the taxpayers that there is no hope for the future? Will we spend this great Nation into oblivion?

Today we have one chance to change the course of our own history. I ask you to join me in support of the balanced budget amendment.

□ 1800

Mr. GALLEGLY. Mr. Chairman, I yield 3 minutes to the gentleman from Alabama [Mr. BACHUS].

Mr. BACHUS of Alabama. Mr. Chairman, as an original cosponsor of House Joint Resolution 103, I compliment the distinguished gentleman from Texas [Mr. STENHOLM] for his tireless efforts to bring our fiscal house in order by proposing this much-needed legislation.

Mr. Chairman, it is simply unconscionable that we would continue to heap debt on our children and grandchildren, billions of dollars each day. These children have no recourse. They

have no voice in this debt. This child abuse must end.

As elected Representatives of the people, we should have the courage and the foresight to make the tough decisions other Americans make every day. Regrettably, Congress has chosen a different course, continuing to spend and spend and spend and spend without making the necessary cuts to bring the Nation's budget in balance.

Every day, families across this great Nation balance their household budgets, and every year 48 of our Governors balance their State budgets. They are following a simple, commonsense principle. We should not spend more money then we take in.

They do it for our children, their children. If this Congress had this same discipline, this discipline that the American people must demonstrate each day, we would not be debating this issue today. But it is this very lack of discipline on the part of this body in the past to exercise fiscal responsibility which brings me to the well today.

Mr. Chairman, deficit spending must stop. A balanced budget amendment to our Constitution will compel Congress to demonstrate fiscal responsibility for a change.

The American people want action now. As their Representatives, we must not miss this historic opportunity to act. I urge my colleagues to pass the balanced budget amendment.

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

Mr. Chairman, the greatest threat to our Nation's long-term economic well-being is the rapidly increasing Federal debt, which has reached over $4 trillion. The interest payments on that debt now consume nearly 15 percent of the Federal budget. If we maintain the spending status quo, the interest on the national debt will become the largest Federal expenditure in the budget where interest payments will crowd out all other Federal programs including Medicare, Social Security, and other vital programs.

This is precisely why this House must vote in favor of the balanced budget amendment so we can eliminate this drain on our budget. A balanced budget amendment that will finally limit excessive Government spending is necessary to force Congress to begin to set spending priorities instead of just pushing the current debt on to future generations of Americans. As history demonstrates, statutory approaches just have not worked. The balanced budget amendment provides the necessary flexibility to deal with national emergencies. We must enact the balanced budget amendment to stop outrageous Federal spending patterns and, more importantly, to stop mortgaging our children's futures.

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

Mr. STENHOLM. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota [Mr. PENNY].

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

I simply want to add my words of support for the Stenholm version of the balanced budget amendment. During the next number of hours, we will debate several alternatives. I believe the Stenholm approach is the one that should be commended to this Congress and to the country.

Clearly, we need to change the rules here at the national level. Presently, there is no expectation that a budget should ever be balanced. That is one of the reasons that we seldom see presented to the Congress any proposals that seriously address the deficit issue.

We did, however, have one opportunity last week: a budget alternative presented by the gentleman from New York [Mr. SOLOMON] would have challenged us to cut upwards of $660 billion over the next 5 years in order to attain a balanced budget by the time this constitutional amendment, if passed, would take effect.

Sadly, far too few legislators chose to cast their votes in support of a real balanced budget initiative.

Nonetheless, today we are called upon to vote for a policy change and to place this basic budgeting principle right in the Constitution of our land.

It is my hope that in the future, if this amendment is adopted, that we will no longer debate whether we should balance the budget but, rather, how we ought to go about balancing the Nation's budget.

This is an amendment that has been around in various forms in the past. Every time we bring it to a vote we do better. It is my hope that this vote will be the charm that will secure the two-thirds necessary and that we will present to the country a new policy to govern our work here in Washington, a policy that says that balanced budgets are the order of the day, not the exception to the rule.

□ 1810

Mr. GALLEGLY. Mr. Chairman, I yield back the balance of my time.

Mr. WISE. Mr. Chairman, I would inquire of the Chair how much time I have remaining.

The CHAIRMAN. The gentleman from West Virginia [Mr. WISE] has 7 minutes remaining.

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

Mr. Chairman, I want to thank both the gentleman from California [Mr. GALLEGLY], the gentleman from Oregon [Mr. SMITH], who preceded him in yielding time, as well as, certainly, the gentleman from Texas [Mr. STENHOLM], who has permitted us a fair debate today, who structured this rule, brought it to the floor, and structured this debate. I think it has been a very important debate, and I think that we are going to probably see it even pick up in intensity as we move into the individual amendments, but to the gentleman from Texas [Mr. STENHOLM] particularly, I want to commend him for the way he has handled this and brought this matter to the floor.

Mr. Chairman, I rise in opposition to the so-called Stenholm amendment and in favor of the so-called Wise-Pomeroy-Price-Furse, and others who have cosponsored it, balanced budget amendment. We are going to say if you are going to put an amendment into the Constitution of the United States, it ought to have certain provisions.

There has been eloquent testimony here tonight about our children and our grandchildren and passing on debt. Certainly that is something we are all very, very cognizant of, the need to give them every opportunity to be unencumbered, or as unencumbered as possible. However, while we have been talking about wanting to avoid passing on debt, I think it is important as well to talk about passing on opportunity, passing on those opportunities for a full life that can only come because their parents and their grandparents made certain decisions, made certain investments, put this country on a path that it could grow on instead of contract.

Mr. Chairman, I would just like to say, in the likening of the family budget, or the comparison, actually, of the family budget and the Federal budget, I think it is important to note, how would you like going to talk to a family and saying, "You want a balanced budget, don't you?"

The family would say, "Of course we do. We sit down every month and we work out our costs. We have a budget. We know how much we can spend."

"Good. Do you know that you will have to pay for your house all in one payment, all in 1 year? You won't be able to get a mortgage for 20 to 30 years."

"Oh?"

"Do you know that the car, the $10,000 or $15,000 automobile that you need to get to and from work, to take the children to school, do you know that you are going to have to pay for that in 1 year, you are going to have to put cash down totally?"

"Oh?"

"Do you know that the education that you want to get for your child, to send that child to college so their income, according to most statistics, will probably be double to triple that of the child who does not finish high school, do you know that you are going to have to pay for all that tuition in 1 year, actually in probably one payment?"

They would say, "Oh?"

That is what you are asking the Federal budget to do if you do not have capital budgeting. I think most fami-

lies would say, "We want responsible budgeting, but we also want the Federal Government to be able to invest in those things that are important."

Just as in families, we finance those long-term investments that are crucial to the growth and development of the family, so it is reasonable to expect the Federal Government to. What is not reasonable to expect the Federal Government to do is to run up so much debt, particularly in areas that do not produce long-term economic return.

What the so-called Wise-Price-Pomeroy-Furse amendment does is to say that the debt service will be part of the operating income, and so indeed it will come under the balanced budget provisions.

Most States, every State, to my knowledge, require a balanced budget, but also have capital investments. Everyone who stood on the floor tonight is from a State that has capital budgeting in some regard, and yet the Federal Government does not. Every business knows that it has to make investments, but chooses to spread the cost of that investment out over the life of the asset.

How would it go if a factory could not borrow for growth, but instead had to pay for that piece of vital equipment that increases productivity manyfold, and yet would have to pay for it up front? The reality is many factories could not.

I implore this body, as it is drafting a constitutional amendment, not to put the Federal budget into a fiscal straitjacket, but to recognize the important role of capital budgeting.

I think it is important to point out that our amendment, our alternative, is the only one that does two things, the only one that takes Social Security off budget. I have heard a lot of discussion tonight about, and happen to agree that most Members here, I do not know if any Member here would vote for cuts in Social Security. But if that is the case, then why the harm, why the bother in taking Social Security off budget, as many Members have said they thought ought to be done, and providing senior citizens that security of knowing that it is secure?

We are the only amendment that does that. We are the only amendment that provides for capital budgeting. Many colleagues have told me they like the idea of capital budgeting, perhaps it is something that ought to be done in legislation. My concern is that if any of the other amendments pass, we will not be able to do capital budgeting in subsequent legislation. Here is a chance now to put it into place, particularly in the Constitution of the United States.

Mr. Chairman, I would urge my colleagues that here, with the Wise-Price-Pomeroy-Furse amendment, the alternative amendment, that you have an opportunity to guarantee to senior citizens the security of Social Security by taking it off budget. You have an opportunity to stop passing on debt. We have exactly the same limitations, exactly the same effective date as the so-called Stenholm amendment and the other amendments, the year 2001.

Finally, you have the opportunity to pass on to your children something positive. You have the opportunity to pass on the recognition that investments in their future are going to be considered and given a priority status, and that will not be discouraged by the language in the Constitution or in other legislation that would preclude those types of investments. We want to encourage investing, we want to encourage those things that make us better, we do not want to discourage them.

Finally, going back to the family, the family knows well that you do not go and borrow money to drive through a fast food restaurant drive-through. That is silly. You want to make sure that part of the budget is balanced, but the family knows well the importance of long-term investments: their mortgage, their house, their car, their children's education.

We in the Federal Government can take that lesson to heart as well. I urge adoption of the Wise-Price-Pomeroy-Furse amendment so that you can protect Social Security by moving it off budget, provide for capital budgeting, and provide for those future opportunities for the children and grandchildren that have been the subject of all the discussion here tonight.

I thank the Chair and I thank the gentleman from Texas [Mr. STENHOLM].

The CHAIRMAN. The gentleman from Texas [Mr. STENHOLM] has 11 minutes remaining.

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

First, Mr. Chairman, I want thank all of the people who have worked so hard on this effort, from the balanced budget coalition of groups to our internal BBA whip organization, to all of our Members and their staffs that have worked so hard in corralling the votes to pass the balanced budget amendment this time.

Mr. Chairman, I cannot say enough about my colleague, the gentleman from Oregon [Mr. SMITH] and the work he has done on his side of the aisle; the gentleman from Virginia [Mr. PAYNE], the gentlewoman from Maine [Ms. SNOWE], the gentleman from Massachusetts [Mr. KENNEDY], the gentleman from Oklahoma [Mr. INHOFE], and I particularly want to commend my friend, the gentleman from West Virginia [Mr. WISE] for the job that he has done.

Second, Mr. Chariman, I want to commend the Members who have participated in the debate today, virtually all of whom have made that wish I made during the rules debate come true. It obviously has been a valuable debate conducted on a high plane, for the most part.

Third, I want to commend all the authors of the amendments being offered today for their sincere efforts and hard work: again, the gentleman from West Virginia [Mr. WISE], the gentleman from Texas [Mr. BARTON], the gentleman from Louisiana [Mr. TAUZIN], and the gentleman from Arizona [Mr. KYL], all of whom have contributed responsibly through the proposals that they are offering.

One of the most encouraging things to me is that while there is disagreement about the best amendment, there is a growing agreement that we need a constitutional amendment. In fact, I cannot help but observe that over these last 10 or 12 years, time and time again, we have passed statutes, time and time again we have made efforts to reduce the deficit; time and time again we have stood in the well at the mikes and said we are all in favor of balancing the budget, but when the tough ones come up, we always seem to be a little short, as my colleague, the gentleman from Tennessee, mentioned a moment ago.

Now it appears, at least listening to the debate today, that we now have well over two-thirds of this body, including, I believe, a majority for the first time on my side of the aisle, that believe we do need to amend the Constitution for purposes of bringing about a balanced budget.

□ 1820

Unfortunately, though, we have a difference again as to which one. We always manage to have that small difference that provides that reason for us not doing anything, and once again, that is what is happening to us.

Again, where we have honest differences, I can certainly go along with that.

I want to correct a few errors, though, and I believe there was a misstatement on the part of the gentleman from West Virginia [Mr. WISE] a moment ago when he said that his was the only amendment that provides for capital budgeting. That is not exactly true.

House Joint Resolution 103, our amendment, does not prevent the creation of separate operating and capital accounts. But the total budget must remain in balance. This is consistent with the recommendations of the GAO which stated the creation of explicit categories for Government, capital, and investment expenditures should not be viewed as a license to run deficits to finance those categories. The choice between spending for investment and spending for consumption should be seen as setting of priorities with an overall fiscal constraint, not as a reason for relaxing that constraint and permitting a larger deficit.

Similarly, the national performance review concluded that a capital budget is not a justification to relax current budget constraints. One of the reasons that I will oppose the Wise amendment, I think it has been good to raise this issue of capital budgeting, but I am not sure we are ready to put this version into the Constitution.

You know, a lot has been talked about while the States have capital budgets which allow them to finance large capital expenditures, they also have several mechanisms which regulate these budgets. These include referendum votes on bond issuances and strict bond quality ratings by private ratings services. Also, debts incurred for capital expenditures must be paid back systematically within the operating budget. Abuse of State capital budgets is limited by these votes and ratings.

These controls do not exist at the Federal level. Creating a Federal capital budget would invite moving spending items which clearly are not capital expenditures from the operating to the capital budget, and I will only list the President's budget that was submitted to us this year. I will list just a few: major Federal investments outlays, direct, national defense, $76.1 billion; nondefense, 19.1; grants to State and local governments, 31.2; conduct of research and development, national defense, 40.4 billion; nondefense, 28 billion.

There are so many different views that we could have, and that is something that needs to be spelled out, but certainly not enshrined in the Constitution.

We have heard speakers talking about the necessity of borrowing and using the Louisiana Purchase as an example. Well, I wish we would emulate the Louisiana Purchase. This was something that was bought and paid for within a relatively short period of time. And just interestingly, if we were buying the Louisiana Purchase today, that purchase of land which became part of 15 States, today it would cost us $225 billion. We would be able to pay it back within 10 years.

What are we getting for the $223 billion of deficit spending we have this year? Name one concrete investment being made for anyone regarding this year's capital budget, if that is what we want to call it, and we could, based on the President's submission of his own budget.

Finally, I would say the question of off-budget or on-budget, on Social Security, why I want and believe it must be kept on budget is because we are not just talking about current and short-term expected recipients of the Social Security trust fund. We have to be concerned about those who are looking forward to 20, 30, 40 years from today to be concerned about that same trust fund. Surely, it is not too much to ask of today's recipients to provide for an increasing of that trust fund so that their grandchildren might have something there for them also.

That is why we say it must be included, because we are not just talking about current recipients. We are talking about all future recipients, and again, I say there is no greater supporter of the Social Security trust fund or the Social Security system than CHARLIE STENHOLM, and I believe I speak for the other 434 Members of this body, both sides of the aisle.

I am glad that most of us today avoid the temptation of politicizing that issue. That is progress. I am glad that we are legitimately talking about a very legitimate issue, and that is capital budgeting and how that might fit.

Again, I commend the gentleman from West Virginia for making a very honest attempt at making this a very relevant issue. Perhaps someday in the future this will be the reason that we will find 290 votes to amend the Constitution of the United States. I do not think the time is now. I hope though that the time is now to amend our Constitution to provide one thing, and that is what we have hoped to do, not set our economy into a straitjacket.

I have had to bite my tongue many times today when my colleagues would stand up and say all of these horrible things we are doing. At any time the judgment of this body is that 60 percent of us shall say we shall borrow money for a very worthwhile purpose, we may do so under our amendment. We do not put it in a straitjacket. We just give that minority that has no vote today, our children and grandchildren, a little better say-so in what we need to be doing for them as well as for us today.

Mr. PACKARD. Mr. Chairman, today Congress will once again go through the perennial throes of the balanced budget amendment debate.

We brought the measure to the floor by way of discharge petition, made possible in part, by Mr. INHOFE's so-called sunshine amendment, that made public Member's names on discharge petitions. Forcefully dredged from an untimely death in committee, we can examine this fine proposal in the light of day.

We are told repeatedly by opponents of this the balanced budget amendment that it is a gimmick. If we would only make the tough spending choices, the opponents say, Congress could do without amending our Constitution, a document which contains the basic principles that have guided the success of this country for over 200 years.

I will give these opponents three reasons why we should overwhelmingly support this amendment which the American people overwhelmingly support: Gramm-Rudman-Hollings I, Gramm-Rudman-Hollings II, the budget agreement of 1990.

No matter what laws Congress passes that are supposed to prevent them from spending more money than they have, the big spenders in Congress will always find a way to circumvent them. Spending has increased despite these strict deficit spending measures that Congress has passed. These are the true gimmicks.

So, experience has told us that Congress makes gimmicks of laws passed to prevent deficit spending. What has experience taught us about Congress' political will to make tough spending decisions between conflicting interests? Experience has taught us that Congress is incapable of making these decisions collectively. Here is a prime example: This body was unable to pass the Penny-Kasich amendment. Was the Penny-Kasich amendment draconian or ultimately disruptive to the well-being of this country? Absolutely not. Penny-Kasich would have cut one cent from every Federal dollar spent over 5 years. Yet it failed. So much for political will. What about the Solomon amendment? Why couldn't this body find the political will to pass this? And this is only the most recent example.

Why shouldn't we include an amendment to our Constitution to balance our budget? Shouldn't our country build on prosperity, not on debt? Isn't this a basic guiding principle that will ensure our success in the future?

I urge my colleagues to reject the naysayers. Vote for the future prosperity of our children. Pass the balanced budget amendment.

Mr. KNOLLENBERG. Mr. Chairman, while much of the discussion here today has focused on the "balanced" in balanced budget amendment, the Kyle amendment adds a new and very important dimension to this debate: basic economics.

For the last 40 years, Federal tax revenue has remained at 19 percent of GDP year in and year out. If you think about it, this is a truly amazing fact. Immediately after World War II, the top marginal tax rate in America was 94 percent. Yet total revenues stayed at that 19 percent figure. Even when Ronald Reagan slashed marginal rates by 25 percent in 1981, revenues remained constant at that same 19 percent.

Besides making an almost airtight case for supply-side economics, this statistic illustrates an inherent equilibrium in our tax structure.

It shows exactly how much Government the American economy will bear.

However, the spending side of the picture is bleak. Since about 1955, Federal spending has departed from that 19 percent figure, and has grown steadily higher ever since. Today, spending equal 25 percent of our GDP. Mr. Chairman, it doesn't take a math professor to figure out that we simply cannot continue to spend more than we take in.

A balanced budget amendment brings sanity back to the level of Federal spending and frankly, it's a provision that every one of our constituents live by every day of their lives. Imagine, if you will, one of our constituents coming to the conclusion that he or she simply had too many expenses, and yet was unwilling to prioritize them. Continue to imagine, that this individual decided to spend without consideration to their income.

Mr. Chairman, we all know, as do the American people, that this person would soon find themselves with nothing, because they tried to do everything. This Government has tried to do everything—react to every concern—with-

out setting priorities. Now, because of our bad judgment, we find ourselves on the verge of literally bankrupting our children. This is not the legacy I intend to leave to my family or my constituents.

The Kyle amendment goes beyond simple budget balancing. It also says that we must limit spending at a level our economy can support. It's just plain common sense.

So join with me. Inject some basic economic reality into the business of this body. Help set a wise and reasoned benchmark for governmental and economic performance. Vote for the Kyl amendment.

Mr. BEILENSON. Mr. Chairman, I rise in opposition to all four proposals for amending the Constitution to balance the Federal budget.

I share the feelings of frustration which have led many of our colleagues to conclude that amending our Constitution is our only hope for solving the Federal Government's persistent budget deficit problem. The enormous deficits the Government has run for the last decade and a half are, without a doubt, the leading policy and political failure of our generation. They are the root cause of the low rate of investment in this country, and they are a major factor in our inability to respond to our Nation's most pressing needs. They are also a large part of the reason why voters are angry at Congress and why so many feel that our political process just does not work.

But amending the Constitution to require a balanced budget is the wrong way to attempt to correct the imbalance between spending and revenues. The right way to do it is to enact well-thought-out spending cuts and revenue increases which reduce our annual deficits, but which do so gradually, in a way that avoids inflicting damage on a fragile economy. That is what the President and Congress did successfully last year, and it is what we should continue to do in the years ahead.

The proposals before us, however, would deter us from acting in such a responsible manner in the future. Because the amendment would not take effect until the year 2001, it would give the President and Congress an excuse to avoid acting now to make the spending cuts and raise the revenues that are needed to eliminate deficits.

Moreover, once the amendment took effect, Congress would undoubtedly go to great lengths to find a way around it. We did just that after we enacted the Gramm-Rudman-Hollings Act which promised a balanced budget by the end of the last decade: We used unrealistic economic assumptions to produce inflated estimates of revenues, we moved programs off-budget, and we delayed payments into future years—all in an attempt to circumvent deficit-reduction requirements that we did not have the political will to meet. Just as our inability to comply with Gramm-Rudman-Hollings in an honest way fueled public cynicism toward Congress, so too would our likely response to a requirement to balance the budget.

The reason that Congress would try to find ways around complying with a balanced budget requirement is the same reason we are not voting to balance the budget right now: There is insufficient political support for the deep programs cuts and large tax increases that would be required to bring spending and revenues into balance. We saw what happened last week when a plan to balance the budget over the next 5 years was presented to the House: It failed by a vote of 342 to 73. We may all want to balance the budget in the abstract, but we also realize that the draconian spending cuts required—if the budget is balanced through spending cuts alone—are not supported by most Americans.

In addition, a balanced Federal budget is not always the wisest economic policy. When the economy is emerging from recession, as it is now, balancing the budget could set back the recovery badly. That is another reason the proposal to balance the budget in 5 years commanded so little support: It posed too great a risk to the still-fledgling economic recovery.

The constitutional amendment proposed by Representative STENHOLM anticipates the possible need for deficit spending by allowing expenditures to exceed revenues if three-fifths of both Houses of Congress vote to approve deficit spending. That provision, however, is another troubling feature of this proposal because it would enable a minority of Members—whether partisan, regional, ideological, or otherwise—to control the outcome of a decision on this matter. By giving minorities in both chambers the power to demand concessions in return for their votes—and the power to veto, in effect, legislation supported by a majority of Members—this provision would make it extraordinarily difficult for Congress to govern. It would severely constrain Congress in its ability to respond effectively, and in a way supported by a majority of Americans, to the problems facing our Nation.

Mr. Chairman, for all of these reasons, the proposals before us to amend the Constitution to require a balanced budget should be rejected. Let us resolve, instead, to build on the work we began last year when we enacted legislation which will reduce deficits over the next 5 years by half a trillion dollars—legislation which has resulted in a deficit this year that is 40 percent lower than predicted just a year earlier. I urge my colleagues to vote "no" on all four versions of this legislation.

Mr. STOKES. Mr. Chairman, I rise today to express my strong opposition to House Joint Resolution 103, as introduced by Representative STENHOLM, a bill to amend the Constitution to require a balanced budget. The proposed constitutional amendment would prohibit outlays from exceeding receipts in any fiscal year, unless three-fifths of the Members of the House vote to do so. I believe that this proposed amendment poses a grave danger to our Nation's unique Democratic system of government, and could adversely affect the American economy and the viability of our Nation for many years.

One of the major problems presented by House Joint Resolution 103 is that enforcement of the law would be the responsibility of the Federal Judiciary, a clear violation of the doctrine of separation of powers. The Constitution, in article 1, section 8, specifically states that, "The Congress shall have power to lay and collect taxes, duties, imposts and excises, to pay the debts and provide for the common defense (SIC) and general welfare of the United States * * *" enactment of House Joint Resolution 103 would amount to an abdication by the legislative branch of their sole responsibility, as the only Federal Government officials directly elected by the people, for raising revenue and directing spending. It is clear that our Founding Fathers never intended for the authority to make Federal Government spending decisions to be held by any other body than the Congress. Regardless of the severity of the current problem controlling the Federal deficit, and reducing the burgeoning debt, the Congress cannot abdicate its responsibility to the people.

The issue before us is a critical one, how best do we reduce the budget deficit, and begin to trim the Federal debt. For 12 years of Reagan-Bush economic policies, our Nation experienced rapidly increasing annual budget deficits, and a quadrupling of the Federal debt. In 1980, the national debt stood at approximately $1 trillion; in 1992, the debt had risen to a staggering $4 trillion. Despite all the political rhetoric emanating from the White House during the Reagan-Bush years endorsing a balanced budget amendment, neither President Reagan nor President Bush ever proposed a balanced budget to Congress. In fact, not only did Presidents Reagan and Bush propose spending plans which led to an explosion of the Federal debt, and increasing annual budget deficits, but Congress actually appropriated approximately $17 billion less than requested by Presidents Reagan and Bush during their 12 years in office.

Mr. Chairman, I urge all my colleagues not to take the easy way out, but to face up to each of our responsibilities as elected officials to make tough decisions and hard choices, and have the courage to stand behind them. I urge my colleagues to oppose simplistic solutions to the difficult issue of deficit reduction, and vote against House Joint Resolution 103.

Mr. COYNE. Mr. Chairman, I want to state today my strong opposition to any amendment to the U.S. Constitution that would seek to provide for a balanced budget.

Let me begin by reminding the House that Congress passed a budget plan last year which is moving the Nation toward a balanced budget in a dramatic fashion. The deficit for fiscal year 1995 is expected to be 40 percent below the deficit originally projected by fiscal year 1995.

The budget resolution passed by the house last year provides for a fiscal year 1995 deficit of $176 billion compared to the fiscal year 1994 deficit of $235 billion. Passage of national health care reform will help to lock in this positive deficit reduction trend by controlling fast growing Federal health care expenditures.

The 1993 economic plan and health care reform will help to provide a balanced budget. It will be done as a result of straightforward debate and tough votes. Members of Congress do not need to hide behind the U.S. Constitution to make the choices needed to balance the budget. The Congress must only face up to these issues and do the right thing.

My opposition to a balanced budget amendment is based on the basic fact that only Congress can take the tough votes required to balance the budget. An amendment to the U.S. Constitution is not needed and furthermore will not achieve the goal advanced by the supporters of this proposed amendment.

The simple truth behind all the rhetoric about a balanced budget amendment is that all this proposal would do is empower a minority in Congress to block any budget. The proposed balanced budget amendment would require a 60 percent vote rather than the current 50 percent vote to enact a budget that did not provide for a balanced budget. As a result, 41 percent of the Members of the House could hold a budget hostage until the majority capitulated to the minority's position.

If the supermajority provisions of a balanced budget amendment had been in effect last year, the 1993 economic plan would not have passed the Congress. The public statements of leaders in the minority made it clear that a balanced program of budget cuts and revenue increase was unacceptable. It is hard, in fact, to imagine the minority in the House accepting any budget plan that would have provided the dramatic 40-percent reduction in the deficit achieved by enactment of the 1993 economic plan. As a result, a balanced budget amendment with its supermajority loop hole would have likely made real deficit reduction not easier but more difficult last year.

I have consistently voted against balanced budget amendment proposals in the past because of my concerns that amending the U.S. Constitution is not the most effective or responsible way of making U.S. budget decisions. Previous efforts to enact a balanced budget amendment have represented an attempt to paper over what was essentially a political debate between the Congress and earlier administrations over U.S. fiscal policy.

In addition, balanced budget amendments typically delay any balanced budget requirements until far into the future when the responsibility of making the tough decisions would fall to a future Congress. Passing a balanced budget amendment is a classic case of wanting to have your cake and eat it too. Proponents would have Congress pass a balanced budget amendment but ensure that deficit spending could continue until the clock runs out sometime in the next century.

There is no question that the Federal deficit must be controlled. That is being done by the 1993 economic plan and deficit control efforts will be strengthened by enactment of health care reform. I strongly support a balanced budget, and I am willing to cast the votes necessary to cut the deficit.

The road to a balanced budget is not paved with amendments to the U.S. Constitution. The good intentions of a balanced budget amendment lead in a different direction—a purgatory of gridlock.

The road to a balanced budget is marked by tough votes on Federal spending and revenue. I urge the House to reject the allure of balanced budget amendments and work together instead to make the decisions required to reduce the deficit, enact health care reform, and build a stronger U.S. economy.

Mrs. MINK of Hawaii. Mr. Chairman, apropos to this week's debate on the balanced budget constitutional amendment, I am pleased to insert the following excerpt from a book entitled, "The Constitution of 1787: A Commentary," written by George Anastaplo, professor of law, Loyola University of Chicago, and published by the Johns Hopkins University Press, pages 186–187. The two long passages are from James L. Kilpatrick's Chicago Sun-Times column of April 3, 1986.

I have also suggested that it is difficult to believe that any balanced-budget amendment, however it should be proposed and ratified, would have its intended effect. All of the proposals that have been taken seriously include prudent provisions allowing Congress, by three-fifths or some other supermajority, to override any balanced-budget restriction. Even more serious, this general approach assumes that there exists a thing readily identifiable as a budget and that it is reasonably evident when it is balanced, or when expenditures are matched by receipts.

Is not the balanced-budget-amendment approach naive, depending much more upon incantations than is politically sound? Such approaches can be little more than rhetorical exercises, which can have the bad effects not only of cluttering up the Constitution but also of misleading people as to what a constitution can and cannot do. The best popular critique I have seen of a balanced-budget amendment is by a conservative columnist who had this to say about the matter:

"The Senate last week fell just one vote short of approving a constitutional amendment intended to compel a balanced federal budget. It would be pleasant to say good riddance to bad rubbish, but we have not heard the last of this folly.

"This was the proposed amendment: "Outlays of the United States for any fiscal year shall not exceed receipts to the United States for that year, unless three-fifths of the whole number of both houses of Congress shall provide for a specific excess of outlays over receipts."

"A second section would permit Congress to waive these restrictions in wartime. A third section would make the amendment effective in the second fiscal year after its ratification.

"[T]he best speech in the Senate against the proposed amendment . . . made four points: (1) The resolution lacks constitutional feel, (2) From a parliamentary standpoint it is plainly grotesque. (3) Its terms could easily be evaded. (4) It is unenforceable by any acceptable means.

"The amendment, [it was] said, "would wage war on the Constitution's majestic simplicity."

"Indeed it would. Constitutional amendments ought to address either the rights of the people or the structure of government."

The column ends with observations that apply to much more than the current controversy:

"A balanced federal budget ought not to be constitutionally mandated, whether by an amendment that originates in Congress or by an amendment that originates in a constitutional convention. It is a bad idea in either event.

"The way to get a balanced budget is to elect responsible men and women to Congress. It is a humiliating confession of irresponsibility that this amendment should ever have been considered."

If a balanced-budget amendment should work, we might then resort to an amendment absolutely forbidding crime in the streets and still another insuring that only the most virtuous should serve in public office. We could adapt to this latter amendment the provision in the 1776 Maryland Constitution that "a person of wisdom, experience, and virtue, shall be chosen Governor, on the second Monday of November, seventeen hundred and seventy-seven, and on the second Monday in every year forever thereafter, by the joint ballot of both Houses [of the General Assembly]."

Mr. STENHOLM. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time for general debate has expired.

Without objection, the joint resolution is considered as having been read.

There was no objection.

The text of the joint resolution is as follows:

H.J. RES. 103

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

"ARTICLE—

"SECTION 1. Total outlays for any fiscal year shall not exceed total receipts for that fiscal year, unless three-fifths of the whole number of each House of Congress shall provide by law for a specific excess of outlays over receipts by a rollcall vote.

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

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

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

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

"SECTION 6. The Congress shall enforce and implement this article by appropriate legislation, which may rely on estimates of outlays and receipts.

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

"SECTION 8. This article shall take effect beginning with fiscal year 1999 or with the second fiscal year beginning after its ratification, whichever is later."

The CHAIRMAN. No amendments to the joint resolution are in order except the amendments specified in House Resolution 331, which shall be considered in the order specified in the rule and which may be offered only by the named proponent or a designee, shall be in order notwithstanding the adoption of a previous amendment in the nature of a substitute, shall be considered as read only if printed in the CONGRESSIONAL RECORD at least 3 legisla-

tive days prior to consideration, shall be debatable for 1 hour, equally divided and controlled by the proponent and a Member opposed thereto, and shall not be subject to amendment.

The amendments made in order by the rule are:

First, an amendment in the nature of a substitute by the gentleman from Arizona [Mr. KYL];

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

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

Fourth, an amendment in the nature of a substitute by the gentleman from Texas [Mr. STENHOLM].

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.

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

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

The CHAIRMAN. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

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

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

"ARTICLE—

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

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

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

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

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

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

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

"SECTION 7. Sections 1, 2, 3, and 4 of this article shall apply to the third fiscal year beginning after its ratification and to subsequent fiscal years, but not to fiscal years beginning before October 1, 1999. Sections 5 and 6 of this article shall take effect upon ratification of this article."

The CHAIRMAN. Pursuant to the rule, the gentleman from Arizona [Mr. KYL] will be recognized for 30 minutes, and a Member opposed will be recognized for 30 minutes.

Mr. WISE. Mr. Chairman, I am opposed to the Kyl amendment.

The CHAIRMAN. The gentleman from West Virginia [Mr. WISE] will control the 30 minutes in opposition.

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

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

Mr. Chairman, according to Clinton administration figures, a total of $234.8 billion will be added to the debt by the end of this fiscal year. That means, in just the short hour allocated for today's debate on my amendment, nearly $27 million will be added to the national debt. In the time it takes to vote on the four different versions of the balanced budget amendment between now and tomorrow, over $1 billion will have been added to the national debt. By the end of the year, the total debt owed by each man, woman and child in this country will come to about $18,400 apiece—more than the average Arizonan makes in a year.

Mr. Chairman, the national debt is robbing our children and grandchildren of their financial security tomorrow, and it is robbing the American people of their economic security today. The interest on the national debt—interest alone—now amounts to over $800 million a day, about $300 billion per year. That is 10 times more than this year's education budget. It is about twice what we'll spend on Medicare. It is nearly eight times what we allocate for veterans programs. And if that weren't bad enough, interest payments will only continue to grow from year to year, crowding out all other programs for a share of scarce Federal dollars.

Mr. Chairman, every year that Congress fails to pass a balanced budget just adds to the debt burden being foisted upon future generations. Every year it becomes more and more difficult and painful for all of us to balance the budget. We must end the delay, and begin making the hard choices now.

The amendment I have at the desk—the balanced budget spending limitation amendment—is designed to end Congress' addiction to spending and borrowing, and gives the Nation a chance at a healthy economic future.

The free-standing version of my amendment, House Joint Resolution 61, has been cosponsored by more than 70 Members of the House. It has been endorsed by such taxpayer groups as Citizens Against Government Waste, Citizens for a Sound Economy, Americans for Tax Reform, and the National Tax Limitation Committee, not to mention the Institute for Research on the Economics of Taxation among others.

Like the other versions of balanced budget amendments that will be considered, the Kyl substitute requires a balanced Federal budget. It is unique, however, in two other respects—both substantively and in its objectives.

Substantively, it includes a Federal spending limit. It limits spending to 19 percent of gross national product, which is roughly the level of tax revenues the Government has collected for the last generation. Second, it provides the President with line-item veto authority.

With respect to objectives, the Kyl substitute is designed to promote both fiscal responsibility and economic growth.

Just before the House debated balanced budget amendments the last time, in 1992, the General Accounting Office released a report predicting that, based on current trends, Federal spending could grow to 42.4 percent of gross national product by the year 2020. That would be up from about 23 percent of GNP today. Slower economic growth will result, and combined with a growing debt burden, the next generation can expect no improvement in its standard of living.

My colleagues, let me repeat that: If Federal spending isn't limited, there will be no improvement in the standard of living for the next generation.

A report released the year before, by Stephen Moore of the Institute for Policy Innovation, came to similar conclusions about the proportion of GNP the Government will command if current trends are followed. The report concluded that:

Meaningful, constitutional limits on the growth of spending are needed to bring the

size of government down to economically sustainable levels. One way to achieve this end would be to limit the percentage of GNP which the government can command from the private sector.

The idea of spending limits is not new. Nineteen States across the country have some form of spending limitation, in statute or in their constitutions. California, for example, adopted a constitutional limit in 1979, limiting yearly growth in appropriations to the percentage increase in population and inflation.

Tennessee adopted its constitutional limit in 1978, limiting the growth in appropriations to the growth in State personal income. Texas, also in 1978, adopted a constitutional limit, tying the growth in biennial appropriations to the rate of growth of personal State income.

The Kyl substitute is modeled after Arizona's spending limit, which I helped draft in 1974 with then-State senate majority leader Sandra Day O'Connor, now Associate Justice of the U.S. Supreme Court; State senator Ray Rottas, who went on to become State treasurer of Arizona; Clarence Duncan, a prominent Arizona attorney; and a handful of others. The spending limit, set at 7 percent of State personal income, was approved by an overwhelming 78 percent of the State's voters.

The idea of spending limits is not unique to the States either. The idea was endorsed in the Republican budget initiative which was considered in the House last week. As far back as 1979, the Humphrey-Hawkins Full Employment Act set a goal of limiting Federal outlays to a maximum of 20 percent of GNP (15 U.S.C. 1022a). The problem is, that was merely a goal, not a requirement, and Congress has routinely ignored it. Since the goal was set, revenues have remained relatively constant at about 19 percent of GNP, but spending soared to over 25 percent and now hovers at about 23 percent.

When I first came to Congress in January 1987 I introduced a spending limit balanced budget amendment. Adding a spending limitation to a balanced budget amendment, as the Kyl substitute proposes to do, achieves two things: First, it treats the cause of big deficits—excessive Government spending—and not just the symptoms of that problem—the high taxes and excessive borrowing. Our problem is not that Congress doesn't tax enough; it is that Congress spends too much.

Moreover, my approach recognizes that the only way Congress really can balance the budget is by limiting Federal spending to the level of revenues that the economy has historically been willing to bear.

Over the last 40 years—in good economic times and bad, despite tax increases and tax cuts, and under Presidents of both political parties—revenues to the Treasury have remained relatively constant at about 19 percent of gross national product [GNP].

That is because changes in the Tax Code change people's behavior. Lower taxes stimulate the economy, resulting in more taxable income and transactions, and more revenue to the Treasury. Higher taxes discourage work, production, investment, and savings, so revenues are always less than projected. Although tax cuts and tax rate increases may create temporary declines and surges in revenue, revenues always adjust at roughly the same percentage of GNP as people adjust their behavior to the new tax laws. So you just cannot reduce the deficit and balance the budget by raising taxes.

The point is, if revenue as a share of GNP remains relatively steady no matter what we do, the only way to really raise revenues is to grow the economy first. In other words, 19 percent of a larger GNP represents more revenue to the Treasury than 19 percent of a smaller GNP.

The balanced budget-spending limitation amendment thus attacks the cause of deficits head on—it limits spending. And, by linking spending to the size of the economy—GNP—it not only recognizes the reality that a growing economy produces more revenue, but also gives Congress an incentive to support policies that ensure the economy is indeed healthy and growing. Only a growing economy—measured by GNP—would increase the dollar amount that Congress is allowed to spend. So if Congress wants to spend more money it would have to support policies that promote economic opportunity and growth.

Mr. Chairman, there is one additional component to the Kyl substitute, and that is a real and meaningful line-item veto for the President. This is not just expedited rescission authority masquerading as a line-item veto. This is the real thing, and it will give the President a means of enforcing the balanced budget and spending limitation requirements should Congress, for some reason, fail. Forty-three Governors already have line-item veto authority, and the President should as well.

This is the only opportunity we'll have during this entire Congress to vote on a real line-item veto. For those who say they support it, here's the chance.

I urge my colleagues to support the Kyl substitute.

□ 1830

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

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

I rise in opposition to the Kyl amendment. I feel that the Wise-Price-Pomeroy-Furse alternative is far preferable. I guess the Kyl amendment in a lot of ways is really quite a package. It is one-stop shopping. You not only get the balanced budget amendment, you also get a line item veto in there as well. It is all wrapped up in one.

Regarding the line-item veto, a vast majority of this House has passed an enhanced rescission process that, in effect, is a modified line item veto, and sent it to the other body. It would be my hope, having supported that, that that legislation would be passed. But I also think there are great problems with the line-item veto which does greatly alter the balance of power. The enhanced rescission process guarantees a vote on any rescission, but the vote must be by a majority. The Kyl language would change that, of course, and would require a two-thirds vote to override a Presidential veto. That is quite a significant shift in power. But that is, I understand, not where the real nub of the difference lies, although it is a pretty significant one, between my position and the gentleman from Arizona's.

I have great concern with the 19-percent formula, or any formula, any percentage that is written into the Constitution of the United States. That is not because I am wild about spending more than 19 percent or perhaps less than 19 percent, it is just that arbitrary numbers can get you into trouble. It can get you into trouble, for instance, in a hypothetical situation, perhaps one that is not going to be so hypothetical.

The Congressional Budget Office recently recommended that the provisions of the Clinton health plan, even though it is people paying for private insurance, because they are paying through a health alliance, that those be considered as revenue for outlays and revenues for Federal budgeting purposes. You are simply paying, continuing to pay the health premium that you and I already pay as consumers. We are buying private insurance, but it is being scored as Federal revenue, or it could be.

As I read the Kyl language, anything that takes you above the 19 percent would require three-fifths to waive. So the body would have to come back by 60 percent even if you had the program entirely paid for—pay-as-you-go—by 60 percent, would have to approve that.

I finally disagree with the Kyl budget for reasons that come as no surprise to the gentleman from Arizona. We have been at each other all day on this. It does not adequately protect Social Security recipients. I take the gentleman at his word when he says he is not out to cut Social Security. But I fail to understand in his amendment and in others why you do not simply just put Social Security off budget, as so many people have recommended in the past.

Finally, of course, the Kyl amendment does not have capital budgeting in it, and that has been a subject of debate as well today.

My concern is that the Kyl amendment is much, perhaps more so, actually, than the other amendments that will be considered today because of its limitations, percentage limitation written into the Constitution, combined with an absence of capital budgeting, could do even more to discourage the kind of investment that I think most of us in this Chamber agree needs to be done, our infrastructure, for instance, roads, bridges, and whatnot.

□ 1840

I want to mention for just a moment that some say we are already investing in infrastructure, we are already investing a certain percentage; what is the problem? The problem is because of our present fiscal budgeting policies which would only be aggravated further. By passage or enactment of the Kyl amendment we are discouraging the kinds of investments that do need to be made.

I would point out that we are investing one-half today in relation to our total Federal spending of what we were doing only 25 and 30 years ago in infrastructure, those things that make us stronger. I would point out that Japan, with an economy 60 percent that of the United States, a population roughly about 60 percent that of the United States—Japan spends more in real dollars in infrastructure than the United States Government and related State governments do. We are falling behind in those areas that are so important that we catch up on, and so anything that discourages that kind of investment I have great concerns about.

Mr. Chairman, I fear that the Kyl amendment goes a long way toward further dampening the investment that needs to be made, and for that reason I oppose it and would ask my colleagues to do the same.

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

Mr. KYL. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona [Mr. KOLBE], my friend and colleague.

Mr. KOLBE. Mr. Chairman, I rise in strong support of the Kyl substitute.

I support the substitute because it is uniquely designed to promote both fiscal responsibility and economic growth.

Well, how does it do that?

In addition to a balanced budget amendment, the Kyl substitute sets a spending limit at 19 percent of GNP, and that clearly is going to help encourage economic growth.

Well why 19 percent? Because Federal revenues have historically comprised about 19 percent of GNP ever since World War II.

The same cannot be said for spending, as my colleague pointed out a few moments ago. Between 1969, the last year the budget was balanced, and 1993, spending in inflation-adjusted terms grew 71 percent faster than revenues, and, yes, to the gentleman from West Virginia I would say he is right if health care is scored as Federal spending, and it has been by the Congressional Budget Office. It would require a 60 percent vote of Congress to exceed 19 percent of spending by the Federal Government.

Mr. Chairman, research shows that tax increases do not reduce the deficit. Rather they compound the problem. They only go to more spending, and that is why the spending gap is the key, because without it Congress could comply with the balanced budget amendment requirements through massive tax increases or allow Congress to balance the budget at any spending level—20 percent of GNP, 30 percent or more.

The Kyl substitute reflects an Arizona approach because it is modeled after Arizona's own spending limit now included in our State constitution which sets spending at 7 percent of State personal income. In 1978, an overwhelming 78 percent of Arizona voters approved the spending limitation amendment.

My good friend and colleague from Arizona was at the helm—this time at the State legislature—steering this fiscally responsible policy through public consideration. And I can truthfully say that the State spending limitation amendment has contributed to responsible budgeting in the State ever since.

As a side note, 19 States across the country have some form of spending limitation, in statute or in their constitutions.

Let me focus on the one other important component of the Kyl substitute, line-item veto authority for the President, which allows him to separately approve, reduce or disapprove any spending provision in a bill.

This is particularly noteworthy to my fellow colleagues from Arizona since there has been some disagreement among us who really stands for true reform and fiscal responsibility on the issue of the line-item veto.

True Presidential line-item veto authority coupled with the balanced budget amendment is the one-two punch this country needs to TKO fiscal responsibility.

Today's RECORD will make it strikingly clear who did—and did not—live up to their rhetoric. It will separate the taxers and spenders from those who are serious about deficit reduction and reforming Government.

I urge my colleagues to vote for the Kyl amendment if you really want to impose fiscal discipline upon the Federal Government.

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

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

Of the four approaches under consideration today, what distinguishes the Kyl amendment is that it is the only one to couple balancing the budget with a restraint on spending. Frankly, a restraint on spending is more important than a balanced budget amendment. We can have a budget in balance at 30 or 40 percent of GDP and it would be a disaster. The budget could be slightly out of whack at 19 percent of GDP and the economy would be far better off.

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

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

Here, I would stress that even with the reduction of interest rates over the last 5 years, rates are still at historically untenable levels in relation to inflation. Real interest rates can only be reduced if the cost of government is reduced.

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

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

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

Mr. Chairman, I would like to ask a question of the gentleman from Arizona [Mr. KYL], and it is in genuine inquiry because I do not quite understand. There is a little confusion.

If the country is engaged in military conflict, does it require a three-fifths vote, in effect, to go to war and to spend over the 19 percent that would be in the amendment?

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

Mr. WISE. I yield to the gentleman from Arizona.

Mr. KYL. Mr. Chairman, anytime the Congress would want to exceed the limitation provided for in this amendment it would have to do so with a 60-percent vote. We have not carved out specific exemptions; for example, declarations of war, because we felt that that language was anachronistic and would not

adequately cover the kind of military situations we would be involved in in the future. So we felt the Congress would have the good judgment, if those eventualities ever arose, to vote with a 60-percent majority to exceed the limit.

Mr. WISE. Mr. Chairman, does the gentleman think, and I ask this once again because I am not trying to trap the gentleman, I am just interested in this concept, but does the gentleman think that can cause problems perhaps? I am wondering about, for instance, the Persian Gulf situation, and I forget what the vote on the floor was for the resolution, whether it was 60 percent or not. I can see a situation where it would be very difficult to summon the resources necessary to fight a war.

Mr. KYL. Let me say, first of all, in answer to the gentleman from West Virginia that I meant to comment earlier that I appreciate the spirit in which he has engaged in this debate from the beginning. He never questions other Members' motives, in fact assumes the good motives while simply indicating differences of opinion on how to achieve a goal, and I share that view, and I appreciate that spirit and also the spirit in which these questions are asked.

I think, with respect to a conflict such as the Persian Gulf war, two comments are in order.

First, the real time that is needed to spend the money that would perhaps exceed the limitation of any of these balanced budget proposals is in the buildup to a conflict. Once the conflict has started, I say to the gentleman, you're not worried about paying the bill. Congress will come back with appropriations to the Defense Department or in whatever way is necessary to pay that bill.

Ironically during the Persian Gulf war, Mr. Chairman, we were successful in getting all of our allies to pay the bill so the United States did not end up paying any of that bill, but, if we had to do so, if our allies had not come through as we negotiated, then in an after-the-fact fashion the Defense Department would have come to the Congress and said, "We won the war, here's the bill, and now you need to pay it," and I suspect at that point the Congress would have paid it either by staying within the 19-percent limitation or mustering the 60 percent to override it.

So I guess my key point here is that I do not think we need to worry about it right when the conflict is going on, necessarily mustering that 60 percent, because we are not going to stop in the middle of the battle simply because we could not get 60 percent of the Congress to continue to fund the Defense Department.

But in any event, Mr. Chairman, if it is serious enough, the 60 percent should be there.

Mr. WISE. Mr. Chairman, the gentleman makes a good point though which is the amount where you need to commit the money sometimes is in the buildup, but in the case of the Persian Gulf where, as the gentleman correctly notes, happily this country was reimbursed significantly by its allies, it was not sure in August and September where they would be.

Does the gentleman foresee, once again, a problem getting a 60 percent if it looks like the Defense Department is going to have to take us over 19 percent, as is the limit in the gentleman's amendment?

Mr. KYL. I think this is perhaps the most serious of the questions that get really all of our proposals, and that is if my colleagues feel, for example, that they have to spend what is being spent for all other matters in the budget, and they cannot meet defense requirements by staying within the budget limitation, can they muster the 60 percent?

□ 1850

That is, of course, a good question. We would have two options there. We either have to be persuaded that something else should give and we fund defense out of savings that we would achieve elsewhere, or we would have to muster the 60 percent. And I am not absolutely sure that we would be in sufficient consensus on that issue that we would be able to provide defense.

I think others might argue similarly with respect to education or some other need that they felt to be absolutely critical. We have the budget authority basically used up, yet they think it is absolutely critical, and it would require a 60-percent majority to exceed the limit.

I guess what I have to fall back on is the fact this is an intelligent body after all, and if, given the discipline of a spending limit and a balanced budget, we cannot prioritize adequately to stay within that, then we are clearly not doing what the people elected us to do and we could be replaced by someone who is. But I think that top line limit would have a proper effect and force us to prioritize within what is available for us to spend.

Mr. WISE. I thank the gentleman for clarifying.

Mr. KYL. Mr. Chairman, might I inquire as to the remaining time on both sides?

The CHAIRMAN pro tempore (Mr. DE LA GARZA). The gentleman from Arizona [Mr. KYL] has 18 minutes remaining, and the gentleman from West Virginia [Mr. WISE] has 20 minutes remaining.

Mr. KYL. Mr. Chairman, I yield 2 minutes to one of the coauthors of the Smith-Stenholm amendment, the gentleman from Oregon [Mr. SMITH].

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

Mr. Chairman, I think this is a wise and reasoned amendment, that tackles the problem of deficit spending head on by restricting Federal spending to 19 percent of the gross domestic product.

In doing so, I think the gentleman's amendment recognizes that we have a deficit, not because the American people are undertaxed, but because the Congress overspends. So I believe this is reality.

The Kyl substitute would encourage Congress to pursue policies that enhance our potential for economic growth. For instance, if the economy grew by $100 billion, the potential Government spending would increase by $19 billion. The only runaway spending that could occur could increase if the economy expands. That is the point of it.

But I find it fascinating that we are entered into this debate of controlling spending, because I listen to the liberals who see in this the opportunity to curtail defense spending; and I see the conservatives are saying, well, this is an opportunity to curtail social spending. And in both cases, they may or may not be right. But in both cases, the object is met that somehow we have to control the appetite of Congress in spending the people's money.

So I am here to support the gentleman from Arizona [Mr. KYL]. I think it is a reasonable, decent amendment, and I urge Members to vote for it.

Mr. WISE. Mr. Chairman, I yield myself such time as I may consume, just to respond briefly to the gentleman from Oregon [Mr. SMITH]. There is a fundamental difference I think that is emerging in the Kyl amendment and those who advocate it and those who oppose it, and I think that is where is the role of government?

The Kyl amendment says that it would limit spending unless 60 percent waive the requirement. It would limit spending to 19 percent of GDP. That would be written in the Constitution.

The gentleman from Oregon [Mr. SMITH] makes the point that as the economy grows, then the Government could spend more. It is sort of an Amway sales commission approach. You do well and you get more commission. That assumes that everybody wants to spend more.

The problem is this: When the economy is growing, it is not necessarily when the Government needs to be more involved. The problem is that when the economy is contracting in recessionary times is when you want to do the Government spending. And while I do have difficulty pronouncing Keynesian economics, I would observe that most Presidents, from both Republican and Democrat Parties, while they may say they abhor Keynesian economics, in truth they employ it.

During the recession of 1982 and 1983, one of the things introduced into our economy was a rapid increase in defense spending. That provided a lot of jobs and goosed the economy and got it going.

In previous administrations, for instance following the depression, it was public works projects. I suspect in the future we are going to find that neither injection does much good, but we are going to have to work on investment incentives.

At any rate, when the economy is doing well is when you need the Government least. When the economy is doing worse is when you need the Government worse. I am afraid the Kyl amendment would restrict Government at a time when it has to respond.

Mr. SMITH of Oregon. Mr. Chairman, if the gentleman will yield, it is interesting, we come at this issue from opposite points of view. The Keynesian economic theory is exactly what you have identified, and that is simply that in a downturn, the idea is to pump money into the economy. That is what we have been following, that philosophy, since 1930. There is no question about that.

However, the Kyl amendment does not deny that you should not follow the Keynesian socialistic idea of managing the economy. It only demands that it be provided a 60-percent vote to do so. So it doesn't chop off the opportunity.

By the way, since the gentleman mentioned Keynes, it seems to me that Keynes is the problem we are trying to solve. Keynes and the economic theory of Keynes, which has been followed in this country, has brought us to a $4.5 trillion debt. That is what we are trying to solve with the balanced budget amendment.

Mr. WISE. Mr. Chairman, reclaiming my time, I guess my Keynes is Ronald Reagan, who managed to push tax cuts through and spending increases through, using what had heretofore been traditional Keynesian economics, to spur an economy, and for a while it caught. The only problem is, that is why we are here today on a balanced budget amendment, because the deficit went from $1 trillion to $4.5 trillion.

The gentleman and I probably will not agree on the analysis tonight, but my concern with the gentleman, and he stated the difference, the gentleman would require a 60-percent vote in order for Congress to act during a recession. The problem is too often you are not sure you are into a recession until the recession is already on you. You would make it very difficult to act in the early days before everyone fully appreciated it. By the time you finally get around to doing something about it, it may have been aggravated by the delay.

I do not understand what is wrong with a majority vote in order to do the kind of actions that are necessary, countercyclical actions, necessary to counteract a recession. That is a fundamental difference we have.

Mr. SMITH of Oregon. If the gentleman would yield for a short response, even in an economy that is expanding, which the Reagan economy had the longest increase in peaceful expansion of the economy in the history of the country, which as the gentleman may indicate resulted in deficits, then at that point I would want to restrict increases in spending at 60 percent as well. Because it is that kind of incentive, when the economy is expanding, that we create inflation, that we create the problems that we have with your contention that Social Security should be moved away from the budget, that we create all the problems of deficit.

So I will take the other side of Keynes to the point that we ought not be encouraging further debt in an expansionary mode.

Mr. WISE. I think we may be trying to find something to fight about. I think we are both saying the same thing. I am saying my concern over the Kyl amendment, by the 19-percent limitation written into the Constitution, at a time when you need the Government to respond most aggressively, and that means usually additional spending, unemployment compensation, job stimulation, whatever form it takes, at a time when you need it to respond most aggressively, the Kyl amendment would require a 60-percent vote. And that is an extremely difficult hurdle to overcome.

I would also like to ask this gentleman or perhaps the gentleman from Arizona [Mr. KYL], I was doing some checking on percentages of GDP that outlays were during times of conflicts. And I agree with the gentleman from Arizona that during World War II, 1943, when outlays were 44 percent, I do not think you would have had trouble with a 60-percent vote.

□ 1900

I am not saying that the gentleman would have.

I would note, though, that large amount of outlay in relation to GDP.

I would go to the Vietnam era, where I note that from 1966 on through the Vietnam era, I do not believe there is 1 year that outlays were less than 19 percent. In particular, in the later years of Vietnam, would it not have been difficult to get that 60 percent that the gentleman requires?

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

Mr. WISE. I yield to the gentleman from Arizona.

Mr. KYL. Mr. Chairman, I have the pages from the Clinton budget which have the historical percent of GDP, and that tends to be within about one-half of 1 percent. It tends to be about one-half of 1 percent different from GNP.

But if the gentleman picked 1964, was that the first year?

Mr. WISE. I am not sure I went to 1964. I think I started with 1966.

Mr. KYL. Mr. Chairman, If the gentleman will continue to yield, 1964, according to this, was 18 percent; 1965 was 17.4; 1966 was 17.8; 1967 was 18.8, and 1968 was 18.1. The highest year was 1969 at 20.2, then back down to 19.6. In 1971, it was 17.8.

Just to go on for the next 4 years, it was 18-point something, then 17 and back up to 18, did not get back up to 19 percent again until 1979. By then the war was over. And right now, the last year for which statistics are available, 1990 on this sheet, 1990 was 18.8; 1991, 18.6; 1992, 18.4; 1993 is 18.3. Members can see how close they are. And the 1994 estimate is 18.8. So even with a 19-percent limitation, there is a fair amount of leeway in there for some spending to be expanded.

Mr. WISE. Mr. Chairman, I thank the gentleman for that.

I would just point out that there is some difficulties in times of conflict with the gentleman's amendment. In terms of the direct threat to the United States, World War II, I agree with the gentleman, absolutely, no problem getting a 16 percent. I think that in times such as Vietnam, I note for instance, in the Persian Gulf, the vote was 250 to 185, a 57-percent majority, which would seem to suggest in certain circumstances a majority can declare a war. But it is going to take 60 percent to pay for it.

Mr. KYL. Mr. Chairman, if the gentleman will continue to yield, I think what these statistics demonstrate is that even in times of war we do not have to exceed 19 percent of GNP. In every case, except 1 year, 1969, we spent less than 19 percent of GDP. And therefore, we would not have to worry about the 60 percent override, because we were at the 19 percent or below anyway.

Mr. WISE. Mr. Chairman, I thank the gentleman for that.

As I say, it can be this anomaly where we can declare a war in this body by 50 percent, but we can run into trouble paying for it if we have a 60-percent requirement.

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

Mr. KYL. Mr. Chairman, I yield 2 minutes and 30 seconds to the gentlemen from California [Mr. COX].

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

Mr. Chairman, I thank my colleague, the gentleman from Arizona [Mr. KYL] for bringing this very well-conceived and thoughtful amendment to our attention on the floor. I support it wholeheartedly.

It is known as the balanced budget and spending limitation amendment. That is 10 syllables. We better call the amendment of the gentleman from Arizona [Mr. KYL] the economic growth amendment, because it will encourage growth policies in the Congress. Only if GNP is growing does Congress get to indulge its appetite for more spending.

We have just heard here on the floor that Congress should take credit for re-

covering economies because it spends more when the economy is not doing as well. I would like Members to take a look at this chart. Take a look at what happened in 1969, the year that we were just talking about, forward all the way through 1989 to 1993 and then the projection for the Clinton budget for 1994 through 1998.

The spending has gone up regardless, in good times and in bad, in war and in peace, in boom and in bust.

I would defy Members to tell me where on this charts are the peaks and the valleys. It is a constant trend up.

The one thing that is clear is that Congress spends more money year in and year out, and it proves too much to say that the economy recovers because Congress spends more.

It is true that there is an instance here where the economy is recovering, several of them, and Congress is spending more. There are also instances where the economy heads into a downturn. We have had multiple recessions since 1969, and Congress was spending more.

The truth is that spending is the enemy, at least deficit spending is the enemy of economic growth. It is the engine of new taxes. It is the engine of interest on the debt, which now accounts for nearly 60 percent of all individual income taxes.

In fact, since 1969, the beginning of this chart, annual spending by the Federal Government has increased 800 percent. Sixty percent of next year's deficit is going to be made up of new spending that this Congress has added on over last year's levels. Congress always prefers complex era over simple truth. The simple truth is that we spend too much money. This chart shows that very clearly

Sixty percent of our income taxes owing to interest on the debt show that very clearly. Record-high tax increases soaking up our investment, crimping job creation and economic growth show that very clearly.

The Kyl amendment will see to it that we finally get a grip on spending in this Chamber and in the other body. I urge passage of the Kyl amendment.

Mr. KYL. Mr. Chairman, I yield myself 1 minute and 30 seconds.

Mr. Chairman, I want to correct what is perhaps a misunderstanding on statistics, which I read awhile ago. I was reading the percent of GNP received by the Federal Government. During the period of the Vietnam war, outlays, as a percent of GDP, starting in 1965 at 17.6 percent, were at roughly 17, 18, 19. They did get up to a high of 21 percent and then back down into the 19 percents, when the war ended, 19.3 and 19.2 percent in 1974.

So if there was a misunderstanding on that, I apologize.

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

Mr. KYL. I yield to the gentleman from West Virginia.

Mr. WISE. Mr. Chairman, my only question would be, then, from the time of 1967, it appears to me, through 1974–75, at least it was always over 19, although in some cases not by very much.

Mr. KYL. Mr. Chairman, the gentleman is correct in that. And the real big increases, of course, have just come in the last several years, which I think makes the point that we have got to get the spending back down to 19 percent of the gross national product, which, as I said before, is the historical level of receipts to the Federal Treasury. That is the whole point of a spending limit balanced budget proposal and why I think this would be the best way to achieve our objective.

Mr. Chairman, might I now inquire as to the amount of time remaining on both sides.

The CHAIRMAN pro tempore (Mr. DE LA GARZA). The gentleman from Arizona [Mr. KYL] has 12 minutes remaining, and the gentleman from West Virginia [Mr. WISE] has 10 minutes remaining.

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

Mr. KYL. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia [Mr. GINGRICH], the distinguished whip.

Mr. GINGRICH. Mr. Chairman, I am delighted to have a chance to speak on behalf of the Kyl substitute, because I think that the gentleman from Arizona [Mr. KYL] is making a point here that is central to what kind of America we want to be.

It is an objective fact that the size of the government ultimately has to shape the size of the Tax Code. If we have a very large government, then we are going to take more money away from people. If government is too large, the space that is available for freedom shrinks.

If a person goes to work and in the course of a year they earn, say, $25,000, but their governments, local, State, and Federal, take $10,000 of those dollars away from them, their choices, their control over their life, their ability to do things is diminished dramatically.

One of the great reasons that we have a crisis in families is that as government has risen in size, as it has grown in expenditures, taxes on working Americans have gone up dramatically.

When people worked under President Truman, as average Americans, they paid virtually no income tax. I think the average was 2 percent for an average family with three children. Virtually no income tax.

The Social Security tax in that period was $52 a year for the entire year. Today we end up in a situation where we pay a lot of taxes. We pay a lot of Social Security taxes. And, by the way, when their employer matches the amount that they pay, that is money that they had to earn or they would not have hired them in the first place.

□ 1910

The truth is most Americans are paying twice as much in Social Security taxes and Medicare taxes as they think they are, because they are earning the money. In that setting, one is always paying a very high tax, and the amount of deduction one can take per child has dropped, and the result is that the ability of the average American family to spend on their own children, to spend on their own future, to spend on their own retirement, has gone down dramatically as the size of government has gone up.

The virtue of the Kyl substitute is that it creates a Federal spending limit. It says that the Federal Government should only be a certain size, 19 percent of the gross national product. It says that we in Washington are going to have to learn to set priorities, and we cannot have government grow any faster than the economy grows. It insists that the Congress learn not to take more money out of the pockets of the American people.

Mr. Chairman, the reason I believe this is a stronger constitutional amendment for a balanced budget than just a straight balanced budget amendment is that a straight balanced budget amendment says "Let us balance the budget at whatever size it gets to," so in theory we could have a balanced budget amendment at 70 percent of gross national product, but we balanced it because we raised taxes to 70 percent of gross national product, and 70 cents out of every dollar would be going to the Federal Government, and we would only be able to keep 30 cents of that dollar.

The virtue of the so-called Kyl amendment is that it says "No, we are not going to let the government keep growing; no, we are not going to let politicians continue to reach into your wallet; no, we are not going to have big tax increases to catch up with the current size of the welfare state."

Instead, the so-called Kyl amendment says that the Congress is going to have to set standards, the Congress is going to have to set priorities. We are going to have to protect your family budget by insisting that the Congress focus on controlling the spending of the Washington budget.

For that reason, Mr. Chairman, because I think it is a stronger budget, because I think that it limits the size of government, because I think it protects families better, and because it includes a line-item veto for the President, so that he or she can enforce this kind of spending discipline, I strongly urge a yes vote on the Kyl substitute.

Mr. Chairman, I yield back the balance of my time.

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

Mr. Chairman, my concern over the so-called Kyl amendment going to the line-item veto is, as I understand it, and I would say to the gentleman from Arizona [Mr. KYL], I would be happy to be corrected, but my understanding is that it is not just a line-item veto concerning appropriation bills. I believe it reads, a line-item veto for a bill containing any item of spending authority, so I read that to mean authorizations as well. That may be the most sweeping line-item veto that I have seen.

Mr. Chairman, if that is a correct interpretation, I would just urge my colleagues to read it very, very carefully. That is a broad, broad delegation of authority.

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

Mr. WISE. I yield to the gentleman from Arizona.

Mr. KYL. Mr. Chairman, in response to the gentleman's question, I can just say this language is identical to the language offered by President Bush when he was President, when he asked for the line-item veto authority, and I think he used the same language from his predecessor, so we took the direct language from that Justice Department and inserted it into this bill.

Mr. WISE. I thank the gentleman for a clarification. It does apply to any spending authority, which is more than just a flat-out appropriation bill, and a line item within an appropriation bill.

Mr. KYL. If the gentleman will continue to yield, if I could further respond to the gentleman, the language specifically said:

> The President shall have the power when any bill, including any vote, resolution, or order which contains any item of spending authority, is presented to him pursuant to this section of the Constitution to separately approve, reduce, or disapprove any spending provision or any part of any spending provision contained therein.

Therefore, it simply refers to the spending provisions of any vote, resolution, or order, strictly spending.

Mr. WISE. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. SARPALIUS].

Mr. SARPALIUS. Mr. Chairman, I rise in opposition to the so-called Kyl amendment. I find it very frustrating, Mr. Chairman, in the debate that I have been hearing on the different proposals, where the Republicans have a tendency to blame Democrats for all of the deficit spending. I might remind my colleagues that I can recall President Reagan campaigning for President under the understanding that if the American people elected him, that he would balance the budget in 4 years. In that period of time we have created a tremendous debt. From that time on, we have been trying to dig our way out.

Mr. Chairman, my concern on the line-item veto is I have a tremendous amount of respect for our forefathers when they developed our Constitution, and by setting out three branches of government, the executive branch, the legislative branch, and the judicial branch, and each one of them have certain powers over the other.

Mr. Chairman, my concern has always been on a line-item veto, when we give the President additional power over the legislative branch, today he has the authority to veto any legislation that we give him. Under this proposal, where they say that he has the right to veto any resolution or any legislation, they give him a tremendous amount of power. The President can then come to me as a Member of Congress and say, "Bill, I really need your help on this health care bill," or whatever piece of legislation they are concerned about, "and by the way, how does that Air Force base, how important is that base to you in your district, or something else that is important to your constituents? How important are the farm subsidies that we give to our producers," things that might be of importance to me?

I think it is not wise for this body to look at an amendment that would give that much power to the President. Naturally, a President wants that power, whether it be Democrat or Republican, but I think we have to look at what is in the best interests of this institution and this legislative branch of Government, that we should not disrupt that balance of powers between each branch of government.

Mr. Chairman, I strongly urge my colleagues to vote against the so-called Kyl amendment.

Mr. KYL. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, the gentleman just made the point that we have gotten into debt, and ever since we have been trying to dig our way out. I would make this point to my colleagues, that when we are in the hole, the first thing we do is we stop digging. That is what a spending limit does. That is why we balance the budget by eliminating spending. We do not need to spend more than we get. That is the whole philosophy behind a balanced budget requirement that limits spending, we stop digging. Until we stop digging, we just keep going further in and deeper in debt. That is what we want to stop.

Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. KASICH], the ranking member of the Committee on the Budget.

Mr. KASICH. Mr. Chairman, I want to, first of all, pay tribute to the gentleman from Arizona [Mr. KYL], who has worked long and hard on his balanced budget amendment, and I would also like to take a minute to pay a big compliment to the gentleman from Texas [Mr. STENHOLM], who has put all the effort into this for a number of years, including the efforts to discharge this bill onto the House floor, and to the gentleman from Oregon [Mr. SMITH], who has been very involved in this as well.

Mr. Chairman, I want to say a couple things about this bill, in light of the fact that we are struggling every day on the Committee on the Budget with trying to put budgets together that make sense.

The reason why the balanced budget amendment is necessary, Mr. Chairman, is because it will force the Members of Congress to have to sit down and become very creative and very imaginative, and also very pointed about what the role of the Federal Government ought to be, just the way when a family faces their budget, they have to sit down and they have to make choices and they have to be creative.

Mr. Chairman, this is not just a matter of cutting, it is a matter of creativity and innovation. It is also a matter of trying to define what the proper role of the government is.

The reason why I like the so-called Kyl amendment so much is because it limits the size and the scope of the Federal Government to a certain level, about 19 percent, which has been the historic revenues that have been generated by the Federal Government. However, under the so-called Stenholm balanced budget amendment, and also the Kyl amendment, the bottom line is it forces the Congress to come to grips with the fact that we just cannot keep taxing and spending and growing the size of government and ringing up more red ink.

□ 1920

Now, I am sure there are people who would stand and say, "Well, Mr. KYL, how would you get there? How would you do this specifically?"

What I would tell you is if the Kyl amendment would pass, we would immediately convene a meeting of the members of the Committee on the Budget, probably starting with the Republican members of the Committee on the Budget, and we would sit down, and we would define basically and fundamentally what our view is of the Federal Government, what activities it ought to be involved in, which activities can be run more effectively by the private sector, how is it that we can give States more authority and eliminate all the stupid rules and regulations that get in the way of being able to efficiently deliver services. It would force us for the first time in a long time to truly be creative and not to pass on more debt to future generations and not try to take responsibility for it up here on the Hill.

So if people say, "Well, how would you ever get there," what I can tell you is that you put the gentleman from Texas [Mr. STENHOLM], the gentleman from California [Mr COX], the gentleman from Arizona [Mr. KYL], and JOHN KASICH in a room with a bal-

anced-budget amendment passing this House, and we will be creative and innovative enough to come up with a Government the American people would buy into, a Federal Government that would be limited in scope and that would be a Federal Government that would act only as a last resort when people could not act for themselves or the private sector could not solve problems.

Unfortunately today with the mentality that we have, if there is a problem, our first reaction, or too many people's first reaction is what can the Government do to solve it. What I think the reaction would be if we passed the Kyl balanced-budget amendment would be what can we do to solve this problem and restore creativity for Americans to work to solve problems on their own, and use Government as a last resort.

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

Mr. Chairman, I rise obviously in opposition to the Kyl amendment.

A lot of points have been made already, but I want to quickly summarize some that have not.

First of all, I am concerned about the Kyl amendment, because with the limitation of 19 percent written into the Constitution of the United States with a 60-percent vote required to waive that provision, it makes it very difficult for the Government in times of emergency, exigency, urgency, whatever, to respond to sudden situations. I am also concerned, because as we discussed the role of Government in a recession, what we did not talk about but which we need to consider is that in a recession, an economy by definition is contracting. It is growing smaller, not bigger.

The Kyl amendment triggers its 19 percent to the GDP, the gross domestic product, so as the economy gets smaller, the Kyl amendment would say that you are going to have to cut resources that you would ordinarily use to fight that recession. You are going to have to cut them further, and at least, that is the way I read it, or you are going to have to get 60 percent.

Once again, unfortunately, not too many people are always prescient enough exactly to know when they are in a recession to respond, but they do know when they need to respond.

The war situation we have talked about. I am concerned. I believe the gentleman is very sincere in his belief that that would not be a problem, but I do not think you leave anything to doubt in a constitutional amendment, that can only be amended further by two-thirds.

So you have a situation where it is conceivably possible, and not that far remote, that a majority can vote to go to war, but you may not get the 60 percent necessary to pay for the war or the military conflict.

The line-item veto, I have great concerns about that. This is the big enchilada. It is all wrapped up as a twofer. You not only get the budget-balancing part of it, you get the line-item veto as well.

Probably no matter who supported it or introduced it, the language is very clear that it is a sweeping line-item veto and goes to any spending authorization, any spending provision, or any part of any spending provision contained therein. The President can already veto a bill, an authorization, or an appropriation bill. This permits him, as I read it, to go into any spending provision of any bill and pull it out, and I think that is a very dangerous precedent to start.

I will quote from Alan Greenspan, Chairman of the Federal Reserve:

> Any attempt to employ, for example, the gross national product as a measure to guide expenditure growth confronts the obvious problem that the GNP is continually undergoing redefinition with respect to inclusion and coverage.

He wrote or spoke of that in 1979 in a congressional hearing before the Subcommittee on Monopolies and Commerce, in March 1979. Interestingly enough, the GNP, of course, has now been redefined, as the gentleman from Arizona pointed out.

How does the constitutional 19 percent apply to that?

And finally, he writes something we should all be remembering here:

> Remember, a constitutional amendment must be as meaningful 50 years from now as today. Various statistical measures such as the gross national product or Consumer Price Index are not likely to live in perpetuity in their current form.

For all of these reasons, plus the fact that the Wise-Pomeroy-Price-Furse amendment has both capital budgeting and removes Social Security off budget, I would urge rejection of the Kyl amendment.

Mr. Chairman, I yield back the balance of my time.

Mr. KYL. Mr. Chairman, I yield myself 4½ minutes, the remainder of my time.

Mr. Chairman, in order to close this debate on the Kyl amendment, let me first of all refer to some of the closing arguments made by the colleague, the gentleman from West Virginia, who, as I will say again, has certainly conducted a meaningful debate here. I think his first point was that in many cases 60 percent would be awfully hard to get in order to override the budget limitation, the spending limitation, in our balanced-budget amendment. That is, of course, absolutely true. That is why you have a 60-percent limit. It is not as hard as two-thirds, for example, to override a Presidential veto. That has been done before. One of the first things I did when I got here was to vote to override a veto of President Reagan. It can be done. Sixty percent is a little bit easier that that.

It ought to be hard. It ought to be limited to times of emergency. If you can get to 60 percent in that time, then, of course, it is appropriate.

I might add that if you do not have that kind of limitation, then what we are going to do is the same old things we have done year after year after year, in fact, week after week in this body, when we pass rules with a majority vote to waive the Budget Act, waive the Gramm-Rudman law, to waive all of the other restraints that are supposed to limit spending in this body but which we routinely waive because we can do so with a mere majority vote. That is why we add the other 10 percent in there, to give ourselves a little bit more of an opportunity to act responsibility in this body. So is 60 percent going to be hard sometimes in order to waive the spending limitation? You bet it is. I hope it is. That is why it is there.

The next point, in recession times, it might be hard to get 60 percent, and that would really be a tough thing, because government needs to spend more money in a recession. Well, two or three arguments: First of all, under the provision in the Wise amendment as I calculate it, almost half of the years would result in exceeding the budget limitation, and, well, not having a balanced-budget requirement under the Wise amendment. I think that it is obviously too weak.

What we do is to say that, again, Congress can, with a 60-percent majority, override this budget limitation, this spending limitation, and I think that it is interesting here that we have basically heard two arguments about the balanced budget.

The first argument is this, that we were elected to come back here and make the tough decisions, we do not need a straitjacket of a constitutional amendment to tell us what to do. "Don't you trust the Congress?" And then the next argument, of course, is, "Well now, wait a minute, it might be hard to get 60 percent, and we cannot trust the Congress to make that kind of tough choice, to make that kind of decision to override the limitation here and spend money on people when it needs to be spent like unemployment compensation and so on."

Well, Mr. Chairman, you cannot have it both ways. You know, I think we do need to trust the Congress to some extent. I do want to put a limitation on there and say control the growth of Government to the growth of the economy; control spending to revenues. If you do that, I trust the Congress to make those tough choices within what is permitted, and on occasion when it is called for, to exceed with a 60-percent majority the limitation that otherwise would be required.

Finally, the argument that the gross national product definition would be perhaps subjected to change, that, of

course, is true. I think it is less subject to change than the definition of capital budget contained in the Wise amendment, a point that I made earlier.

I think we would simply have to rely on the legislative history in adopting such an amendment to make it clear that we mean the kind of gross national product calculation that has been in effect for all the years we have been quoting here in this debate today.

Besides which, of course, we have article V of the Constitution that permits amendment to the Constitution should the Congress get too carried away and try to do something that was not called for. I suspect that any of the four proposals before us could be fudged if Congress wanted to do so badly enough. But that is why we have this 60-percent pop-off valve, this 60-percent override in here.

I think that probably represents a pretty good compromise. Three of the proposals contain the 60-percent override provision, the Stenholm-Smith, the Kyl, and the Barton amendments, which all contain that. I think it is a good idea.

Mr. Chairman, in conclusion, this proposal, the Kyl amendment, is endorsed by Americans for Tax Reform, Citizens Against Government Waste, Citizens for a Sound Economy, Free the Eagle, National Association of Manufacturers, National Roofing Contractors Association, National Tax Limitation Committee, National Taxpayers Union, and others.

□ 1930

It was endorsed in the Washington Times lead editorial this morning; it was given favorable, very favorable treatment in articles by William F. Buckley and Walter Williams this morning in the Washington Times and in many other items.

This is an idea which has been tested in the States, it is an idea which works very well in my home State of Arizona, where I got the original idea. It is an idea that can be applied to the Federal budget. It has been applied in the Humphrey/Hawkins law, as I said, in the past. But it is time to adopt the spending limitation as a means to balance the budget. And for this reason I urge an "aye" vote on the Kyl substitute.

Mr. PACKARD. Mr. Chairman, I rise in support of the balanced budget-spending limitation amendment offered by Mr. KYL from Arizona.

Mr. KYL's amendment indexes Federal spending to gross national product [GNP]. For the past 40 years, revenues to the Treasury have averaged around 19 percent of GNP. By establishing 19 percent as a benchmark, the Kyl amendment attacks irresponsible congressional fiscal practices where it lives: Our problem is not lack of revenues, it is out-of-control spending.

Mr. KYL's amendment also includes a true line-item veto for the President, allowing him to separately approve, reduce, or disapprove any spending provision in a bill.

The last time the Federal budget was balanced was 1969. Since then, spending in inflation adjusted terms has grown 71 percent faster than revenues. Clearly, even though the liberal leadership of Congress resorts to the politics of class conflict, calling on the rich to "pay their fair share," higher taxes will do nothing to dig us out of the hole we are in. Spending is the problem, and spending will be brought under control if we pass the Kyl amendment.

Consider these statistics: The United States sinks deeper into debt to the tune of $20,000 each second. To pay the interest on this debt will cost $295 billion this year; this means 62 cents out of every income tax dollar you send to Washington goes to pay this debt. In the last 30 years, Congress has balanced the budget only once, and has raised taxes 56 times. Anyone who believes that profligate spending is not the problem, and lack of sufficient revenue is, must be a liberal Democrat with pet government programs to spend American's hard earned money on.

Spending is the problem. The Kyl amendment addresses this problem.

I urge my colleagues to support it.

The CHAIRMAN. All time has expired.

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

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

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 179, noes 242, not voting 17, as follows:

[Roll No. 60]

AYES—179

Allard
Andrews (NJ)
Archer
Armey
Bacchus (FL)
Bachus (AL)
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barrett (NE)
Bartlett
Barton
Bateman
Bentley
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehner
Bonilla
Bunning
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Clinger
Coble
Collins (GA)
Combest
Cooper
Cox
Crane
Crapo
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
Geren
Gilchrest
Gillmor
Gingrich
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Hall (TX)
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Johnson (CT)
Johnson, Sam
Kasich
Kim
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Kingston
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Lewis (CA)
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Miller (FL)
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Portman
Poshard
Pryce (OH)
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Quinn
Ramstad
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Regula
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Roberts
Rogers
Rohrabacher
Ros-Lehtinen
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Royce
Santorum
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Schenk
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Sensenbrenner
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Smith (MI)
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Snowe
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Stump
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Swett
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Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (WY)
Torkildsen
Upton
Vucanovich
Walker
Walsh
Weldon
Wolf
Young (AK)
Zeliff
Zimmer

NOES—242

Abercrombie
Ackerman
Andrews (ME)
Andrews (TX)
Applegate
Baesler
Barca
Barlow
Barrett (WI)
Becerra
Beilenson
Berman
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de la Garza
de Lugo (VI)
Deal
DeFazio
DeLauro
Dellums
Derrick
Deutsch
Dicks
Dingell
Dooley
Durbin
Edwards (CA)
Edwards (TX)
Engel
English
Eshoo
Evans
Faleomavaega (AS)
Fazio
Fields (LA)
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Ford (TN)
Frank (MA)
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Hoke
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Inslee
Jacobs
Jefferson
Johnson (GA)
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Klein
Klink
Kopetski
Kreidler
LaFalce
Lambert
Lancaster
Lantos
LaRocco
Laughlin
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Lewis (GA)
Lipinski
Lloyd
Long
Lowey
Maloney
Mann
Margolies-Mezvinsky
Markey
Martinez
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Mazzoli
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Miller (CA)
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Payne (NJ)
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Stokes
Strickland
Studds

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Swift	Underwood (GU)	Wheat
Synar	Unsoeld	Whitten
Tanner	Valentine	Williams
Tejeda	Velazquez	Wilson
Thompson	Vento	Wise
Thornton	Visclosky	Woolsey
Thurman	Volkmer	Wyden
Torres	Washington	Wynn
Torricelli	Waters	Young (FL)
Towns	Watt	

NOT VOTING—17

Dixon	Hastings	Rush
Farr	Manton	Sawyer
Ford (MI)	Moakley	Smith (IA)
Gallo	Natcher	Tucker
Grandy	Reynolds	Yates
Green	Rostenkowski	

□ 1951

The Clerk announced the following pair:

On this vote:

Mr. Grandy for, with Mr. Green against.

Messrs. WYNN, BARCA of Wisconsin, VENTO, and ANDREWS of Texas changed their vote from "aye" to "no".

Messrs. BILIRAKIS, DELAY, and TAUZIN, and Ms. SCHENK changed their vote from "no" to "aye."

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

The result of the vote was announced as above recorded.

Mr. WISE. 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. DERRICK) having assumed the chair, Mr. SKAGGS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the resolution (H.J. Res. 103) proposing an amendment to the Constitution to provide for a balanced budget for the U.S. Government and for greater accountability in the enactment of tax legislation, had come to no resolution thereon.

REPORT ON RESOLUTION WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 3345, FEDERAL WORKFORCE RESTRUCTURING ACT OF 1994

Mr. FROST, from the Committee on Rules, submitted a privileged report (Rept. No. 103-436) on the resolution (H. Res. 388) waiving points of order against the conference report to accompany the bill (H.R. 3345) to amend title 5, United States Code, to eliminate certain restrictions on employee training; to provide temporary authority to agencies relating to voluntary separation incentive payments; and for other purposes, which was referred to the House Calendar and ordered to be printed.

HOUR OF MEETING ON TOMORROW

Mr. FROST. 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. Is there objection to the request of the gentleman from Texas?

There was no objection.

FOOD STAMP PROGRAM IMPROVEMENTS ACT OF 1994

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1926) to amend the Food Stamp Act of 1977 to modify the requirements relating to monthly reporting and staggered issuance of coupons for households residing on Indian reservations, to ensure adequate access to retail food stores by food stamp households, and to maintain the integrity of the food stamp program, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

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

Mr. ROBERTS. Mr. Speaker, reserving the right to object, I do so to yield to the distinguished chairman of the Committee on Agriculture, the gentleman from Texas [Mr. DE LA GARZA], to explain the Senate bill, the Food Stamp Program Improvements Act of 1994.

Mr. DE LA GARZA. Mr. Speaker, will the right honorable gentleman yield?

Mr. ROBERTS. Mr. Speaker, I am delighted to yield to my distinguished colleague, the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Speaker, I will be most happy to edify the gentleman from Kansas on the contents of the legislation.

Mr. Speaker, this bill is basically the contents of H.R. 3436 that passed earlier in the session in this House, with some minor modifications by the Senate.

Mr. Speaker, S. 1926 amends the Food Stamp Act to address two important objectives. First, it incorporates the provisions of H.R. 3436, a bill passed by the House last November, to ensure that food stamp recipients continue to have adequate access to a variety of retail food stores to acquire nutritious foods, and to provide additional authority to the Secretary of Agriculture to enhance USDA's efforts at reducing fraud in the Food Stamp Program. Second, S. 1926 includes provisions added by the Senate to address monthly reporting and food stamp issuance concerns of food stamp recipients living on Indian reservations.

With respect to the first objective, this legislation will correct an unintended situation which threatens to eliminate the authorization for thousands of small retail stores to accept food stamps for food purchases.

In reauthorizing food stamp retailers, the Food and Nutrition Service has determined that a number of small retailer establishments no longer meet the technical definition of retail food store in the Food Stamp Act, even though many have participated in the program for years.

USDA has informed the Committee on Agriculture that these stores will have their authorization to participate in the Food Stamp Program withdrawn.

This action threatens to deny ready access by food stamp households to food stores, creating an acute problem in many rural areas and in inner cities where there are few supermarkets. The provisions of H.R. 3436, incorporated into S. 1926, will remedy this situation.

Currently, the Food Stamp Act requires that an eligible retail food store have over 50 percent of its food sales volume in staple foods.

S. 1926 will make a retail food store eligible to participate in the Food Stamp Program if it meets one or the other of the following conditions:

If the store has over 50 percent of its total sales volume—not simply its food sales volume—in staple foods, or; if the store offers, on a continuous basis, a variety of food in each of four categories of staple foods, and sells perishable foods in at least two of these categories of staple foods.

Either of these requirements will ensure that only those stores which sell a significant number of staple foods will be eligible to participate. The bill defines staple food categories as: (1) meat, poultry and fish; (2) bread or cereals; (3) vegetables or fruits; and (4) dairy products.

The bill does not change the current prohibition on the participation of certain types of stores, such as those that sell only accessory foods, including spices, candy, soft drinks, tea, or coffee; ice cream vendors; and doughnut shops.

S. 1926 requires that the Secretary of Agriculture prepare a report for the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition, and Forestry, within 18 months, on the impact on the Food Stamp Program of the change in the definition of retail food store.

The bill also amends the Food Stamp Act to strengthen the authority of the Secretary to maintain program integrity. It permits the use and disclosure of information provided by retail food stores and wholesale food concerns to law enforcement and investigative agencies investigating abuses of the Food Stamp Act or other Federal or State laws.

The bill imposes penalties on those who publish, divulge, or disclose any of the information obtained in such an investigation if not authorized by Federal law.

S. 1926 requires that the Secretary use up to $4 million for specific kinds of demonstration projects. This funding is provided only to help State or local food stamp agencies test new ideas for working with State or local law enforcement agencies to investigate and prosecute street food stamp trafficking. Trafficking in food stamps has always been prohibited by the Food Stamp Act.

S. 1926 addresses two concerns of food stamp recipients living on Indian reservations, those involving monthly reporting and staggered issuance of benefits. First, the bill prohibits a State food stamp agency from requiring monthly reporting of households on Indian reservations unless the agency:

Is requiring such monthly reports at the time of enactment of this legislation; grants a grace

period of 1 month after the end of the month in which the monthly report is normally due during which time the State agency does not delay, reduce, suspend, or terminate benefits; reinstates benefits, without requiring a new application, to households that file a complete report during the month following the grace period; and certifies monthly reporting households for 2 years, unless there is an approved cause for a shorter period.

Second, these provisions affecting households living on Indian reservations require that, if a tribal organization requests, a State agency must stagger the issuance of food stamp benefits over at least 15 days a month.

Finally, S. 1926 requires the General Accounting Office to conduct a study on the feasibility and desirability of increasing the opportunity of Indian tribal organizations to administer the Food Stamp Program on Indian reservations by modifying or eliminating requirements that tribal organizations share in administrative costs, and permitting tribal organizations to establish different issuance, reporting, and certification requirements.

Staff at the Congressional Budget Office has advised us that this bill has only insignificant costs and savings, and is therefore budget neutral.

Last November, because of difficulty in finding a compromise on the issues affecting households on Indian reservations, legislation was enacted to suspend until March 15, 1994, the implementation of the several Food Stamp Act provisions affecting retail food stores and households living on Indian reservations. I urge the Secretary to take notice of the will of the Congress on these issues, the Senate having passed this bill on March 11, and the House passing it today. We are assured that the President will sign this important legislation. Therefore, I would not expect USDA to take action under current law during the time between March 15 and the day on which the President signs this bill. Further, neither the Department nor State agencies should be considered negligent for not taking such action.

This legislation will make very necessary and needed changes in the Food Stamp Program. After reviewing the language and its added provisions for Indian reservations, the members of the Committee on Agriculture are agreeable to accepting S. 1926. I urge its adoption.

Mr. ROBERTS. Mr. Speaker, I rise in support of S. 1926 as the chairman has described it. The minority, or at least this Member of the minority, supports the bill.

Mr. Speaker, I rise in support of S. 1926, a bill to ensure adequate access to retail food stores for food stamp participants; to change the requirements concerning monthly reporting and staggered issuance for families living on Indian reservations; to require a study by GAO as to the feasibility of tribal organizations to administer the Food Stamp Program on reservations; and, to maintain the integrity of the Food Stamp Program.

Title I of S. 1926 changes the requirements of the Food Stamp Act relating to the administration of the program for people living on Indian reservations. The secretary of the Kansas Department of Social and Rehabilitation Services has been urging action on the issue relating to monthly reporting and staggered issuance of food stamp benefits on Indian reservations. The secretary believes, as do most other States affected by these provisions, that unnecessary hardships for food stamp participants and unnecessary work for administrators will result without the changes incorporated in S. 1926. I am pleased that the differences concerning these provisions have been resolved and that State administrators support this bill.

Additionally, GAO is required to study the feasibility of allowing the tribal organization of an Indian tribe on a reservation to administer the Food Stamp Program. Currently the Food Stamp Act provides limited ability for such administration. The GAO study will explore this option and report to the Committee on Agriculture by December 1, 1994.

Title II of the bill under consideration today incorporates a bill passed by the House of Representatives last year, H.R. 3436, in which the definition of retail food stores that can accept food stamp coupons was changed. Additionally, other provisions are included to strengthen the enforcement of the provisions relating to retail food stores: to allow information provided by retail food stores to be shared with law enforcement officials; and, to require that the secretary spend up to $4 million on pilot projects designed to improve the investigation and prosecution of food stamp trafficking.

Several retail food stores in Kansas advised me of the need to change this definition in order to move away from only a sales based test and take into account the variety of staple foods sold in food stores. S. 1926 includes the amendments needed to make these changes.

I urge my colleagues to support this bill.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The clerk read the Senate bill, as follows:

S. 1926

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Food Stamp Program Improvements Act of 1994".

TITLE I—REPORTING AND STAGGERED ISSUANCE FOR HOUSEHOLDS ON RESERVATIONS

SEC. 101. BUDGETING AND MONTHLY REPORTING ON RESERVATIONS.

(a) IN GENERAL.—Section 6(c)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2015(c)(1)) is amended—

(1) in subparagraph (A)—

(A) by striking clause (ii); and

(B) by redesignating clauses (iii) and (iv) as clauses (ii) and (iii), respectively; and

(2) by adding at the end the following new subparagraph:

"(C) A State agency may require periodic reporting on a monthly basis by households residing on a reservation only if—

"(i) the State agency reinstates benefits, without requiring a new application, for any household residing on a reservation that submits a report not later than 1 month after the end of the month in which benefits would otherwise be provided;

"(ii) the State agency does not delay, reduce, suspend, or terminate the allotment of a household that submits a report not later than 1 month after the end of the month in which the report is due;

"(iii) on the date of enactment of this subparagraph, the State agency requires households residing on a reservation to file periodic reports on a monthly basis; and

"(iv) the certification period for households residing on a reservation that are required to file periodic reports on a monthly basis is 2 years, unless the State demonstrates just cause to the Secretary for a shorter certification period.".

(b) CONFORMING AMENDMENTS.—

(1) The second sentence of section 3(c) of such Act (7 U.S.C. 2012(c)) is amended by striking "For" and inserting "Except as provided in section 6(c)(1)(C), for".

(2) Section 5(f)(2)(C) of such Act (7 U.S.C. 2014(f)(2)(C)) is amended by striking "clauses (i), (ii), (iii), and (iv)" and inserting "clauses (i), (ii), and (iii)".

SEC. 102. STAGGERED ISSUANCES ON RESERVATIONS.

Section 7(h)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2016(h)(1)) is amended by striking the second sentence and inserting the following new sentence: "Upon the request of the tribal organization that exercises governmental jurisdiction over the reservation, the State agency shall stagger the issuance of benefits for eligible households located on reservations for at least 15 days of a month.".

SEC. 103. GAO STUDY AND REPORT ON ADMINISTRATION OF FOOD STAMP PROGRAM BY TRIBAL ORGANIZATIONS.

(a) STUDY.—The Comptroller General of the United States shall conduct a study of the feasibility and desirability of—

(1) increasing the opportunity for a tribal organization of an Indian tribe to administer the food stamp program established under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) in connection with members of the tribe by—

(A) modifying the requirements established under sections 3(n)(2) and 11(d) of such Act (7 U.S.C. 2012(n)(2) and 2020(d));

(B) modifying or eliminating the cost-sharing requirements established for the tribal organization under section 16(a) of such Act (7 U.S.C. 2025); and

(C) taking such other actions as the Comptroller General considers appropriate; and

(2) permitting the tribal organization to establish reasonable and appropriate requirements with respect to issuance, reporting, and certification requirements under the food stamp program for members of the tribe.

(b) REPORT.—Not later than December 1, 1994, the Comptroller General shall report the results of the study required under subsection (a) to the Committee on Agriculture, and the Subcommittee on Native American Affairs of the Committee on Natural Resources, of the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry, and the Committee on Indian Affairs, of the Senate, so that the results of the study may be considered by the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate during the reauthorization of the food stamp program during 1995.

SEC. 104. CONFORMING AMENDMENTS.

(a) Section 908 of the Food, Agriculture, Conservation, and Trade Act Amendments of 1991 (Public Law 102-237; 7 U.S.C. 2015 note) is repealed.

(b) Section 6(c)(4) of the Food Stamp Act of 1977 (7 U.S.C. 2105(c)(4) is amended by striking "Any" and inserting "Except as provided in paragraph (1)(C), any".

TITLE II—ACCESS TO RETAIL FOOD STORES BY FOOD STAMP HOUSEHOLDS

SEC. 201. FOOD STAMP ACT DEFINITIONS.

Section 3 of the Food Stamp Act of 1977 (7 U.S.C. 2012) is amended—

(1) in subsection (k)—

(A) by striking "means (1) an establishment" and all that follows through "spices, (2) an establishment" and inserting the following: "means—

"(1) an establishment or house-to-house trade route that sells food for home preparation and consumption and—

"(A) offers for sale, on a continuous basis, a variety of foods in each of the 4 categories of staple foods specified in subsection (u)(1), including perishable foods in at least 2 of the categories; or

"(B) has over 50 percent of the total sales of the establishment or route in staple foods, as determined by visual inspection, sales records, purchase records, counting of stockkeeping units, or other inventory or accounting recordkeeping methods that are customary or reasonable in the retail food industry;

"(2) an establishment;

(B) by striking "section (3) a store" and inserting the following: "section;

"(3) a store"; and

(C) by striking "section, and (4) any private" and inserting the following: "section, and

"(4) any private"; and

(2) by adding at the end the following new subsection:

"(u)(1) Except as provided in paragraph (2), 'staple foods' means foods (as defined in subsection (g)) in the following categories:

"(A) Meat, poultry, or fish.

"(B) Bread or cereals.

"(C) Vegetables or fruits.

"(D) Dairy products.

"(2) 'Staple foods' do not include accessory food items, such as coffee, tea, cocoa, carbonated and uncarbonated drinks, candy, condiments, and spices."

SEC. 202. PERIODIC NOTICE.

Paragraph (2) of section 9(a) of the Food Stamp Act of 1977 (7 U.S.C. 2018(a)(2)) is amended to read as follows:

"(2) The Secretary shall issue regulations providing for—

"(A) the periodic reauthorization of retail food stores and wholesale food concerns; and

"(B) periodic notice to participating retail food stores and wholesale food concerns of the definitions of 'retail food store', 'staple foods', 'eligible foods', and 'perishable foods'.".

SEC. 203. USE AND DISCLOSURE OF INFORMATION PROVIDED BY RETAIL FOOD STORES AND WHOLESALE FOOD CONCERNS.

Section 9(c) of the Food Stamp Act of 1977 (7 U.S.C. 2018(C)) is amended—

(1) in the second sentence, by inserting after "disclosed to and used by" the following: "Federal law enforcement and investigative agencies and law enforcement and investigative agencies of a State government for the purposes of administering or enforcing this Act or any other Federal or State law and the regulations issued under this Act or such law, and";

(2) by inserting after the second sentence the following new sentence: "Any person who publishes, divulges, discloses, or makes known in any manner or to any extent not authorized by Federal law (including a regulation) any information obtained under this subsection shall be fined not more than $1,000 or imprisoned not more than 1 year, or both."; and

(3) in the last sentence, by striking "Such purposes shall not exclude" and inserting the following: "The regulations shall establish the criteria to be used by the Secretary to determine whether the information is needed. The regulations shall not prohibit".

SEC. 204. DEMONSTRATION PROJECTS TESTING ACTIVITIES DIRECTED AT TRAFFICKING IN COUPONS.

Section 17 of the Food Stamp Act of 1977 (7 U.S.C. 2026) is amended by adding at the end the following new subsection:

"(1) The Secretary shall use up to $4,000,000 of the funds provided in advance in appropriations Acts for projects authorized by this section to conduct demonstration projects in which State or local food stamp agencies test innovative ideas for working with State or local law enforcement agencies to investigate and prosecute coupon trafficking.".

SEC. 205. CONTINUING ELIGIBILITY.

An establishment or house-to-house trade route that is otherwise authorized to accept and redeem coupons under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) on the day before the date of enactment of this Act shall be considered to meet the definition of "retail food store" in section 3(k) of such Act (7 U.S.C. 2012(k)) (as amended by section 201) until the earlier of—

(1) the periodic reauthorization of the establishment or route; or

(2) such time as the eligibility of the establishment or route for continued participation in the food stamp program is evaluated for any reason.

SEC. 206. REPORT ON IMPACT ON RETAIL FOOD STORES.

Not later than 18 months after the date of enactment of this Act, the Secretary of Agriculture shall prepare and submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the impact of the amendments made by sections 201 and 202 on the involvement of retail food stores in the food stamp program established under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.), including a description of—

(1) the numbers and types of stores that were newly authorized to participate in the food stamp program after implementation of the amendments;

(2) the numbers and types of stores that were withdrawn from the food stamp program after implementation of the amendments;

(3) the procedures used by the Secretary, and the adequacy of the procedures used, to determine the eligibility of stores to participate in the food stamp program and to authorize and reauthorize the stores to participate in the food stamp program;

(4) the adequacy of the guidance provided by the Secretary to retail food stores concerning—

(A) the definitions of "retail food store", "staple foods", "eligible foods", and "perishable foods" for purposes of the food stamp program; and

(B) eligibility criteria for stores to participate in the food stamp program; and

(5) an assessment of whether the amendment to the definition of "retail food store" under section 3(k) of such Act (as amended by section 201(1))

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include therein extraneous material, on S. 1926, the Senate bill just passed.

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

There was no objection.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
U.S. HOUSE OF REPRESENTATIVES,
Washington, DC, March 15, 1994.

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

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5 of Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House on Tuesday, March 15, 1994 at 2:42 p.m. and said to contain a special message from the President whereby he transmits the Reemployment Act of 1994.

With great respect, I am

Sincerely yours,

DONNALD K. ANDERSON,
Clerk, U.S. House of Representatives.

REEMPLOYMENT ACT OF 1994—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Education and Labor, the Committee on Ways and Means, the Committee on the Judiciary, and the Committee on Veterans' Affairs and ordered to be printed:

To the Congress of the United States:

I am pleased to transmit today for your immediate consideration and prompt enactment the "Reemployment Act of 1994". Also transmitted is a section-by-section analysis. This legislation is vital to help Americans find new jobs and build sustainable careers.

Our current set of programs was designed to meet the different needs of an earlier economy. People looking for help today confront a confusing, overlapping, and duplicative tangle of programs, services, and rules. Job seekers—whether unemployed or looking for better jobs—have a difficult time getting the information they need: What benefits and services are available to them? Where can they get good quality training? What do they need to know to find and hold good jobs and to build sustainable careers?

The underlying problem is the lack of a coherent employment and training system. Instead, we have many disconnected, category-based programs—each with distinct eligibility requirements, operating cycles, and program standards. We need a true system of lifelong learning—not the current hodgepodge of programs, some of which work, and some of which don't. The legislation I am transmitting today is an important first step in building this system.

We need to build a reemployment system because our current unemployment system no longer delivers what many American workers need. In the past, when a worker lost a job, he or she often returned to that job as soon as the business cycle picked up again and the company was ready to rehire. The unemployment system was designed to tide workers over during temporary dry spells. Today, when a worker loses a job, that job often is gone forever.

Our economy has generated new jobs. In 1993 alone, 1.7 million new private sector jobs were created—more than in the previous 4 years combined. While the jobs exist, the pathways to them aren't always clear.

The Reemployment Act of 1994 strives to fix this. It is based on evidence of what works for getting workers into new and better jobs. Programs that work are customer-driven, offering customized service, quality information, and meaningful choices. Programs that work provide job search assistance to help dislocated workers become reemployed rapidly, feature skill training connected to real job opportunities, and offer support services to make long-term training practical for those who need it.

The Act reflects six key principles:

First is universal access and program consolidation. The current patchwork of dislocated worker programs is categorical, inefficient, and confusing. The Reemployment Act of 1994 will consolidate six separate programs into an integrated service system that focuses on what workers need to get their next job, not the reason why they lost their last job.

Second is high-quality reemployment services. Most dislocated workers want and need only information and some basic help in assessing their skills and planning and conducting their job search. These services are relatively simple and inexpensive, and they have been shown to pay off handsomely in reducing jobless spells.

Third is high-quality labor market information, which must be a key component of any reemployment effort. The labor market information component of the Reemployment Act of 1994 will knit together various job data systems and show the way to new jobs through expanding access to good data on where jobs are and what skills they require.

Fourth is one-stop service. At a recent conference that I attended on "What is Working" in reemployment efforts, a common experience of workers was the difficulty of getting good information on available services. Instead of forcing customers to waste their time and try their patience going from office to office, the system will require States to coordinate services for dislocated workers through career centers. It allows States to compete for funds to develop a more comprehensive network of one-stop career centers to serve under one roof anyone who needs help getting a first, new, or better job, and to streamline access to a wide range of job training and employment programs.

The fifth principle of the legislation is effective retraining for those workers who need it to get a new job. Some workers need retraining. The Reemployment Act of 1994 will also provide workers financial support when they need it to let them complete meaningful retraining programs.

Sixth is accountability. The Reemployment Act of 1994 aims to restructure the incentives facing service providers to begin focusing on workers as customers. Providers who deliver high-quality services for the customer and achieve positive outcomes will prosper in the new system. Those who fail to do so will see their funding dry up.

The Reemployment Act of 1994 will create a new comprehensive reemployment system that will enhance service, improve access, and assist Americans in finding good new jobs. This is a responsible proposal that is fully offset over the next 5 years.

I urge the Congress to give this legislation prompt and favorable consideration so that Americans will have available a new, comprehensive reemployment system that works for everyone.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *March 15, 1994.*

COMMUNICATION FROM THE SERGEANT AT ARMS

The SPEAKER pro tempore laid before the House the following communication from the Sergeant at Arms of the House of Representatives:

OFFICE OF THE SERGEANT AT ARMS,
HOUSE OF REPRESENTATIVES,
Washington, DC, March 15, 1994.

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

DEAR MR. SPEAKER: This is to formerly notify you pursuant to Rule L (50) of the Rules of the House that a subpoena issued by the Superior Court of the District of Columbia for information concerning a member of the United States Capitol Police.

After consultation with the General Counsel, I have determined that compliance with the subpoena is consistent with the privileges and precedents of the House.

Sincerely,

WERNER W. BRANDT,
Sergeant at Arms.

S. 1114 THREATENS ESSENTIAL COMPONENTS OF THE CLEAN WATER ACT

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

Mr. ALLARD. Mr. Speaker, members of the Colorado State House of Representatives and State Senate recently informed me of their opposition of S. 1114, which will seriously hinder the flexibility of both the State and localities in Colorado and this Nation.

The Clean Water Act has made considerable progress in achieving its goal of restoring the biological integrity of the Nation's water. Seventy-five percent of the Nation's waters are in compliance with the standards now set by the EPA.

The legislative proposals in S. 1114 severely threaten the flexibility of the States to operate in an innovative manner in creating programs to meet and go beyond the Clean Water Act goals.

If S. 1114 passes, federally supervised zoning and land use programs would be put into effect. This is the last thing the States and localities of Colorado and this Nation need in helping clean up our water.

Colorado and other States continue to succeed at meeting the expectations of the EPA. But, they need the flexibility to adopt policies which are tailored to their needs.

That is why I'm sharing with you the following resolution.

HOUSE JOINT RESOLUTION 94-1015

Whereas, The United States Congress is considering measures to reauthorize the federal Clean Water Act in S. 1114; and

Whereas, The Clean Water Act has made considerable progress toward its stated goal to restore and maintain the chemical, physical, and biological integrity of the nation's water with approximately 75% of the nation's waters complying with applicable standards; and

Whereas, This success is based on the flexibility of the Clean Water Act to allow the states to create and administer innovative programs to meet the Clean Water Act goals; and

Whereas, Legislative proposals such as S. 1114 threaten state primacy and flexibility which are essential components of the Clean Water Act by substituting provisions which would amount to a federally supervised zoning and land use program; and

Whereas, Additional unfunded federal mandates to support this program without state primacy and flexibility is bad public policy; and

Whereas, The United States Senate Committee on Environment and Public Works is currently considering S. 1114, and the General Assembly wants the concerns of the state to be addressed during consideration of the measure; now, therefore, be it further

Resolved, That copies of this Resolution be sent to the President of the United States Senate, the Chairman and Ranking Minority Member of the Senate Environment and Public Works Committee, the Administrator of the Environmental Protection Agency, and the Colorado Congressional Delegation.

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SPECIAL ORDERS

The SPEAKER pro tempore (Mr. DERRICK). 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.

CONGRATULATIONS TO HAWAII'S NATIONAL TOURNAMENT QUALIFYING BASKETBALL TEAMS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Hawaii [Mrs. MINK] is recognized for 5 minutes.

Mrs. MINK of Hawaii. Mr. Speaker, I rise today to congratulate four college basketball teams from Hawaii for qualifying for their respective national tournaments, which begin play this week.

Hawaii Pacific University and the University of Hawaii-Hilo both qualified for the National Association of Intercollegiate Athletics Tournament. Hawaii Pacific returns to the tournament as the defending national champion. Hawaii-Hilo gained one of the at-large invitations after having an outstanding season.

The University of Hawaii men's team is finally returning to the tournament after last appearing in 1972. But getting there wasn't easy. After beginning the season with several losses, the team qualified for the tournament by staging an exciting come from behind victory over arch-rival Brigham Young University to win the Western Athletic Conference Tournament Championship.

The women's team has been a contender in the Big West Conference for several years. In fact, in 1989 and 1990 they represented the Big West Conference in the NCAA Tournament. Despite continued success since their 1990 appearance, the team suffered bitter disappointments in 1992 and 1993 by being snubbed by the tournament selection committee in each of those years. Now, they finally have another chance to show their talents.

Even though Hawaii's geographic location and time zone differences make it difficult for the rest of the country to follow our basketball teams, this week the country will see four determined teams that fought their way to their respective tournaments.

Hawaii is proud of its teams' achievements. Again, congratulations to all the players, coaches, and their many supporters.

VOTES ON HEALTH CARE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. MICHEL] is recognized for 5 minutes.

Mr. MICHEL. Mr. Speaker, as we know, the initial votes on health care reform took place yesterday in the Ways and Means Health Subcommittee.

In order to ensure that the markup process remains as open as possible, and that information on all votes in Committee is made available to the general public, it is my intention to place in the CONGRESSIONAL RECORD on a daily basis each and every committee rollcall vote, broken down by Members.

This will help to ensure that Members are fully accountable to their constituents for the way they vote in committee.

It is noteworthy from yesterday's votes that most Democrats on the subcommittee are voting in favor of a government-run health care system financed by job-killing employer mandates.

We think there are much more commonsense ways to reform our health care system that will not result in more bureaucracy, rationing, and job loss, and those commonsense approaches are included in H.R. 3080, the Affordable Health Care Now Act.

Mr. Speaker, I request permission to insert at this point in the RECORD the votes on health care reform which took place in committee on March 15 and 16, 1994:

The following recorded vote was taken on March 16, 1994 in the Subcommittee on Health of the Committee on Ways and Means during consideration of Chairman Stark's substitute proposal for H.R. 3600, the Health Security Act of 1994:

A motion by Mr. Kleczka to table an amendment by Mr. Andrews (TX), Mr. Cardin, and Mr. Levin to raise the tobacco tax to $2.00 per pack (estimated to raise a total of $12 billion annually) to finance: $8 billion in subsidies for businesses with 100 or fewer employees (specific subsidies to be determined at a later date by the full Committee on Ways and Means); $2.25 billion for a formula grant program for Academic Health Centers; $750 million to fund grants to local governments for lead abatement programs; and $1 billion to fund essential community provider programs as defined in the Stark substitute for H.R. 3600. Motion to table the amendment was adopted 6 to 5.

DEMOCRATS

Mr. Stark, "nay."
Mr. Levin, "nay."
Mr. Cardin, "nay."
Mr. Andrews (TX), "nay."
Mr. McDermott, "yea."
Mr. Kleczka, "yea."
Mr. Lewis, "yea."

REPUBLICANS

Mr. Thomas (CA), "yea."
Mrs. Johnson (CT), "nay."
Mr. Grandy, "yea by proxy."
Mr. McCrery, "yea by proxy."

The following recorded votes were taken on March 15, 1994 in the Subcommittee on Health of the Committee on Ways and Means during consideration of Chairman Stark's substitute proposal for H.R. 3600, the Health Security Act of 1994:

AMENDMENT NO. 1

An amendment by Mr. Grandy to strike the employer mandate and replace it with a provision to require employers to offer, but not pay for, insurance to their employees. It would also strike portions of the bill requiring individuals to pay for health coverage and portions requiring employers who currently pay for health coverage to do so for a 5-year period. Defeated 6 to 5.

DEMOCRATS

Mr. Stark, "nay."
Mr. Levin, "nay."
Mr. Cardin, "nay."
Mr. Andrews (TX), "yea."
Mr. McDermott, "nay."
Mr. Kleczka, "nay."
Mr. Lewis, "nay."

REPUBLICANS

Mr. Thomas (CA), "yea."
Mrs. Johnson (CT), "yea."
Mr. Grandy, "yea."
Mr. McCrery, "yea."

AMENDMENT NO. 2

An amendment by Mrs. Johnson (CT) to strike the requirement that employers who currently offer benefits packages more generous than the national benefits package contained in the bill continue to provide current levels of benefits for five years. Defeated 6 to 5.

DEMOCRATS

Mr. Stark, "nay."
Mr. Levin, "nay."
Mr. Cardin, "nay."
Mr. Andrews (TX), "yea."
Mr. McDermott, "nay."
Mr. Kleczka, "nay."
Mr. Lewis, "nay."

REPUBLICANS

Mr. Thomas (CA), "yea."
Mrs. Johnson (CT), "yea."
Mr. Grandy, "yea."
Mr. McCrery, "yea."

AMENDMENT NO. 3

An amendment by Mr. McCrery to permit individuals to fully deduct amounts they spend to purchase health insurance, offset by provisions that would limit the employer deduction and employee tax exclusion of health care premiums to the average cost of benefit plans in the geographic area. Defeated 6 to 5.

DEMOCRATS

Mr. Stark, "nay."
Mr. Levin, "nay."
Mr. Cardin, "nay."
Mr. Andrews (TX), "yea."
Mr. McDermott, "nay."
Mr. Kleczka, "nay."
Mr. Lewis, "nay."

REPUBLICANS

Mr. Thomas (CA), "yea."
Mrs. Johnson (CT), "yea."
Mr. Grandy, "yea."
Mr. McCrery, "yea."

AMENDMENT NO. 4

An amendment by Mr. Cardin to clarify that the employer responsibility is to contribute at least 80 percent of the cost of the premium for the least expensive plan offered to the employee which meets the minimum benefit standard, and provided that the least expensive plan offers a choice of doctors. Adopted 7 to 4.

DEMOCRATS

Mr. Stark, "yea."
Mr. Levin, "yea."
Mr. Cardin, "yea."
Mr. Andrews (TX), "yea."
Mr. McDermott, "nay."
Mr. Kleczka, "nay."
Mr. Lewis, "nay."

REPUBLICANS

Mr. Thomas (CA), "nay."
Mrs. Johnson (CT), "yea."
Mr. Grandy, "yea."
Mr. McCrery, "yea."

AMENDMENT NO. 5

An amendment by Mr. McCrery to permit individuals to fully deduct amounts they spend to purchase health insurance, offset by provisions that would means test the Part B Medicare premium and provide for 10 percent coinsurance on Medicare clinical laboratory services. Defeated 7 to 4.

DEMOCRATS

Mr. Stark, "nay."
Mr. Levin, "nay."

Mr. Cardin, "nay."
Mr. Andrews (TX), "nay."
Mr. McDermott, "nay."
Mr. Kleczka, "nay."
Mr. Lewis, "nay."

REPUBLICANS

Mr. Thomas (CA), "yea."
Mrs. Johnson (CT), "yea."
Mr. Grandy, "yea."
Mr. McCrery, "yea."

AMENDMENT NO. 6

An amendment by Mr. Kleczka to expand the employer mandate from requiring employers to pay for 80 percent of individual coverage to requiring them to pay for 80 percent of the cost of family coverage. Adopted 6 to 4.

DEMOCRATS

Mr. Stark, "yea."
Mr. Levin, "yea."
Mr. Cardin, "yea."
Mr. Andrews (TX), "not voting."
Mr. McDermott, "yea."
Mr. Kleczka, "yea."
Mr. Lewis, "yea."

REPUBLICANS

Mr. Thomas (CA), "nay."
Mrs. Johnson (CT), "nay."
Mr. Grandy, "nay."
Mr. McCrery, "nay."

AMENDMENT NO. 7

An amendment by Mr. Grandy to strike the provision requiring employers with any obligation to pay for early retiree health care coverage as of October 1, 1993 to pay at least 80 percent of the cost of covering such retirees under Medicare Part C. Defeated 6 to 5.

DEMOCRATS

Mr. Stark, "nay."
Mr. Levin, "nay."
Mr. Cardin, "nay."
Mr. Andrews (TX), "yea by proxy."
Mr. McDermott, "nay."
Mr. Kleczka, "nay."
Mr. Lewis, "nay."

REPUBLICANS

Mr. Thomas (CA), "yea."
Mrs. Johnson (CT), "yea."
Mr. Grandy, "yea."
Mr. McCrery, "yea."

AMENDMENT NO. 8

An amendment by Mr. McDermott to allow employers with more than 100 employees to offer Medicare Part C to their employees as one of the choices of insurance plans, offset by increasing the payroll tax provided in the bill from .8 percent to .96 percent. The effective date of the amendment would be January 1, 2001. Defeated 5 to 5.

DEMOCRATS

Mr. Stark, "yea."
Mr. Levin, "nay."
Mr. Cardin, "nay."
Mr. Andrews (TX), "not voting."
Mr. McDermott, "yea."
Mr. Kleczka, "yea."
Mr. Lewis, "yea."

REPUBLICANS

Mr. Thomas (CA), "nay."
Mrs. Johnson (CT), "yea."
Mr. Grandy, "nay."
Mr. McCrery, "nay."

OXFORD STYLE DEBATES

The SPEAKER pro tempore. The Chair desires to make the following statement on behalf of the Speaker:

The House is about to embark upon an unprecedented experiment wherein it will conduct a structured debate on a mutually agreed upon subject, wherein a Member recognized by the Chair and holding the floor as "moderator" will yield time to eight Members, four from the majority party and four from the minority party.

The primary purpose of this debate is to enhance the quality of the deliberative process of the House of Representatives, so as to enable all Members to be better informed and to subsequently participate in debates and decisions on major issues.

Under the previous orders of February 11 and March 11, 1994, the gentleman from Maryland [Mr. CARDIN] is recognized to moderate a structured debate in the format and sequence to be described by him, which has been mutually established by the majority and minority leaders.

The rules of the House with respect to decorum and proper forms of address to the Chair will apply during this debate. The moderator will yield time to the participants.

The Chair recognizes the gentleman from Maryland [Mr. CARDIN] for up to 2 hours.

HEALTH CARE DEBATE

Mr. CARDIN. Mr. Speaker, tonight, instead of special orders, this House of Representatives will be holding its first Oxford-style debate. Oxford-style debates give the American people an opportunity to hear details, fundamental discussions of important issues.

This debate will be the first of a series of debates scheduled for the House floor. The second debate is scheduled for April 20. The third debate, which is scheduled for May 11, will include bipartisan teams. After review of the first three debates, the House will decide whether or not to continue debates on the House floor.

Most appropriately, the first debate is on health care. I want to congratulate both the Democratic and Republican leadership for their persistence in bringing us to this moment.

In developing this debate format, the joint leadership has sought ways of elevating the value and effectiveness of debate in the House of Representatives. Together tonight, we institute a reform that all of us hope will improve the quality of debate in this legislative Chamber.

When referring to debates, the French moralist Joseph Joubert, known as Pensees, said:

> The aim of argument or discussion should not be victory but progress.

In that spirit, one can hope that tonight's debate will help us reconcile differences in the House and lead towards the enactment of health care reform. We will both better understand each other's position.

I want to thank those who have studied the congressional process and come forward with reform proposals and pushed for congressional reform for the Oxford-style debate, including Norman Ornstein of the American Enterprize Institute and Thomas Mann of the Brookings Institution. In addition, I would like to thank C-SPAN and National Public Radio for covering these debates so that the American people can watch and listen to this debate.

I would like to thank my counterpart from the Republican side, the gentleman from Pennsylvania [Mr. WALKER], for his help in bringing about these debates.

This debate will be in the Oxford-style format. An Oxford-style debate differs from the American-style two person debate, because it allows teams to speak in sequence, allowing different members of the team to focus on different issues. By expanding participation, we encourage a more comprehensive discussion of the subject.

Oxford-style debates encourage instant and continuous rebuttal from the participants. It is just as important for a team to question the other team as to expand its own arguments.

Each debate will last 90 minutes. The moderator will open the debate with an introduction of the topic and the members. After the introduction by the moderator, one member of each team will make a 3-minute opening statement, laying out the position of their team. A back and forth debate between the teams will follow the opening remarks with time and recognition controlled by the moderator.

During this time, the remaining six debaters will also be able to make brief statements. Also, each debater will have 5 minutes in which to question and later be questioned by a member of the other team. In addition, each debater will be subject to 5 minutes of interrogation from any member of the opposing team.

During the questioning and interrogation portions of the debate, questions will be limited to 30 seconds. I ask the debaters' cooperation on that point. And answers will be limited to no longer than 2 minutes.

After the back and forth debate between the teams, one member of each team will make a final point summarizing his team's position.

For the help of the debaters, we have cards that will give Members notice when there is certain time remaining, depending on how long the period involved. The cards will be held at the front.

We would ask Members to please strictly comply with the time limit.

We would hope that we will have as much back and forth as we can. The purpose of this debate is to be free flowing, but we do ask you also to please be courteous.

We had some guests today from England who participate in Oxford debate

regularly, and they also give one more bit of instruction. And that is for the debaters to please have fun.

The topic for this debate tonight will be introduced in the form of a statement to be resolved. The position statement for the first debate, which will be argued in the affirmative by a four-member Democratic team and in the negative by a four-member Republican team, is, resolved, that the Clinton health care plan best represents the elements that should be included in health care reform.

The Democratic Members participating in the health care debate are Majority Leader RICHARD GEPHARDT, Chairman HENRY WAXMAN of the Energy and Commerce Subcommittee on Health and the Environment, Chairman PETE STARK, Ways and Means Subcommittee on Health, and Congresswoman ROSA DELAURO, a member of the Appropriations Committee.

The Republican Members participating in tonight's debate are Minority Whip NEWT GINGRICH, ranking Republican Member THOMAS BLILEY of the Energy and Commerce Subcommittee on Health and the Environment, ranking Republican Member WILLIAM THOMAS of the Ways and Means Subcommittee on Health, and Congresswoman NANCY JOHNSON, a member of the Ways and Means Subcommittee on Health.

At this point, I will yield time to debators in conformity to the time limits established by the agreed format that has been filed at the desk.

I yield to Mr. GEPHARDT for his opening statement.

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Mr. GEPHARDT. Mr. Speaker, I want to thank the Republican leadership for their help in bringing this debate about, and I want to thank all of my colleagues who have worked so hard to make this evening happen. I hope this is the first of many Oxford-style debates.

I want to start tonight by saying that this debate is not about charts, it is not about statistics, and it is not about graphs. It is not even about philosophy. It really is simply about people. It is about the elderly women in my district that I saw the other night whose husband died soon after he retired, leaving her without health insurance. She wound up with a very serious form of cancer, and now she needs an operation, and she has no idea how she is going to pay for it, because she does not yet qualify for Medicare.

It is about the truck driver who came to one of my town hall meetings and finally stood in frustration in the middle of the meeting and shook his hand at me and said:

> Congressman, I have to go to work, but you have to do something about health care costs. I cannot afford to pay for my family's policy, and I'm worried I'm going to lose it.

It is about small business people that we have all met who want to be able to give their people health insurance as part of their compensation, but they simply can't figure out how to afford to do it.

The truth is, in doing health care, as I hope we will later this year, we have to listen to these people. This is about them. It is not about lobbyists, it is not about organized groups, as legitimate as they may be, as legitimate as their views may be. When we go to work on health care tonight, in debating, and later in the year in working on it, we have to listen to these people.

I think we have the best health care system in the world. I have benefitted from it. My family has benefitted from it. However, it can be better. We have got to fix what is wrong and we have got to keep what is right. In my view, the Clinton plan represents the best elements that we have got to get in any health care plan we do.

First, we have got to make it affordable for every American. Second, we have to guarantee private health insurance for every American family. Third, we have to guarantee choice. People have got to go to the doctor they want, pick the plan they want. Finally, we have to protect the elderly and Medicare and the benefits of that program.

In my view, all of the Republican plans except one are deficient. We cannot toy around and tinker around and nibble around the edges, we have to have a plan that accepts and embodies the principles, the goals that I just talked about. The choice tonight is, are we going to do something or are we going to do nothing?

Finally, let me say this. Back in 1935, 1965, Republicans came together with Democrats to pass Social Security and to pass Medicare. We reach out our hand tonight to the Republicans to join with us in passing real national health care reform.

Mr. CARDIN. Mr. Speaker, I yield to the gentleman from Georgia [Mr. GINGRICH] for an opening statement.

Mr. GINGRICH. Mr. Speaker, let me say first that I appreciate very much this chance to be here, and I enjoyed immensely the opening by the Democratic majority leader, which was wonderful, about goals, and with which we agree. We all go home and we all have problems. My own daughter had a problem with a precondition and had to spend a year without coverage.

That is why the Michel bill and, to the best of my knowledge, every Republican bill, eliminates preconditions and says you are going to get coverage.

I have had relatives who have had problems losing jobs and not being able to have health insurance, and that is why the Republican bill and virtually every bill I know guarantees portability.

As my good friend knows, there is bill after bill after bill already introduced, attempting to solve the problems, but the resolution that my Democratic friends agreed to defend tonight was not about good goals, it was not about good anecdotes. It was the elements of the Clinton plan.

I am excited by this debate, first because it is good for the House, and second, because we finally get to talk about H.R. 3600, a bill, a piece of legislation, and we get to talk about the elements.

It is a little unfair, but I cannot quite resist. Let me cite what some Democrats have said about this plan, because we are talking about the Clinton plan.

I agree with my friend, the gentleman from Missouri [Mr. GEPHARDT]. I want to reach out in a bipartisan way to pass the bill. I praise the gentleman from Florida [Mr. BILIRAKIS] and the gentleman from Georgia [Mr. ROWLAND] for a bipartisan bill. I praise the gentleman from Iowa [Mr. GRANDY] and the gentleman from Tennessee [Mr. COOPER] for a bipartisan bill. They are starting in the right direction to reach out.

However, let me cite the Clinton plan, which is the goal of tonight's debate, and which the gentleman has agreed to defend.

One of our debate Members on the gentleman's side said, "The health alliance and the Clinton plan is a beautiful animal in fairyland, but unseen on Earth." One of your Members said, "I don't know of any Republican or Democrat who would support mandatory alliances like the President's. I have heard a thousand objections and virtually no support."

One of your Members said, "I kissed a frog, but it's still a frog," referring to the Clinton plan. I am not going to refer to the Clinton plan as a frog. That was a Democrat. We are not going to be nastily partisan on our side tonight.

One of the gentleman's Members defending the plan tonight said of the President's plan, "It is amazingly complex. It creates many new bureaucracies. It is confusing. It eliminates traditional fee-for-service medicine as we know it."

A Democrat in the Senate pointed out that, and I quote, "Literally hundreds of thousands of small business people in this country might have to close their doors under the President's proposal, and that is unacceptable."

Our focus tonight is to focus on the elements of the Clinton plan, which is the topic of this debate, elements which include a global budget by which politicians and bureaucrats will decide the health of all Americans and inevitably lead to rationing, elements which include a National Rationing Board appointed and controlled by politicians, with the power to decide what health care you can receive; elements which include government-controlled and designed health bureaucracies you may be required to join, which will control

which doctor and which hospital you can go to.

Mr. CARDIN. Mr. Speaker, I yield to the gentleman from California [Mr. WAXMAN] for an opening statement.

Mr. WAXMAN. Mr. Speaker, this is a debate about one basic issue: Will all Americans have health care coverage? Right now they don't. Almost 39 million Americans are uninsured. Eight million of them are children. Think about that. In this, our rich country, 8 million children are without insurance coverge, and the fact of the matter is they are the children of working parents, because sadly, most Americans without insurance are working. They play by the rules, but they are still left out.

Being uninsured matters. Women who don't get mammograms die more often from breast cancer. People with diabetes who don't get home care end up in hospitals, and families without health insurance worry that they will go bankrupt if a child gets sick.

There is much that is good in our health care system, but there is much that is wrong and must be fixed. What we need to do is subject any health proposal, Democrat or Republican, to one simple test: Does it guarantee that all Americans will have health care coverage? That is real reform.

Mr. CARDIN. I recognize the gentleman from Virginia [Mr. BLILEY] for an opening statement.

Mr. BLILEY. Mr. Speaker, all of us complain about some parts of the health care system, but all of us, I think, would agree that Americans have the finest health care system in the world, and the best practitioners in the world. The Clinton plan would change all of that. We would have rationed care. The spending caps in this bill are more severe than they are in the United Kingdom or Canada. Specialists would be rationed by government bureaucrats to decide what promising students go on to study for a medical specialty. The elderly and the poor would be rationed under Medicare and Medicaid, $200 billion worth, and research would be rationed, because there would not be venture capital there to explore promising new areas of medical discovery.

Republicans have a better way to solve the plan. Republicans want choice, so that you can choose your doctor. Republicans want you to have your insurance when you transfer jobs or you lose your job. In short, we would fix what is wrong with the system, but we would keep what is good with the system, and that is where we differ from the Clinton plan, and that is why the Michel plan is the best plan.

Mr. CARDIN. The gentleman from California [Mr. WAXMAN] is recognized to question Mr. BLILEY.

Mr. WAXMAN. Mr. Speaker, I say to the gentleman from Virginia [Mr. BLILEY], you said you want to fix what is wrong with the American health care system, and one thing that is wrong is that we have 39 million Americans without insurance. I have looked at the Republican alternatives and they don't guarantee universal coverage. They don't guarantee every American a health insurance policy. How long, under your proposal, will be have to wait before every American is covered?

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Mr. BLILEY. The Michel plan is not under discussion, I would remind you tonight, HENRY. We are discussing the elements of the Clinton plan. And, yes, you will get the universal coverage by 1998.

Mr. WAXMAN. Under your proposal?

Mr. BLILEY. Under the President's proposal, you will get there, but you will still have 5 to 12, and please let me answer the question. I did not interrupt you when you asked the question. So do not interrupt me.

Mr. WAXMAN. Please answer the question, because I have some more to ask.

Mr. BLILEY. I am answering the question. And you are here to defend the President's plan and the elements that are in it, and you get to universal care in 1998.

Mr. WAXMAN. You are not answering my question. When will you say to the American people that they will know that they will be covered, and if you are not going to cover them, who are you going to leave out, and how long is it going to take? There are 39 million Americans, many of them may be watching tonight, and they would like to know, and I would like to know, when can they expect to be able to buy a health insurance policy they can afford?

Mr. BLILEY. They can buy health care policies that they can afford now under the Michel plan, and we would like to work with all people to improve it as we go to 1998, but the problem with your plan is that in order to achieve your coverage you destroy the system as we have it now. You will cost 900,000 to 3 million jobs.

Mr. WAXMAN. We have people who are working people. If their employers do not provide that benefit for them at their work where most people get their insurance——

Mr. BLILEY. Well, a lot of them will not be working after this bill becomes law, I can tell you that.

Mr. WAXMAN. Well, there are a lot of people working now.

My question to you is: Can you tell working people they will be able to afford a policy? Because most of them cannot, and if their employers do not help them pay for that policy like you and I have our employers——

Mr. BLILEY. Absolutely.

Mr. WAXMAN. Of the U.S. Government, pay for our policy, how can they expect to get coverage?

Mr. BLILEY. They will have a basic plan that will guarantee them coverage, that they will be able to buy. It will be affordable, and they will be able to take it with them if they leave their job or they lose their job.

Mr. WAXMAN. One of the problems is health insurance is not affordable. Health care costs are going up so rapidly.

President Clinton tries to tackle this issue by putting some limits on what insurance companies are going to charge people. You do not have that in your proposal.

How do you plan to hold down health care costs?

Mr. BLILEY. By reforming malpractice, which you do not even attempt to do. We would say before you go to court you must go to dispute resolution, and if you go to court after that, if you are not satisfied with the dispute resolution, you may go. But you go with the understanding that if you lose the case, you pay the defendant's court costs.

Mr. WAXMAN. Do you really believe that malpractice is the reason why we have health care costs that are so rapidly increasing that small businesses have to pay 30 percent more and, therefore, cannot afford to cover their employees? Would it be your solution to say that anybody hurt in a malpractice just should not be able to sue? Would that make health care affordable to all Americans?

Mr. BLILEY. No. We do not do that.

We say, if you read the Michel bill, we reform ERISA to allow small groups to pull together to get the advantage that large groups have in purchasing health care. We do that. We do not say that malpractice is the only answer, but it certainly is a major factor in the costs of health care insurance today.

Mr. WAXMAN. The Michel plan does not spell out what benefits anyone will get.

The Clinton proposal does.

What I would like to know is, and I think others would like to know, what is it that you would like to drop from the Clinton plan? Would it be mammograms, prescription drugs? Do you think that those ought to be in? How about dental benefits for kids or catastrophic costs? Would all of those be in the benefit plan guaranteed to all Americans in any goals you would hope to achieve?

Mr. BLILEY. We believe that you should not have one size fits all. People should have choice, choice of their doctors. People should be assured of quality, and people should not have to put up with rationing which you destroy all three. You destroy quality, you destroy the choice, and you ration care.

Mr. WAXMAN. I disagree with all of those statements.

Mr. CARDIN. Mr. BLILEY is recognized to question Mr. WAXMAN.

Mr. BLILEY. How can you be here, HENRY, in support of this bill when you

are quoted in the New York Times as saying the Clinton administration has relied too heavily on cuts in Medicare and Medicaid to finance changes in the rest of the health care system; it is going to be politically unacceptable, "and I do not think the financing proposal is realistic. I do not think they can make the cuts of that magnitude without doing harm to Medicare and Medicaid and the people those programs serve," and this bill that you are defending, it cuts $200 billion out of Medicare and Medicaid?

Mr. WAXMAN. As you well know, I am a strong supporter of the Medicare program. I would not want us to take any cuts that are not wise. But the fact of the matter is that the Clinton administration proposal would cut Medicare less than what some of the Republican proposals would do, and the Clinton proposal would take——

Mr. BLILEY. That is not the question. We are not talking about the proposals. We are talking about the Clinton——

Mr. WAXMAN. My answer to you is that we—the Clinton proposal would take the Medicare savings which they can legitimately accomplish, and give them back in benefits to elderly people through prescription drugs and home health care.

Mr. BLILEY. You are rationing care under this bill.

Mr. WAXMAN. You would take away benefits from the elderly.

Mr. BLILEY. Under this bill, you ration care. How do you propose to control the rate of growth in health care costs to no more than the CPI when none of our trading partners in the Western World are able to do that? In Canada and Great Britain, both are 3 or 4 percent above the CPI.

Mr. WAXMAN. Give me time for an answer.

Mr. BLILEY. I will give you time for an answer, but you took plenty of time before, so I am going to finish. Three or four percent above the CPI. And they ration care. How are you going to reach that goal without rationing care?

Mr. WAXMAN. I hope you will permit me to answer the question, because you are trying to scare people about rationing, and there is no rationing in the Clinton proposal.

Second, we are trying to legitimately hold down health care costs by telling the insurance companies to be able to hold down——

Mr. BLILEY. Please answer my question. How are you going to hold it down?

Mr. WAXMAN. I am trying to answer your question, if the gentleman would permit. I would like to answer your question if you would listen.

We will hold down health care costs by using market forces, by limiting what insurance companies can charge people. There is none of that in the Republican proposal at all.

The only way Republicans seem to hold down costs is asking people to pay more out of their pockets, and not everybody can afford to pay more out of their pockets, because they find health insurance unaffordable, and I do no think you have an answer to them in your proposal.

Mr. BLILEY. HENRY, you know better than that.

The Clinton plan rations care. It is the only way that you are going to be able to achieve those goals. When you run out of money just like in Canada, they go to close hospitals to all but emergency treatment. The elderly are going to have to wait for their hip transplants and their other routine procedures.

Mr. WAXMAN. I will tell you who is rationed now: the millions of people who have no insurance. The people who are rationed out of health care services are the 2 million who are added to the list of uninsured every month.

People have to be worried. If they have insurance now, they may lost it, and if they lose it, they are going to be thrown into the cold, because there is rationing against them.

The President proposes that everybody be covered. They get a choice of their doctor, their insurance plan.

Mr. BLILEY. Let me reclaim my time.

Mr. WAXMAN. And they get a basic benefit package. The Republicans promise none of that.

Mr. BLILEY. I would say to you that we had a plan. Senator Bentsen came up with a market reform in 1992. It passed the Senate on March 12 the first time and the second time on March 29. It was stripped out in conference.

Mr. WAXMAN. Is this a question or a statement?

Mr. BLILEY. You were in the conference. Why was it stripped out? Why did you strip it out if you were interested in people keeping their health insurance if they were out of a job? It was in this bill. We would have it now. Why did you strip it out?

Mr. WAXMAN. The gentleman does not understand fully what happened in that example, but the fact of the matter is——

Mr. BLILEY. Are you denying that it did not happen, that it was stripped out?

Mr. WAXMAN. I am denying a lot of things did not happen. We had a President named Reagan who did not even know there was a problem about people without coverage. We had a President named Bush who never came forward with any proposal. Now we have a President named Clinton who is taking the courageous stand of saying let us do something for the American people, not for the insurance companies, but for the people, and let us make sure working people get their insurance where they work. That is the way most people in this country get their coverage.

Mr. BLILEY. I do not think you meant to include Secretary Bensten as a tool of the insurance people.

Mr. CARDIN. I now yield to the gentleman from California [Mr. STARK] for his opening statement.

□ 2030

Mr. STARK. I thank the gentleman.

I am pleased to be here tonight to explain the goals of the President's plan. What is America about? It is about being a family and taking care of each other in troubled times.

Our goals are: permanent health insurance for everyone, affordable, quality, and individual choice. Our plan builds on our country's history. We have social security, and it is the time, gentlemen, for health security. It builds on the Old and New Testaments. We are called upon to help the sick. On the day of judgment we will be judged for our service to the sick.

I ask any of you who contest the question: Who in our Nation would you leave uninsured, afraid, and unable to seek care in their hour of sickness? Who, might I ask, gentlemen, in our Nation would you deny the same quality and choice and level of care that you yourselves as Members of Congress enjoy today?

And since the big insurance companies and drug companies and for-profit hospitals have brought us to this present dismal state, why, why would you question the need for the Federal Government to demand fairness and price restraint so that health care can be affordable to every American?

I do not have to defend the question. The Republican Members must defend caring so little about their fellow citizens that none of their proposals and none of their bills provide universal coverage, choice, or affordability.

Mr. CARDIN. I now yield to the Republican team to question Mr. STARK.

Mr. THOMAS of California. I thank the moderator.

It seems to me that I think we can stipulate at this point in the debate that all of us share these laudable goals that have been repeated over and over again.

Mr. STARK. I don't intend to stipulate.

Mr. THOMAS of California. We are all for life, we are all for taking care of all Americans. That is not the——

Mr. STARK. Well, no——

Mr. THOMAS of California. Well, I would tell the gentleman the first thing out of his mouth was that he wants to talk about the goals of the Clinton plan. The debate is about the elements of the Clinton plan.

Mr. STARK. The principal elements.

Mr. THOMAS of California. And I would ask the gentleman: Today, rather than the Federal Government, States and the private sector, driven by the increased costs of health care, are the engines of change and health

care reform. In our State, as you know, California has changed its malpractice law, changed the way insurance can be sold, created voluntary purchasing cooperatives to let the little guy voluntarily achieve the same buying power as large corporations. Our Republican plans build on these reforms. We keep them, and we expand them.

The Clinton plan, the plan that you are defending, would outlaw these kinds of changes taking place in the States and force them into a structure dictated by the non-elected national health board that would have the power, in addition to controlling that, of setting and enforcing a national budget for the entire U.S. health system.

Mr. STARK. That is not the question.

Mr. THOMAS of California. The question is: Do you believe that this key element, this non-elected board with vast powers——

Mr. STARK. What is the question? Would you repeat the question, please? I did get the question.

Mr. THOMAS of California. Well, I understand your confusion, since it is about an element of the Clinton health care plan. I understand your confusion.

The question is: The national health board, dictatorial, stopping all of the change that has been made in the States, controlling the prices, is it really the best choice for the American health system?

Mr. STARK. The best choice for the American health system are the goals of the President's health plan, which are to provide——

Mr. THOMAS of California. I would like to tell the gentleman we do not vote on goals, we vote on elements. What about this element of the President's plan, do you like it or not?

Mr. STARK. The gentleman is incorrect in stating the President's plan. But I would suggest to you——

Mr. THOMAS of California. Do you like the national health board in the President's plan, as you define it?

Mr. STARK. There is no—there are now several national health boards. There are those who recommend——

Mr. THOMAS of California. The board that is in H.R. 3600.

Mr. STARK. If I could finish my statement. There are now national health boards that provide quite well for advising Congress for what we need.

Mr. THOMAS of California. I would ask the gentleman, on page 92 of H.R. 3600, part V, "Role of the National Health Board," does he agree with the specific language in the President's plan?

Mr. STARK. No.

Mr. THOMAS of California. The scope and the breadth?

Mr. STARK. No.

Mr. THOMAS of California. No, you do not. Thank you.

Mrs. JOHNSON of Connecticut. Most doctors believe that women need to have a baseline mammogram at the age of 35 and should have one every year thereafter from the age of 40 on. Now, the document to which my colleague referred, the President's health plan, denies women coverage for mammograms until they reach age 50 and then provides every 2 years until age 65.

Many, many women in America enjoy much better insurance benefits than that. Does the gentleman who says that he supports the goals of the President's plan, which is choice and quality, support such a restrictive benefit plan?

Mr. STARK. Well, I, as a matter of fact—the benefit plan that I introduced today provided those goals, and the gentlewoman just voted against it.

Mrs. JOHNSON of Connecticut. My colleague, on pages 44 and 45——

Mr. STARK. At age 35. And the gentlewoman just voted against it this afternoon.

Mrs. JOHNSON of Connecticut. On pages 44 and 45 and on throughout, the President is very specific about denying benefits.

Mr. STARK. Why did the gentlewoman vote against it this afternoon? I am confused by her inquiry.

Mrs. JOHNSON of Connecticut. The question is——

Mr. STARK. The gentlewoman had a chance this afternoon to vote for that very same benefit, and she voted against it.

Mrs. JOHNSON of Connecticut. That is right, and you bet I did, for the very same reason the President is wrong. When you vote something in, you vote something out. I want a system that allows the private sector to choose exactly——

Mr. STARK. I thought you wanted mammograms. Let us stay on mammograms. You want mammograms, but you vote against it.

Mrs. JOHNSON of Connecticut. Now the people in America have that.

Mr. STARK. I am sorry?

Mrs. JOHNSON of Connecticut. The point is, if you vote mammograms in because of the money cost and the global budget, you have to say they can't have them early on when they need them.

Mr. STARK. Did you say you wanted mammograms or not? I am confused. You cannot have it both ways.

Mrs. JOHNSON of Connecticut. I want mammograms, and I want women to choose plans that give them all the mammograms they need.

Mr. STARK. You just voted against it this afternoon.

Mrs. JOHNSON of Connecticut. I want them to have all that they need.

Mr. STARK. You just voted against it.

Mrs. JOHNSON of Connecticut. I voted against Government having the power to define in or out, and you, sir, submitted a plan that will deny to America's women, men, and children innumerable health care services that they currently enjoy under their current insurance plan.

Mr. STARK. The question, if there was a question in that, I would——

Mr. CARDIN. Mr. STARK will have half a minute to respond.

Mr. STARK. I am just suggesting that the lady had a chance to vote for the mammograms that the Democrats provided this afternoon in markup. She voted against it. She cannot have it both ways.

Mr. CARDIN. The Chair now yields to Mr. THOMAS for an opening statement.

Mr. THOMAS of California. I thank the moderator.

It seems to me that it is evident tonight, based upon the initial opening statement of the gentleman from California, Mr. STARK, and his attempt to evade the questions, that either he has not read the resolve clause of this Oxford debate or he is very uncomfortable with the question that is supposed to be in front of us. I will repeat it:

Resolved that the Clinton health care plan best represents the elements that should be included in health care reform. Nowhere do we see goals; it is the elements of the President's plan. And I believe we have heard several responses tonight which indicate that they are far more comfortable talking about general ephemeral goals than they are about the elements of the President's plan.

Frankly, when the American people are going to be required to live under this plan, they are not going to be living under ephemeral goals, they are going to be living under a national health board that has the ability to set the prices for the entire health care delivery system of the United States. They are going to be told they can no longer have the insurance plan that they currently have. And at some point in this debate, I do hope we begin talking about the elements of the President's plan.

There has been waltzing outside these chambers for 6 months. I thought this would be an opportunity to engage on the elements of the President's plan and bring to the American people a better understanding so that they can make real choices. It is pretty obvious the opposition does not want to close on the elements of the President's plan.

Mr. CARDIN. I now yield to the Democratic team for questioning Mr. THOMAS.

Mr. STARK. I am reminded of "waltzing Matilda," and I would direct our first question, because it was again today that the gentleman, Mr. THOMAS, pontificated about helping medical teaching hospitals, to promote quality in health care. Last Friday you voted to cut $13.5 billion out of teaching hospitals in the next 5 years. Again, a question: Which way would you have

it? Would you help quality medical care, or would you continue to cut the very heart of the medical education system and use it to spend on defense or some other item?

Mr. THOMAS of California. First of all, I would tell the gentleman he is totally mistaken. The vote on the health—the teaching hospitals, was on a tobacco tax. I did not speak on that bill. In fact, it was voted to be tabled.

Mr. STARK. The gentleman voted——

Mr. THOMAS of California. May I answer the question? If you will take a look at the Republican plans and most specifically the plan that I carry as a sponsor in this House, we not only engage the problem of making sure that these teaching hospitals are adequately financed but we create incentives so that we move toward strengthening primary care doctors rather than specialists. In addition to that, we turn to the tax code and we tell these people who are willing to go to rural areas, we give them a tax incentive of $1,000 a month to try to get these people out into the structure.

□ 2040

Not only do our plans encourage and promote teaching hospitals, we nurture in a positive, incentive way——

Mr. STARK. Excuse me——

Mr. THOMAS of California. The direction that allows them to create a stronger base.

Mr. STARK. Cutting 13 billion out of teaching hospitals helps them. On the same day that the gentleman did that he voted to cut $45 billion out of Medicare. Did that help the seniors in their Medicare in the same way?

Mr. THOMAS of California. The gentleman, the gentleman is talking about, the Republican budget. Would you tell me how $45 billion in Medicare equates——

Mr. STARK. The President——

Mr. THOMAS of California. With the President's cut in Medicare in his plan? It is $124 billion over 5 years in the President's plan——

Mr. STARK. This was all——

Mr. THOMAS of California. And what does he do with those cuts? He turns around and gives millionaires taxpayers' money to pay for prescription drugs.

Mr. WAXMAN. I would like to ask the——

Mr. THOMAS of California. Does the gentleman think that's the appropriate way to deal with Medicare cuts?

Mr. STARK. We're asking a question.

Mr. WAXMAN. I read Mr. THOMAS' own bill on health care reform, and he would cut the Medicare program more than President Clinton, but he wouldn't use that for benefits for the elderly. He would give vouchers to low-income people, a worthy goal, but why do you take from seniors in this country to help poor people? That's hardly fair.

Mr. THOMAS of California. Why does the President take from seniors? He has repeated over and again the Medicare structure is full of waste——

Mr. WAXMAN. Does——

Mr. THOMAS of California. May I answer the question or not?

Mr. WAXMAN. If he did——

Mr. THOMAS of California. Can I answer the question?

The President cuts $124 billion from Medicare. He says he gets it from waste, fraud, and abuse, and what does he do with that money? He turns around and gives millionaires additional benefits——

Mr. WAXMAN. Are you willing——

Mr. THOMAS of California. Would the gentleman support, would the gentleman support means testing on Medicare?

Mr. WAXMAN. The gentleman wants to misrepresent the President's——

Mr. THOMAS of California. I'm not—how do I misrepresent the President's bill?

Mr. WAXMAN. Even if you were right, and you're not——

Mr. THOMAS of California. How did I misrepresent——

Mr. WAXMAN. To take the money——

Mr. THOMAS of California. The gentleman said I misrepresented the President's bill. It's $124 billion he's going to cut in Medicare?

Mr. WAXMAN. Gentleman answered the question? I don't blame you because I'd be embarrassed to answer that question.

Mr. THOMAS of California. You said I misrepresented the President's bill. Was it the $124 billion that the President is going to cut?

Mr. WAXMAN. Am I misrepresenting your——

Mr. THOMAS of California. Do you dispute——

Mr. WAXMAN. Obviously——

Mr. THOMAS of California. $24 billion——

Mr. WAXMAN. I actually dispute——

Mr. THOMAS of California. Billion that the President——

Mr. WAXMAN. That you say about the President, but you don't seem to be willing to dispute what I'm saying about your own legislation.

Mr. THOMAS of California. No. I am more than willing to share the reductions in Medicare squeezing out waste, fraud, and abuse just like the President does.

Ms. DELAURO. Mr. THOMAS, let me ask you. You support the plan, the Cooper plan, that you do not define——

Mr. THOMAS of California. Excuse me, Ms. DELAURO. I do not support the Cooper plan. I am not a cosponsor of the Cooper plan.

Ms. DELAURO. Well, let me ask you this then. There is no definition in any of the Republican plans of a comprehensive benefit package. The notion is that we will leave that decision to some national board, one in which a few minutes ago you said you don't like, but a national board will decide a comprehensive benefit package. You tell the American public to trust you and that you'll come up with a benefit package after the legislation is passed.

Mr. THOMAS of California. Yes. First of all, I have a choice of asking for you to ask the American people to trust you because under the President's plan Congress will log roll, pork barrel, play to lobbyists and create a national benefits plan.

Ms. DELAURO. Not true.

Mr. THOMAS of California. That is what the President——

Ms. DELAURO. Not true.

Mr. THOMAS of California. Congress doesn't create the benefit plan under the President's plan.

Ms. DELAURO. Do you ask——

Mr. THOMAS of California. The President's plan, the President's plan allows Congress to create the national benefits package. It is log rolling and pork barreling at its worst.

Ms. DELAURO. You ask the public to buy a pig in a poke, Mr. THOMAS.

Mr. CARDIN. Ms. DELAURO is recognized for a minute and a half. I yield a minute and a half.

Ms. DELAURO. Thank you. I am honored tonight to rise in support of the resolution that the Clinton plan best represents the elements that should be included in health care reform. It is the only plan before the Congress that assures that everyone is covered by private health insurance, every day, no matter what, and it's the only plan that attacks the core problem.

Insurance and medical costs are rising through the roof. Those costs rob working people of their wages and increases in wages and businesses of their competitiveness, and for many good people it has meant personal bankruptcy.

We're debating health care reform tonight because Bill Clinton had the courage to tackle the issue for more than a decade. The leaders of this country through two administrations did nothing while the insurance crisis worsened.

I come to this health care debate as a cancer survivor. I have seen the best in our health care system, and it saved my life. But I also saw the enormous costs. I don't begrudge the doctors and the doctors their fees, but imagine if my family had to face those tens of thousands of dollars of bills without insurance. What if I had been between jobs? What if I had worked for a small business that couldn't afford insurance?

The Clinton health care plan includes the essential elements of reform. Expanding the pool of the insured will control costs. Guaranteeing universal coverage ends cost shifting. Emphasizing preventive care lowers costs. Our experience teaches us that these meth-

ods will work, and we dare not falter before this challenge.

Mr. CARDIN. Yield to the Republican team to question Ms. DELAURO.

Mrs. JOHNSON of Connecticut. Ms. DELAURO, we would certainly agree that Connecticut's No. 1 problem is jobs. Do you know what percent of Connecticut's residents are uninsured at this time?

Ms. DELAURO. Connecticut has the highest rate of insured, lower than the national average which is about 15 percent.

Mrs. JOHNSON of Connecticut. No, it has 7.6 percent uninsured in Connecticut right now.

Do you know what percent Hawaii with an employer mandate has uninsured at this time?

Ms. DELAURO. Hawaii has been the—has come in below the average on what the national numbers are on employment, and, as a matter of fact, with regard to Hawaii——

Mrs. JOHNSON of Connecticut. The answer——

Ms. DELAURO. With regard to Hawaii, and you're a person, Mrs. JOHNSON, who believes that we ought to try what works.

Mrs. JOHNSON of Connecticut. That's right.

Ms. DELAURO. If you do take the example of Hawaii, they have seen their unemployment——

Mrs. JOHNSON of Connecticut. That's right. The uninsured rate, my colleague, is 8 percent. Connecticut's is 7.6 percent. For one-half of 1 percent why is it necessary to impose on the employers of Connecticut a mandate that you know will cost jobs in the short term and, worse yet, in the long term will slow the growth of jobs in a very——

Ms. DELAURO. Let's talk about small business, and I'm delighted that you talked about small business.

Mrs. JOHNSON of Connecticut. You bet. That's what——

Ms. DELAURO. I won't support a plan that doesn't have small business——

Mrs. JOHNSON of Connecticut. This will kill small business. Did you read the amount——

Ms. DELAURO. May I answer the question?

Mrs. JOHNSON of Connecticut. Yes, because I've got questions.

Ms. DELAURO. Let me tell you—if you allow me to tell you, I will do it.

Small businesses today have doubled the cost of health insurance since 1985. Smaller businesses today spend 35 percent more than the larger firms for health care.

Mrs. JOHNSON of Connecticut. Congresswoman——

Ms. DELAURO. Let me finish.

Mrs. JOHNSON of Connecticut. Congresswoman, don't you go home? When I go home——

Ms. DELAURO. I go home——

Mrs. JOHNSON of Connecticut. Small businesses tell me they are barely surviving, they don't have any margin, they're not able to provide 3.5 percent of payroll. How can you think——

Ms. DELAURO. You asked me a question——

Mrs. JOHNSON of Connecticut. That small business——

Ms. DELAURO. I'd like to answer it.

Mr. CARDIN. One moment. This has certainly been spirited back and forth through all the questioners, but I would like to ask that we would please allow the person to finish the question and at least give an answer before we follow it up.

Ms. DELAURO. I'd like to answer the question on small business because I believe it is a critical question. Let me address the issue.

Forty percent they pay in administrative costs in small businesses today. The current system is killing small businesses, and what we attempt to do with the Clinton plan is to allow small businesses to have the purchasing power to deal with the insurance companies to get lower costs and, secondly, what it does is it builds on the current system that we have in extending insurance in this country.

Mrs. JOHNSON of Connecticut. All kinds——

Ms. DELAURO. Extending——

Mrs. JOHNSON of Connecticut. If you had endorsed my bill 3 years ago, we could have given small business access to health care, health insurance——

Ms. DELAURO. Mrs. JOHNSON——

Mrs. JOHNSON of Connecticut. Would not have had——

Ms. DELAURO. Mrs. JOHNSON, you support a plan that would put a 34 percent tax on businesses who do more for their employees in terms of being good business people and try to provide more benefits. It would put a 34 percent tax on those businesses. You support that bill which would put most small businesses into a pool that would raise their rates sky high.

Mr. THOMAS of California. OK, Ms. DELAURO, under the Clinton health plan, under the Clinton health plan employers pay 80 percent of the costs——

Ms. DELAURO. Average——

Mr. THOMAS of California. Can I finish the question, please?

Ms. DELAURO. Yes.

Mr. THOMAS of California. They are forced to pay the 80-percent fee. The employees are supposed to pay the 20 percent. What happens if they don't under the President's plan?

Ms. DELAURO. What the Clinton plan says is that employers——

Mr. THOMAS of California. No——

Ms. DELAURO. Will pay the average, 80 percent of the average cost of the health care plan. Employees will pay the——

Mr. THOMAS of California. Twenty percent.

What happens if they don't?

Ms. DELAURO. That's right.

□ 2050

Mr. THOMAS of California. What happens if they don't? What happens if they don't?

Ms. DELAURO. What will happen, if you will let me answer the question, there are several things. First of all, employers will be able to——

Mr. THOMAS of California. No, employees, if they don't pay the 20 percent, what happens under the Clinton bill? A simple question.

Ms. DELAURO. Well, if they are out of a job——

Mr. THOMAS of California. No, we are talking about employees. Not unemployed. The employers pay 80 percent. Employees, workers of the employer, pay 20 percent. What happens if they don't pay their 20 percent under the Clinton bill?

Ms. DELAURO. What is meant to happen is that the——

Mr. THOMAS of California. Not is what is meant to happen. What happens under the bill?

Ms. DELAURO. There are discounts to those who qualify for the discount.

Mr. THOMAS of California. The answer very clearly is everybody else pays, because there is no compulsion under the President's bill.

Ms. DELAURO. Everyone pays now. They pay for those businesses——

Mr. THOMAS of California. I appreciate your knowledge of the bill you are defending, because you don't know it.

Ms. DELAURO. I know the plan very well.

Mr. CARDIN. Ms. DELAURO is recognized to answer the question if she knows the answer. The time in this round has expired, but Ms. DELAURO may answer the question if she wishes to answer the question at this point, before she is recognized. There was a question asked and she did not have an opportunity to respond. At the end, the Republican team was using the time.

Mr. THOMAS of California. Excuse me, Mr. Moderator, that question was asked with 2½ minutes left. It was a simple question and it was asked with 2½ minutes left in the timeframe. If she was unable to answer it within that time, that is her problem, not ours.

Mr. CARDIN. There were interruptions back and forth.

Ms. DELAURO. Employees will be able to pay the cost of their plan because the premiums are going to be less than what they are today, and if they need assistance——

Mr. THOMAS of California. If she is going to answer the question, she needs to respond to the question that was asked, not how they are going to pay it. What happens if they don't pay it. The question is what happens if they don't pay it.

Mr. CARDIN. On the exchange back and forth, we are trying to give as much leeway as possible. Under the agreed rules, if time expires at the end

of the 5 minutes and it is my judgment, the moderator's judgment, that there is need for time for a response, that I have the option of giving the respondent the extra 30 seconds. It will be uninterrupted at this point.

Ms. DELAURO. If the employees are unable to pay for their health insurance, if they qualify for a discount, they will be able to get a subsidy in order to be able to do it. That is what the Clinton plan says. In addition to which, as I said, what will happen is that the cost of premiums comes down. You may say it is wrong, but that is the way it is.

Mr. CARDIN. I now yield to Mrs. JOHNSON for a statement.

Mrs. JOHNSON of Connecticut. The majority leader opened this debate by talking about portability, about guaranteeing private insurance, choice, and security.

Four years ago, I talked with a young woman in front of a grocery store who had two beautiful children uninsured, and out of that experience I introduced insurance reform legislation, that if we had passed it 3 years ago, and not one of you cosponsored it, there would be no one today excluded for preexisting conditions, no one today the victim of job lock. And I also introduced—the Republicans introduced purchasing cooperatives, that would have lowered the cost of health insurance for all Americans. We expanded the infrastructure of health care. And we did something to control skyrocketing costs through administrative reform and the smart card that the President talks about. We have introduced all those ideas, and we are proud of it.

We want health care for all Americans that is affordable and high quality. We just don't want an employer mandate that costs jobs and slows the economy. He—we don't want global budgets and price setting that is going to result in rationing. We know that through the systems that we already have in place that the Government runs.

We don't want mandatory alliances that force every individual in America to give up the plan they have and go buy some other plan that the Government is giving them through their health alliances. We don't want to lose all those jobs in Connecticut and export them to other States, just because the Government decided that instead of purchasing nationally, we have to purchase state-by-state. So let's get back to the real issue, action on health care today.

Mr. CARDIN. The Democratic team may question Mrs. JOHNSON.

Ms. DELAURO. Mrs. JOHNSON, tell me: You don't want to have people forced into mandatory alliances, small businesses having mandates. Then explain to me how you can support a bill that would force small businesses into the highest risk pools, businesses of 100 or less, into a risk pool that would have the uninsured, Medicaid recipients, and small businesses, thereby causing small business premiums to continue to skyrocket, as they will, and how can you support a tax, a 34 percent tax on businesses?

Mrs. JOHNSON of Connecticut. As the Member of this House that introduced the first insurance reform bill, I know a good deal about pooling, and I can tell you that that pool is large enough so we can keep the low cost premiums of large pools, the low administrative costs and the low marketing costs.

If you look at the legislation that I personally promoted as the lead sponsor, you will see that we reduced the cost of insurance through providing a good, solid plan developed by the private sector on the basis of the kind of average plan that Americans have come to consensus about, that they want, not by a Government defining benefits in and out, not saying you, mammogram now, not later. You can have this and not that. But letting the public choose from plans, some of which provide mammograms and some of which don't, because if you are young you don't need mammograms. If you are older, you certainly do. I don't want the Government controlling that.

Mr. WAXMAN. You are letting insurance companies make choices for people, not people making choices for themselves. Let me ask you——

Mrs. JOHNSON of Connecticut. People have choices of what plan they buy. My reform legislation guarantees that choice in the public and private sector.

Mr. WAXMAN. I know you would like to give another speech. My question to you is with insurance reform, you can do some good, 200,000 people may get covered. But there are 39 million. Why not have shared responsibility of employers and employees? That is the way most people, 9 out of 10, have their coverage today. If we adopted your proposal, what assurance do you have that the uninsured will ever really get insurance if they can't afford it?

Mrs. JOHNSON of Connecticut. I will give you the insurance. The Republican side introduced the first bill that would have exploded the infrastructure to guarantee all 37 million of those uninsured access to our good community health systems, and, in addition, we lowered the cost of insurance so they could have their choice. We provided options choice so that everyone in America would have access to affordable care.

Mr. WAXMAN. Who would pay for that insurance? Individuals?

Mrs. JOHNSON of Connecticut. Individuals would pay for the insurance.

Mr. WAXMAN. If they can't afford it, they go without. If their bosses don't help them, they can't afford it.

Mrs. JOHNSON of Connecticut. Listen to this. In the community health center, they pay according to a sliding scale. For the insurance they would pay on their own, unless they were low income, and then they have vouchers to help subsidize the cost. So we provide universal access to affordable care for all Americans.

Read our stuff. Read our stuff. But we don't have health alliances that will export jobs from my State. We don't have mandates on small business that will retard the growth of the very good venture capital, little companies, that our future as a nation depends on. And we don't go to global budgets and price setting and state budgets.

Mr. GEPHARDT. Mrs. JOHNSON, why don't you want to do something about costs? Eighty percent of the American people are covered, have health insurance. Their problem is they are not going to be able to afford it. Nothing in your plan does anything to hold costs down, to give people affordability.

Mrs. JOHNSON of Connecticut. No, three things do. There are lots of things about holding costs down. First of all, the cost driver is the increased ability to diagnose and treat illness. We know a lot more about diagnosing. We can do a lot more tests and treatment. I want a solution that guarantees you will still get the diagnosis and treatment you want. I don't want arbitrary global budgets that will deny you treatments or care when you need it. I want to change the system so it makes better decisions, doesn't duplicate tests, doesn't provide inappropriate care, doesn't give you stuff you don't need just to make a profit, and that is what the Republican system does.

Mr. STARK. The gentlewoman's expertise is known far and wide in the medical area.

Mrs. JOHNSON of Connecticut. I earned it on my own.

Mr. STARK. How would the system improve on the system known as Medicare?

Mrs. JOHNSON of Connecticut. How would I improve Medicare? I would improve Medicare by allowing all Medicare patients in all States, not just 15, to have access to the Medicare Program that is a managed care program, and for the same premium gives you prescription drugs. But we haven't been willing in Congress to open up Medicare to the private sector, God forbid, even though seniors could get more care, prescription drugs, and more options.

Mr. WAXMAN. I find that very peculiar. Medicare people go in the private sector.

Mr. CARDIN. The time for this section has expired. The Republican team is now yielded time to question Mr. GEPHARDT.

□ 2100

Mr. GINGRICH. Let me say that I am delighted that finally we can now get to what I believe the Democratic side

agreed to defend, which is the bill introduced by Mr. GEPHARDT for himself and a host of others in the title H.R. 3600 which I think was the topic of the debate, not what Mr. STARK decided to replace the bill with, because he did not like this one, not with what Mr. WAXMAN will later on replace the bill with, not the various versions that Ms. DELAURO decided to have but, rather, the bill you were supposed to be defending, H.R. 3600.

I want to go back to the topic of mammograms for a second, because my good friend, who is a very modern and wise person. knows that we are in the middle of a biological revolution. He knows that there is genetic research. He knows that there are many things going on.

Do you really think it makes sense, from page 40 to page 47, to write into law which tetanus shots, which inspections, which mammograms at which age, to have the Congress of the United States writing into law with the cumbersome, slow, politicized procedures we have, to lock into law these kinds of situations, and in the Clinton bill, which you are defending, to block mammograms for women who are, I believe, under 45.

Mr. GEPHARDT. I would rather have mammograms between 40 and 47 than not at all, which is most of your plans. You do not have any benefit package that is described. You do not. There is nothing in the Michel plan that you all endorse, there is absolutely no benefit package. You turn it over to the insurance board. I would rather have the Congress, the elected Representatives. make those kind of decisions.

Let me say this, if you want to have more mammograms, as Mr. STARK said earlier, we would be happy to have your support to work with us to get the mammograms for women at a much earlier age.

Mr. GINGRICH. Let me just say to my good friend, first of all, that what you just said about the Republican plan is not true, unless the only things that every count in life are mandated and required by a Federal bureaucracy. Our plan allows women and their doctors to choose. I realize that if you believe in only government and bureaucracy, our plans seems invisible.

But let me carry you back again to page 43 and 44 of the Clinton plan you are defending, which says you have got to be 50 years of age. Do you really believe in the plan that you are defending in this particular debate that that is a wise provision? Are you prepared to defend to every woman under 50 that her government by law, by law would block her from getting that mammogram?

Mr. GEPHARDT. Let me say again, Mr. GINGRICH, something is better than nothing. What you are offering the American people is nothing. You do not have a described benefit. You are buying pig in a poke if you buy the Republican plan.

At least with the Democratic plan, we have described benefits. And again, we welcome you to work with us. We need your help.

Mrs. JOHNSON of Connecticut. We gave them the right to choose it. And half the managed care plans provide mammogram reimbursement for women of all ages.

Mr. GEPHARDT. You say, yes, you can all have health insurance like you can have it today, if you can afford it, if you can continue it.

Mrs. JOHNSON of Connecticut. We make it affordable.

Mr. BLILEY. I would like you to comment on the letter I received from one of my constituents, Ed Gooding. He operates a small data processing company in Richmond, VA. He has 70 people on his payroll, and he is fortunate in that he had been doing well enough to be able to purchase health care for his people.

Can he continue on his way with the Clinton plan? No; his costs for health care will rise from $162,000 to $253,000 under the Clinton plan.

Where will he get that money?

As his letter points out, this means more of his money will come to Washington and will go out of the local economy. Couple that with the fact that "my employees will also end up with inferior coverage to what they have now."

Do you have a response for Mr. Gooding? How this plan of the President's is going to help him?

Mr. GEPHARDT. First, Mr. BLILEY, I think maybe you misdescribed the Clinton plan to your constituents, because if he really understood what is going on here, he would know that it is the Clinton plan that finally gets his colleagues in small business and other businesses to be involved in health care.

The reason his health care costs are going through the roof today is that he is trying to do the right thing, and that is to obtain insurance for his employees, while about 30 percent of employers simply are not doing it.

Mr. BLILEY. He has got to pay the $253,000. The difference between $162,000 and $253,000, that is his problem. He has already got the insurance. He loses his insurance and his people are going to get less, and he is going to pay more.

Mr. GEPHARDT. I think his problem today is that the plan we are operating under today, and what you would persist under your plan, simply leaves people who do not provide it out there to do it. They are getting by with something that others are not doing. Let us get everybody involved in health care. Everybody ought to be responsible, everybody, every employer and every employee.

Mr. CARDIN. I now yield to Mr. STARK to question Mr. THOMAS.

Mr. STARK. Thank you.

BILL, I know that you, too, are an expert, probably the Republican expert in the area of health care.

Mr. CARDIN. I have to interrupt. I want to make sure we go in the right order. It should now be up to the Democratic team to question Mr. GINGRICH. I do not want to let Mr. GINGRICH lose that opportunity.

Mr. GINGRICH. I was willing to allow the moderator to leap onto this.

Mr. THOMAS of California. I loved that flattery. I thought it was going to go somewhere.

Mr. GEPHARDT. We would have missed our opportunity.

Mr. GINGRICH. We now know that I am not the leading expert on health care on this panel. I feel the burden is lowered.

Mr. GEPHARDT. Mr. GINGRICH, you mentioned in your opening statement your daughter, who had to wait a year to get health insurance, and that is precisely the kind of problem that we think the Clinton plan solves.

The plan you support, the Republican plan, the Michel plan, would keep your daughter waiting 6 months, if she had a condition 3 months before she bought health insurance.

Further than that, if she got sick while she had health insurance, under the Michel plan that you support, her premiums could triple, quadruple.

Is that the kind of plan you support?

Mr. GINGRICH. Let me say to my good friend, first of all, there are several Republican plans that I have supported, and they have evolved over the last 2 years. They would guarantee that you would have portability, and they do guarantee that you would be protected against this kind of precondition.

But let me tell you, in the context of Ms. DELAURO'S earlier comment, which I respect a great deal, about the cancer that she had recovered from, why my daughter and I, my daughter is a small businesswoman who is afraid she would have to lay off some of her employees. She runs a small coffee company in Greensboro, if I can get a plug in for her. I will tell you why she and I both fear the Clinton plan.

In the process of creating these large bureaucratic alliances, our fear is that 10, 15 years from now, as is happening in Canada and Britain, you would not have the cures for cancer. We just saw a news report from Canada over Christmas where they closed the hospitals for 3 weeks, including the cancer therapies, including the AIDS therapies. And they said, if your child is 4 years old and has got a high temperature but is not vomiting, do not bring them in.

Now, we look ahead and we say, what price are you charging us for this ephemeral hope of universal coverage the way you do it?

Mr. GEPHARDT. We are not talking about the Canadian plan. We are talking about the Clinton plan, and what we are saying is that we get rid of preexisting conditions. The plan you support does not. It would not help your daugher. Our plan does.

Mr. GINGRICH. That is not true. We are not here to defend the Michel plan. We would be glad to have the debate, if you would like to choose that topic, to defense any of the Republican plans: Gramm, Nichols, Stearns, Michel, Thomas. There are a number of good Republican plans.

But let me come back to the comparison, because I think what you said, I would say to my good friend from Missouri, is just not right.

The Clinton plan and Mrs. Clinton's testimony guaranteed a lower rate of increase in budget than any Western country has ever gotten, a lower rate than Canada, a lower rate than Germany. And the only way, the only way you can get to that lower rate is, in fact, to ration health care.

And my fear is, and I have been told, by the way, by many medical hospitals, research hospitals, that now that they have read the Clinton plan, they are terrified of the Clinton plan because it will destroy medical research and lead to rationing of all sophisticated care.

Mr. WAXMAN. Mr. GINGRICH, you quoted a number of people this morning. I would like to cite back to you your statement to the press. You called the Clinton health care proposal socialism.

A lot of us remembered that being said about Medicare. We remember the Republicans saying that about Social Security. And now that President Clinton is trying to make sure that every American gets a private health care insurance policy, you call it socialism.

Do you really believe it is socialism?

Mr. GINGRICH. That is a very good question, Mr. WAXMAN. I will cite two sources. One of my sources is the book "Reinventing Government," by David Osborn, who was the Clinton's advisor, who said, flatly, the West German socialist model is the model, not Canada, West German socialism.

Second, I would say to my good friend, if you will turn to page 109 of the bill you are supposed to——

Mr. WAXMAN. You are quoting the page number from the Clinton bill. But then you want to disassociate yourself from the bill that all the Republicans are for.

Mr. CARDIN. Let Mr. GINGRICH have a chance to respond.

Mr. WAXMAN. Do you not think that is a scare tactic, referring to it as socialism?

Mr. GINGRICH. I certainly hope that Mr. WAXMAN's introductions are not taken out of our time.

If you look at page 109 of the bill you are supposedly defending, the Clinton plan, you will see a provision that allows a State government to take over all health care in a State. If you turn to page 110, you will see that it says at the top, "at the option of the State, the system may sign up everybody on Medicare."

At the option not of the citizens on Medicare, not at the option of the senior citizen, "at the option of the State."

□ 2110

Mr. GINGRICH. I would say to my friend——

Mr. WAXMAN. Do you think people on Medicare are on the Socialist health care plan?

Mr. GINGRICH. No. This allows the State of Louisiana——

Mr. WAXMAN. It is funded by taxes.

Mr. GINGRICH. If I might, let me go back and just repeat my statement. This allows the government of a single State, Louisiana, Arkansas, Maryland, Georgia, a single State, to decide to control all the health care in the State.

Mr. GEPHARDT. I thought Republicans were for a Federal system, and Federalism, and wanted States to help out.

Mr. GINGRICH. Republicans are certainly not for the Federal Government taking away your health control, giving it to a local Governor and State legislature to plan it the way they want to and then saying, "You have no choice, you must do what that State government wants." I think that is fairly close to socialism.

Mr. GEPHARDT. If the people in the State do not like it, they can get rid of the government.

Mr. CARDIN. I now yield to the gentleman from California [Mr. STARK] to question Mr. THOMAS. You don't have to go through all of that.

Mr. THOMAS of California. Where were we when we were interrupted?

Mr. STARK. I would ask, Mr. Speaker, for the very poorest and those for whom medical care is not available, who would you suggest is responsible in the final analysis, who should provide the safety net for the unemployed or the poor in this country?

Mr. THOMAS of California. I think without question that the ultimate provider and supporter of those who have no support would be the Government. The question, I think, is why——

Mr. STARK. I asked the question. I'm sorry, you can ask me——

Mr. THOMAS of California. I'm going to answer the question.

Mr. STARK. You just said it. Your answer is fine. You think it should be——

Mr. THOMAS of California. I would then like to say the question is when, how much, under what circumstances, who pays, and what are the consequences of all of those decisions.

Mr. STARK. Now answer your own. You said it quite well. You said it should be the Federal Government and the question is when. When do you think that should come into effect for the 37 million uninsured? Do you have a time in mind?

Mr. THOMAS of California. First of all, tell me, the universe is going to be the current 37 million?

Mr. STARK. Uninsured.

Mr. THOMAS of California. First of all, the 37 million——

Mr. STARK. Who are poor. I defined them earlier.

Mr. THOMAS of California. Please, please, please. The 37 million uninsured are those that you said Government should support.

Mr. STARK. And you agreed.

Mr. THOMAS of California. I think you need to look at that 37 million, and they are not the poorest of the poor.

Mr. STARK. I defined that and I just asked you when.

Mr. THOMAS of California. There are a majority of people who are earning above the poverty level.

Mr. STARK. Excuse me.

Mr. THOMAS of California. They are young people who did have insurance today——

Mr. STARK. The gentleman did not understand it.

Mr. THOMAS of California. I understood it. You did not ask it right, I think.

Mr. STARK. I said the poor and the uninsured who in no other way could get insurance, and I think you answered. You answered that.

Mr. THOMAS of California. No, that is the question. They can get insurance. It is not that they cannot get insurance.

Mr. STARK. When should that group get insurance who are poor, poor uninsured, unemployed, and who in the final analysis the Federal Government should support? I agree with you. At what point in time should we have that in place? By the end of this decade or when?

Mr. THOMAS of California. The first thing you do is examine those 37 million to find out who could afford it, but given the failure to change insurance laws in the country today on a uniform basis, they refuse to do it. Find out those who are more than willing to pay catastrophic insurance——

Mr. STARK. When should they be covered when we find that out, what time?

Mr. THOMAS of California. If we are talking about 12 or 15 million, which is really a high number to begin with——

Mr. STARK. I will stipulate to that.

Mr. THOMAS of California. Let us do it tomorrow. Let us take all of that money you are saving under the President's plan in cutting Medicare and pay for those people's coverage instead of giving millionaires prescription drug benefits, then,

Mr. STARK. What level of benefits—we are making progress. The gentleman has agreed, if I could identify it, the gentleman has agreed that there are a group, perhaps as many as 10 million, maybe not, that the Federal Government should finally——

Mr. THOMAS of California. I would say 7 to 9 million, if you are going to boil it down to the smallest group.

Mr. STARK. The Federal Government should provide it immediately.

Would the gentleman now like to say what level of benefits—should they receive benefits as generous as you and I receive from the Federal Government?

Mr. THOMAS of California. I think if the gentleman is going to argue——

Mr. STARK. I just asked the question.

Mr. THOMAS of California. Yes. Yes. They should.

Mr. STARK. We are making progress. We are making progress.

Mr. THOMAS of California. How is the gentleman going to pay for it?

Mr. STARK. For those for whom it is unavailable, the Government should do it immediately, if possible, with benefits about as generous as we have. Now, how would you suggest we all pay for that?

Mr. THOMAS of California. I suggest that we take a look at the way in which win money is currently spent today for those people who could otherwise afford their insurance but have Government subsidies for them. Let us begin with means testing Medicare, so that millionaires don't get prescription drugs. Let us not talk about providing long-term benefits for people who are more well-off than the average American. Let us take that money immediately and transfer it to the poorest of the poor, so that instead of a subsidy to millionaires, we do pay for the health care costs of the poor.

Mr. STARK. If that is not sufficient, then what?

Mr. THOMAS of California. It is sufficient. Let me tell you, it is more than sufficient. The President has identified the money, $124 billion to provide new benefits for the entire Medicare population. All we are doing is taking that money and directing it to the 7 or 9——

Mr. STARK. You don't disagree with that, then, is that correct?

Mr. THOMAS of California. If you promise me that that is what we will do tomorrow morning in the Health Care Subcommittee, we can lock that up right away.

Mr. STARK. The Federal Government——

Mr. THOMAS of California. Let us means test Medicare and give it to the people who really need the money. I am with you on that.

Mr. STARK. First you will have to agree to the Federal Government providing the care. If that is what the gentleman agreed to, there could be some progress.

Mr. THOMAS of California. What I agreed to was means testing Medicare, taking money away from people who are getting it now, who really don't deserve it, and giving it to the people who do, and I agree with the gentleman that those people need it. It is available. You folks simply refuse to do that.

Mr. STARK. Is the gentleman opposed to other forms of progressive taxation?

Mr. THOMAS of California. I didn't hear the gentleman.

Mr. STARK. Is the gentleman opposed to other forms of progressive taxation?

Mr. THOMAS of California. Other forms of oppressive——

Mr. STARK. Progressive.

Mr. THOMAS of California. Of course.

Mr. STARK. You were opposed to them?

Mr. THOMAS of California. I'm not opposed to them.

Mr. STARK. We could use other forms of progressive taxation to achieve these ends.

Mr. THOMAS of California. If the gentleman refuses to means test millionaires for getting prescription drug benefits. I guess you have to look to other sources. I would prefer looking there.

Mr. STARK. I thank the gentleman.

Mr. CARDIN. Mr. THOMAS, I now yield you the time to question the gentleman from California [Mr. STARK].

Mr. THOMAS of California. Mr. STARK, in today's Washington Post there was a full page ad, an open letter to President Clinton from 565 economists from all 50 States. They say, "Mr. President, price controls produce shortages, black markets, and reduced quality. Your plan," the Clinton Plan, the plan we are discussing tonight, sets the fees charged by doctors and hospitals, caps annual spending on health care, limits insurance premiums, and imposes price limitations on new and existing drugs. These controls will hurt people and they will damage the economy. We urge you to remove price controls in any form from your health care plan.

You have 2 minutes to tell me why these 565 economists from 50 States are wrong.

Mr. STARK. Mostly, I read through the list, they were mostly second-rate economists, and so I can understand, they wouldn't get their name in print any other way than to buy it.

Mr. THOMAS of California. Mr. STARK, I did not ask you to cite their credentials. I asked you to tell me why.

Mr. STARK. I saw the ad. I took the trouble to vet them out. They are not worth the paper that ad is printed on.

Mr. THOMAS of California. Are they wrong?

Mr. STARK. Of course they are wrong. They were put up to it by some right wing think tank.

Mr. THOMAS of California. Does the President's plan limit insurance premiums, yes or no?

Mr. STARK. That group was put up to that nonsense by some right wing think tank.

Mr. THOMAS of California. No. Does the President's plan limit insurance premiums?

Mr. STARK. Wait a minute. We are talking about that nutso group who put up——

Mr. THOMAS of California. Yes or no, yes or no.

Mr. STARK. They bought their own billboard because nobody else would pay any attention to them, and the gentleman got suckered into that.

Mr. THOMAS of California. The question is, does the President's plan limit insurance premiums, yes or no?

Mr. STARK. The President's plan would control costs through two methods, if the gentleman——

Mr. THOMAS of California. Does it limit insurance premiums?

Mr. STARK. The gentleman at the end of the table is reading it. I mean that the President limits coverage in two ways, controlling——

Mr. THOMAS. He does limit insurance premiums. He does. Why are they wrong?

Mr. STARK. The President limits fees for doctors and hospitals, and limits amounts paid as we do now under Medicare, as the gentleman well knows, for premiums for plans. It it a very good cost containment system, the same one the gentleman uses and helps me legislate with, over Medicare.

Mr. THOMAS of California. Does the President's plan impose price limitations on new and existing drugs?

Mr. STARK. I should certainly hope so, after the experience we have had with the ripoff of this AmGen Co., which is making unconscionable profits on people who need dialysis, unwilling to bargain with the United States, while we throw the taxpayers' money away at these unscrupulous profiteers in the drug industry. I should hope that the gentleman would have the wherewithal to want to protect the taxpayers——

Mr. THOMAS of California. The gentleman agrees with these second class economists.

Mr. STARK. The gentleman does not care about the taxpayer's money, it is obvious.

Mr. THOMAS of California. You found something to agree with the second class economists.

A key element of the Clinton plan is the herding of Americans into something called alliances. As you well know, the alliances are mandatory health plans, making illegal virtually all of the current health plans for Americans.

If this is necessary, and first of all I would ask you if you believe the mandatory alliances outlined by the President are necessary, then why should people be forced into these plans? Do you believe they are necessary?

Mr. STARK. The gentleman correctly states my position. I support alliances such as the CalPers plan in California, but not——

Mr. THOMAS of California. That is not the President's plan.

Mr. STARK. I do not find that it is necessary to mandate them, and I find that alliances, like managed care, grow quite well by themselves, thank you.

Mr. THOMAS of California. So you agree, then——

Mr. STARK. I would support making alliances and coops available to people to help them do what the President does. I don't think it is necessary to mandate them.

Mr. THOMAS of California. So you don't support the President's plan forcing all Americans into alliances?

Mr. STARK. I support the concept of collective buying and I support the concept of consumer empowerment. I don't think it is necessary to make it mandatory.

Mr. THOMAS of California. And you don't support the President's plan in that regard?

□ 2120

Mr. STARK. That is correct.

Mr. THOMAS of California. That key has controls, the structure which controls the flow of money, through which every American will be buying their health plans, you believe, is not a key element of the President's plan?

Mr. STARK. I believe the key element is what is missing in your plan, and that is that every American gets health insurance, and you do not do that.

Mr. THOMAS of California. In my plan——

Mr. STARK. I believe it should control costs, and you do not do that.

Mr. THOMAS of California. You are wrong; you are wrong.

Mr. STARK. I believe that we should control quality, and you do not do that.

Mr. THOMAS of California. You are wrong. I would love to take an hour on the floor discussing the Thomas-Chafee plan.

Mrs. JOHNSON of Connecticut. I would love to take an hour on the floor to explain your plan does nothing.

Mr. THOMAS of California. You are wrong.

Mr. STARK. Which is at least what it would take.

Mr. THOMAS of California. It seems to me that you would spend a little more time on the President's plan looking at the key elements like these compulsive, mandatory alliances which will force all Americans to give up their current insurance even if they are not part of the problem. But I am pleased to know the gentleman agrees with me.

Mr. STARK. I skipped right over the mandatory alliances and looked at his goal, which is to provide health care to every American at a price they can afford and at a date certain with a benefit level that we all understand, which no other plan does.

Mr. CARDIN. I now yield to the Republican team who may question the gentleman from California [Mr. WAXMAN].

At this point, it might be good for me just to ask both teams, if they would, the time belongs to the questioning team, but if we could allow a little bit less interruption when the questions are being given and the responses are being made, it may facilitate the debate.

The Republican team is recognized.

Mr. BLILEY. Thank you, Mr. Moderator.

Mr. WAXMAN, under the Clinton plan, every American who is currently insured will have to give up his or her health plan no matter how satisfied he or she may be with it. They will then have to go to this bureaucracy called an alliance and get their health insurance from the Government.

Why should most Americans have to give up what they have in order to provide coverage for those that are uninsured?

Mr. WAXMAN. The gentleman is absolutely incorrect about the circumstances for most Americans.

All Americans under Clinton's proposal will have choices, and one choice they will have is to stay in the plan they now have if it meets the minimum benefit package, but people will have choices, because they will have an opportunity to go to a number of different plans, and those choices are evaporating quickly for the insured as they are forced into managed care, which is maybe not where they would like to have themselves and their families receive medical care; and people who do not have insurance, I can assure you, have no choice at all.

Mr. BLILEY. If I have a plan with the Prudential Insurance Co. today under the Clinton plan, and I am satisfied with it, I would have to give that up and purchase a plan, one of the approved plans, from the alliance?

Mr. WAXMAN. If your plan——

Mr. BLILEY. Why should I have to do that?

Mr. WAXMAN. If your plan meets the specifications of the benefit package, and there are a lot of plans out there now that are really pretty skimpy, but if your plan meets that benefit, then you may choose that plan. I think it is your right to choose.

Mr. BLILEY. Let me——

Mr. WAXMAN. People do not get a choice today, and President Clinton will give them that choice.

Mr. GINGRICH. What you just said, let me say to my friend, and I notice what you just said, and it goes to the core, I think, of one of the major differences between our two sides.

That is not if the plan is the one I want, not if the plan is the one my family likes, not if the plan is the one our doctor and hospital and we have created, if the plan happens to meet what the bureaucrats have decided under the National Health Board is OK, so is it not true that if they do not meet that criteria, every American, even if they are satisfied, would have to give up their current plan if it does not meet the criteria of the bureaucrats.

Mr. WAXMAN. I am amazed how Republicans want to tell the American people to be afraid of something when they are so wrong about what the proposal would do.

The American people should understand that they will have a choice. They will have the insurance plan that they want. They will have more than one choice. The Republican idea——

Mr. THOMAS of California. No. Not that they want. No.

Mr. WAXMAN. The Republican idea—and it will be affordable, but the Republican idea is that they should have to pay more out of their pockets in order to receive insurance coverage; if they do not have it, they still will not have it. There is nothing you will do for them.

Mr. GINGRICH. Let me ask you, is it not true that in this bill, a State could establish by a vote of the State legislature a single-payer plan in which you would have no choices except those given you by the State legislature?

Mr. WAXMAN. The gentleman is absolutely incorrect. The single-payer plan——

Mr. GINGRICH. Have you read the plan?

Mr. WAXMAN. I tell you, you are incorrect. You may not want to hear it, but you are wrong. A single-payer plan is Medicare. Medicare will pay to see any doctor you choose. If you want to sign up in an HMO, you can do it. It is a single-payer plan if the State chooses.

Mr. GINGRICH. Wait a minute, page 108, if the State chooses, the State has chosen for you.

Mr. WAXMAN. By the vote of the State legislature, duly elected legislature and Governor, may decide they can have everybody enrolled in a plan, enrolled in a system, where they would then choose whatever doctor or plan they want.

Mr. GINGRICH. Let me suggest here, page 109, just so you know that I am not making this up: "State law provides for mechanisms to enforce the requirements of the system. The system is operated by the State or a designated agency of the State."

Mr. WAXMAN. Do not get bogged down in reading words and misinterpreting them.

Mr. GINGRICH. Let me finish.

Mr. WAXMAN. If you agree with my principles——

Mr. GINGRICH. Mr. Moderator——

Mr CARDIN. The time belongs to the Republican team.

Mr. GINGRICH. Let me finish. Page 110, "Mandatory enrollment of all regional alliance individuals." I am just pointing out to you the words, and here are not the words: "choice," "you control your own," "you have any kind of control." The words in here are your Governor and your State legislature

can take over your health and your insurance and define for you; what if, by the way, they decide not to contract with the Mayo Clinic; what if they decide not to contract with the Cleveland Clinic; what if they decide that you only get to go in your State to your local hospital? Would that be possible?

Mr. WAXMAN. If the gentleman would permit me, let me clarify, there is a clear specification that all of the teaching hospitals and tertiary care centers will be a part of every plan. There are protections in there for needed community facilities to be in every plan.

The alliances, which the President has as his proposal as to how to accomplish his goals, let us accomplish his goals any way we want, and his goals are to let every American get coverage for an affordable health care plan, and they will have choices, not the insurance company choosing for them, but choices that they make for themselves and their families.

Mr. CARDIN. I now yield to the Democratic team to question the gentleman from Virginia [Mr. BLILEY].

Mr. GEPHARDT. Mr. BLILEY, you were talking before about the question of choice. You were talking also about costs, and I would simply like to ask why it is that none of the Republican plans, except perhaps the plan by the gentleman from California [Mr. THOMAS] and the gentlewoman from Connecticut [Mrs. JOHNSON], really tries to get everybody involved in health care, really makes an attempt. I do not agree entirely with the way they do it, but at least they have made an attempt. Why are you not for that?

Mr. BLILEY. Why are you refusing to debate the question which is today the Clinton Health Plan? Why are you wanting to talk about the Republican plan? The Clinton plan is—we will take some time later and discuss any plan you want, but tonight we are discussing the Clinton plan.

Why do you run away from it at every opportunity?

Mr. GEPHARDT. We are not at all running away from it. I am very proud of it. I am happy to talk about it. But I get to ask you a question, and my question is: We are talking about elements of plans that get the job done.

Mr. BLILEY. The elements of three plans.

Mr. GEPHARDT. Why are you not for a plan that gets everybody involved with their responsibility to have health care?

Mr. BLILEY. We are interested in getting everybody involved, but we do not believe that one size should fit all, that people should have the choice of who their doctors should be. We think people should not lose their insurance when they leave their job. They should be able to carry it with them.

We believe that they should not have their insurance denied for a preexisting condition, or if they get sick. We believe that we should have serious malpractice reform.

Mr. GEPHARDT. Mr. BLILEY, you are a sponsor of the Michel plan. The Michel plan does not take care of preexisting conditions. It limits them, but it does not get rid of them. If you get sick while you, under your insurance policy——

Mr. BLILEY. Well, I do not think, I say to the majority leader, I do not think any plan gets rid of a preexisting condition.

Mr. GEPHARDT. The Clinton plan does.

Mr. BLILEY. It does?

Mr. GEPHARDT. It does.

Mr. BLILEY. It cures people?

Mr. GEPHARDT. It does. It gets rid of it.

Mr. BLILEY. What is the cure for AIDS? Is it in here?

Mr. STARK. The gentleman is brighter than that. The gentleman is listening to the chorus behind him. You are being confused by these people throwing answers at you. You are brighter than that, Mr. BLILEY. No, sir, you know that a preexisting condition refers to an insurance term. The gentleman is hiding behind a corn pone vernacular that does not do him justice. He is a brilliant scholar, and I know that he knows that preexisting conditions refer to an insurance condition. Your plans do not eliminate preexisting conditions, and the President's plan does.

Now, do you believe that we should limit insurance companies from using preexisting conditions to deny insurance, and if so, why do not any of your plans do that?

Mr. BLILEY. The Michel plan does that. Read it.

Mr. STARK. No. It does not. It simply does not.

Mr. GEPHARDT. It does not. You can quadruple premiums if you get sick on the plan, while you are on the plan. Nothing in the Michel plan stops an insurance company from doing that. If there is one thing we need to do——

Mr. STARK. The man behind you said page 13——

Mr. BLILEY. Page 13, Mr. Majority Leader. Read it.

Ms. DELAURO. It furthermore allows you to charge more for older workers than for younger workers.

Mr. BLILEY. Do you have a question, Ms. DELAURO?

Ms. DELAURO. It furthermore charges more for older workers, older people, than younger people. I am just saying that you make statements about the Michel plan that are absolutely wrong. You do not know what bill you have signed on to.

□ 2130

Mr. BLILEY. Page 13, it says no limit on preexisting condition. You cannot deny insurance for a preexisting condition.

Mr. GEPHARDT. But it does not say they are prohibited from raising premiums on the people.

Mr. BLILEY. We do not believe in price controls, you are exactly right.

Mr. GEPHARDT. We believe that they should not be able to do it.

Mr. STARK. There is a case of a woman in my district who is 8 months pregnant, had her policy canceled, and the company said, "You may continue that policy for another month for $17,000." Is that what the Michel bill does? Is it not?

Mr. BLILEY. No, no. Now, wait a minute, let me answer. May I answer the question.

Ms. DELAURO. Under the Michel bill, as a cancer survivor I could not be covered.

Mr. BLILEY. Mr. Moderator, I ask for regular order, if you please. Mr. STARK asked me a question. Do I not have the right to answer before Ms. DELAURO interrupts? Thank you, Mr. Moderator.

It does limit how much premiums can increase. So the sky is not the limit.

Mr. STARK. But that is, in effect, not providing a limitation on preexisting conditions, is that not the case?

Mr. BLILEY. Repeat the question.

Mr. STARK. That does not limit preexisting conditions? That says you charge more for them, does it not?

Mr. BLILEY. But it doesn't—it says you cannot deny. It certainly does, it says you cannot deny insurance.

Mr. STARK. But charge more.

Mr. BLILEY. It says you cannot deny, and it limits how much you can increase the premium.

Ms. DELAURO. Mr. BLILEY, let me just quote the AMA to you, which says, "The Michel plan will lead to lower-quality care because people will have a financial incentive not to use preventive care," that it threatens the quality of care, and in fact what it does is puts the burden on that individual.

Mr. BLILEY. Well, what is your question?

Mr. CARDIN. The gentlewoman will have the time to repeat the question, and Mr. BLILEY will have 30 seconds to answer.

Ms. DELAURO. Do you agree with that? Mr. BLILEY, do you agree with putting in danger people's health care, which is what the AMA says the Michel plan will do?

Mr. CARDIN. Mr. BLILEY will have an opportunity.

Mr. BLILEY. That is why I am against the Clinton plan, because it rations care. It is the only way you can meet those caps. I believe your time has expired, and I am just using mine to respond to your question.

It does not allow the rate to go above the CPI. No country in the Western world is able to control prices to that extent.

Ms. DELAURO. Mr. BLILEY, that is not true.

Mr. CARDIN. I now yield to Mr. GEPHARDT to question Mr. GINGRICH.

Mr. GEPHARDT. Mr. GINGRICH, two of your colleagues who are debating here tonight are for a plan that I do not think you endorse, but it is a plan that at least tries to see that everybody gets covered. They have a family mandate to see that everybody is covered with insurance. I know there is a debate raging in your party, it probably was raging in Annapolis in your meeting with Members of the other body about health care about this issue.

Can you come out for and work with us for a plan that insures that everybody is guaranteed private health insurance?

Mr. GINGRICH. I would love to see the Clinton plan change so dramatically that we are talking about private health insurance and we are giving up the States that have single-payer and giving up the Government's mandatory allowances. But if you would be willing to back off from the Clinton plan and approach the issue of private insurance, I can assure you, just speaking for myself—and I can't speak for my good colleagues—but for myself I absolutely want to see that every American has coverage. I said in Annapolis I believe we should do everything we can to get coverage.

But I would make this point to my friend: When you say to us the only way—and by the way, you are the first Democrat I have heard who has admitted that there are Republican plans which get us to universal coverage, that there are Republican alternatives that do not have a national health board, do not have a mandatory Government bureaucratic alliance, do not require the Clinton multiple-page complexity but in fact get to universal coverage. I appreciate your recognition of the Republican contribution. We would be delighted to work in a bipartisan manner to try to write a genuine free-market bill with personal responsibility and with families having a real choice which sought to get every single American an opportunity to buy health insurance. I would be glad to start that tomorrow.

Mr. GEPHARDT. Mr. GINGRICH, we are making progress now.

Let us tease it——

Mr. GINGRICH. I am not sure that that is part of your debate program.

Mr. GEPHARDT. Let's go a little further because I think this gets to the heart of the matter. We are here tonight to talk about goals and elements of the plan that we think are very important. I know you want us to defend every word on every page of the bill. And that is fine, that is a great debate technique. But let us get down to what this is about. We care, and I know you care, about getting every American family to have guaranteed private insurance that cannot go away. We care about it, and I think you care about it. Two of your colleagues have had the courage to come forward with a plan that has unpopular features in it in order to get that done. And we have got what I am sure can be unpopular features, in order to get that done in our plan.

The truth is, if we are going to get this done, leaders like you in your party I think have to come out for plans like that so that we can begin this discussion to get down to brass tacks. Are you willing to do that?

Mr. GINGRICH. But I am so shaken when I see, as I did in the morning paper, your assertion that you would have to pass the plan with only Democratic votes. I am so disheartened when I see your side not willing to work with us on a bipartisan basis, that it is hard for me to respond to that the way I would like to.

But I can assure you that if you would really like to work together, I am prepared to say let us start with, I think, the plans that are already out here that I think are bipartisan.

I look at the Bilirakis/Rowland plan, I look at the Cooper/Grandy plan. I certainly look at the Thomas/Chafee plan. If you are willing to start with those plans as a beginning point, I think together we could be creative in finding a solution.

What I cannot do, I say to my friend, it is not just that these are little points; the American people have learned painfully that big, thick bills become even bigger and thicker regulations and they need to long jail terms. This is not always obvious to everybody in public life, but you are actually supposed to obey these laws. In that context, it is dangerous for the Congress to just pass lots and lots of regulations that even very well-informed lawyers may not fully understand and be able to obey.

Mr. GEPHARDT. Mr. GINGRICH, are you for compulsory auto insurance, do you think those are good laws?

Mr. GINGRICH. I think in the average State which has compulsory auto insurance, 40 percent of the people do not in fact have auto insurance. I think that is a fact. I think in the District of Columbia, which theoretically has compulsory auto insurance, 40 percent do not have auto insurance. We have to quit lying to ourselves about the power of Government to play King Canute and tell the waves to quit coming in, because the States that have had compulsory auto insurance, their insurance costs have gone up and the number of people who fail to get insurance has gone up.

Mr. GEPHARDT. Are you for the Medicare plan? Do you want to get rid of it, or do you think we ought to keep it?

Mr. GINGRICH. I think we should keep the Medicare program, and I think we should increase the opportunities for Americans under Medicare to get even better care with even a broader range of choice with less red tape and less bureaucracy, which is why I oppose going in the opposite direction and adding more red tape and more bureaucracy.

Mr. GEPHARDT. I think we are out of time.

Mr. CARDIN. The time has expired.

I now yield to Mr. GINGRICH, who will question Mr. GEPHARDT.

Mr. GINGRICH. Let me start, I guess, with what I find to be the most puzzling part of the whole experience. You and I in a couple of weeks will be going to Russia on a second trip to try to say to the Russians less bureaucracy, less centralization, less Government control, more marketplaces, more incentive, more entrepreneurship.

In that context, beyond the debating points, does it not worry you to be setting up a national health board—I do not have the exact number at my fingertips—with something like 17 new mandates in this bill? I could cite them if you doubt it. Does it not worry you that the design—and I sympathize with the goals and I know it is hard to come in as a brand-new Administration with all the paperwork and confusion to try to actually write a bill like this. But doesn't it worry you that the Clinton bill is in fact everything we are telling Boris Yeltsin to quit doing?

Mr. GEPHARDT. Mr. GINGRICH, I have said many times that what we have got to look at here are goals. There are certain things we have got to try to get done. What we need to talk about more honestly, I think, with one another is how it is best to do that. How can we get certain things to actually be accomplished?

Back in 1978 I agreed with Republicans and together we defeated Jimmy Carter's hospital cost containment. We said at the time that we ought to have competition. I led the effort with Republicans to defeat a Democratic President's plan because I thought it was not the right plan. What has happened in the last 15 years since we did that?

□ 2140

Prices have skyrocketed, competition hasn't been fair and equal, we haven't been on a level playing field, and now we come back to these questions, and I'm willing to criticize a stand that I took 15 years ago. I think I made a mistake. I think we have got to look at ways to do these things, and all I ask you to do—how do we get prices down? How do we actually get people involved in health care?

Mr. GINGRICH. I'll give you an answer.

There are a lot of ideas that are market oriented. The medical savings account, for example, lowers the cost by some 30 percent when tried by Forbes magazine and Golden Insurance Co. The Steel Case Co. in Michigan did a 5-

year effort in preventive care. They lowered their costs by 35 percent. There are many ways to have a free market with free people making free choices because I think the American people are pretty smart.

Mr. GEPHARDT. Mr. GINGRICH, we had a free market for these 15 years——

Mr. GINGRICH. We haven't had a free market——

Mr. GEPHARDT. We have had a free market. Your bill doesn't do anything, so——

Mr. GINGRICH. We certainly do. We move in exactly the direction of a fair market, but let me ask you a question about the plan you're supposedly defending tonight.

If you look at this plan, and particularly pages 25 and 109, 110 and 674, it spells out how senior citizens can be forced out of Medicare and be forced to buy this new alliance insurance even if it would be different in their State than it would be in the rest of the country. So, if you happen to be in one State, and the State government adopted this new system for that one State, you could be getting totally different care if you moved across the State line.

Do you really think we should adopt a bill which coerces senior citizens in a single State and gives them no choice about what would happen to them?

Mr. GEPHARDT. I just think your characterization of what the bill calls for is completely wrong. Medicare recipients gain under the Clinton plan. Medicare recipients today can choose the doctor they want, they can choose the plan they want. If a State decided to have an alliance, and they were going to choose through the alliance, they would have the same choices available they have today.

Mr. GINGRICH. That's completely inaccurate.

Mr. GEPHARDT. You use scare words like coercion. Nobody is coercing anybody to do anything, plus we're trying to help people have prescription drugs paid for by the plan, something that none of the Republican plans do.

We enhance Medicare. We increase the benefits of Medicare. We make Medicare better than it is today. What's wrong with that?

Mr. GINGRICH. What I'm saying to you is, if you read starting on page 109, a single State can design a system totally different than the State next to it and could say that you have much fewer choices as a senior citizen.

Mr. GEPHARDT. That's just not true. It's not true.

Mr. GINGRICH. I'm reading from the plan.

Mr. GEPHARDT. Well, you're reading it wrong.

Mr. GINGRICH. It says—I'm reading it wrong?

Mr. GEPHARDT. You're reading it wrong.

Mr. GINGRICH. It says operate a single payer system. It establishes how they set us, and it says again—let me read the key line, page 110. Quote. And notice whose option it is.

All right; I'm quoting now so I'm not reading it wrong:

> At the option of the State the system may provide for the enrollment of Medicare individuals residing in the State.

Mr. GEPHARDT. That's the same thing they have today. If you're in Medicare, and I know you hate the word government——

Mr. GINGRICH. Nobody can be forced by the Governor of Georgia to leave Medicare and join——

Mr. GEPHARDT. You're for government. You say you're for our Government. Medicare is a Government single payer system, and that's what it is, and people like it, and you're for it, and you say you're going to appeal it——

Mr. GINGRICH. I said the senior citizens of America, over 50 State governments, 50 State legislatures, particularly given, frankly, what we know about corruption in some States, why should we turn people over to those State governments?

Mr. CARDIN. The time expired.

I now yield to Ms. DELAURO to question Mrs. JOHNSON.

Ms. DELAURO. Congresswoman JOHNSON, you propose that we reform health care to reward, and I quote, wellness actions. It's what I think you call it. You want variable premiums that promote healthy behavior, and I'm quoting you. So, substance abuse, tobacco, overweight, underexercise, those are measurable things that, if we develop this approach sufficiently, we ought to be able to check on whether people are, in fact, doing what they say. To me this sounds like big government and, if you will, government at its worst, a real invasion of privacy that I don't see how any person can tolerate.

But I believe, and I just ask you, isn't it really the logical extension of a philosophy that blames people for their health care problems and does not blame industry for the problems that we have today?

Mrs. JOHNSON of Connecticut. I'm delighted to answer that question. In fact only a Democrat could possibly read that statement of mine and assume that I wanted government to set those premiums on that basis.

Absolutely I don't want government to set the premiums. I want the private sector to have the right to say if you're a nonsmoker, you pay less for health care. You bet I do. And that Steel Case example that he just gave where they cut health care costs by 35 percent; you know how they did it? They gave individual members, employees, the option to participate in wellness programs, and, if they did, they got not only direct bonuses, but they also got lower premiums.

Ms. DELAURO. I think——

Mrs. JOHNSON of Connecticut. That's——

Ms. DELAURO. I think your point on tobacco is good.

How would you deal——

Mrs. JOHNSON of Connecticut. My point on wellness was——

Ms. DELAURO. If I might, how would you deal with overweight and underexercise? How would you find, how would you find——

Mrs. JOHNSON of Connecticut. I—ROSA, the difference between you and me——

Ms. DELAURO. Look around this Chamber.

Mrs. JOHNSON of Connecticut. The difference between you and me is I wouldn't dictate it. I would allow companies to say, "You participate as Steel Case did. You participate in exercise class once a week, and you get lower rates before that"——

Ms. DELAURO. So we'll have an exercise police and an eating police to find out who is doing what and how——

Mrs. JOHNSON of Connecticut. No, that's not government doing it, ROSA. It plans on offering it and people taking up the options to voluntarily lower their health care costs through their own wellness actions.

Ms. DELAURO. But, as I say, it is a philosophy that says that people are to blame for the problems of health care——

Mrs. JOHNSON of Connecticut. Oh, no, it's a philosophy——

Ms. DELAURO. And not the industry today.

Mrs. JOHNSON of Connecticut. And people have power.

Now the reverse side is that you don't want people who are nonsmokers to pay lower premiums when they are willing not to smoke. You want them to carry the burden——

Ms. DELAURO. To talk about the people who are overweight and underexercised.

Mrs. JOHNSON of Connecticut. You want young people to pay higher premiums because what you're saying, this is an important element of the plan. You support community rating. I supported tests of community rating. Community rating says young people have to pay higher premiums so their parents can pay lower premiums. They have a tough enough time as it is, ROSA. Why don't you give them a break because——

Ms. DELAURO. Mrs. JOHNSON, every plan that you are on does—deals with—continues to have lifetime limitations, does not exclude preexisting conditions——

Mrs. JOHNSON of Connecticut. Absolutely.

Ms. DELAURO. Discriminates against older workers versus younger. There's even a plan that by occupation the premiums can be rated.

Mrs. JOHNSON of Connecticut. Congresswoman DELAURO, for the public's information, in the past we have allowed rates to vary according to about

five factors, one of which has been a place of work which we now exclude, one of which has been medical risk which we now exclude, but we don't want rates to vary by age because otherwise young people have to get the cost shifted on to them of older people. They are carrying Medicare and Social Security already. Why should they carry their parents——

Ms. DELAURO. Mrs. JOHNSON, a primary element of the Clinton plan is to provide guaranteed private insurance to everyone——

Mrs. JOHNSON of Connecticut. You bet it is.

Ms. DELAURO. Private insurance to everyone where the insurance companies cannot discriminate against anyone based on age——

Mrs. JOHNSON of Connecticut. Right.

Ms. DELAURO. Gender, occupation, illness, or anything that they can come up with——

Mrs. JOHNSON of Connecticut. And it's typical——

Ms. DELAURO. To say no in terms of coverage.

Mrs. JOHNSON of Connecticut. In answer to your question do I support body rating, it's big government telling us that the private sector can say to people, "If you don't smoke, you can pay less; if you're younger, I'm not going to shift costs"——

Ms. DELAURO. Mrs. JOHNSON, anyone who would want to monitor people's eating habits and their exercise habits, have government doing it, is really going to talk about——

Mrs. JOHNSON of Connecticut. I'm saying rewards, incentives——

Ms. DELAURO. And in order to——

Mrs. JOHNSON of Connecticut. You bet——

Ms. DELAURO. And I would like to see who it's going to be when government has the eating police and the exercise police to monitor——

Mrs. JOHNSON of Connecticut. Typical Democrat, you can't imagine that anybody could do this without government. I'm not setting the rates for the private sector. I'm just saying you can't medically underwrite, you can't exclude people with preexisting conditions, you can't increase the rates more than a very modest amount from year to year, and you have to take anyone who wants to buy your plan for the very same premium. That's insurance——

Ms. DELAURO. Time is up.

Mrs. JOHNSON of Connecticut. And, by gum, if you had supported me then we could have solved those problems.

Mr. CARDIN. We are now going to switch. In case people did not recognize it, now we are going to have Mrs. JOHNSON question Ms. DELAURO.

Mrs. JOHNSON of Connecticut. Well, she asked me my first question, so that makes it real easy.

The President's plan recognizes that small businesses are going to have a tough time paying the premiums and offer subsidies. How does the gentlelady from Connecticut rationalize supporting a plan that will not offer subsidies to Connecticut's small businesses because there isn't any small business in Connecticut that has an average wage of $12,000 so we are cut out of the 3.5-percent premium subsidy category?

Ms. DELAURO. Well, as a matter of fact, in terms of Connecticut business people because——

Mrs. JOHNSON of Connecticut. Answer the specific question. Do you support small businesses not getting subsidies because the Federal plan isn't structured to recognize Connecticut's needs?

□ 2150

Ms. DELAURO. Mrs. JOHNSON, let me answer the question of small businesses. The issue is Connecticut in fact, and we have a good State that we both come from, that has a lot of our businesses today who do cover their workers.

Mrs. JOHNSON of Connecticut. All but 7.6 percent.

Ms. DELAURO. And they are terrific at that. Which means in fact that when you can provide an opportunity for those businesses, who in fact now are subsidizing those businesses that are not covering their employees, you are going to provide these businesses and these employers with an opportunity to see their rates lowered, their premiums lowered, and in fact save money.

Mrs. JOHNSON of Connecticut. We have been devastated by a recession. Our small businesses need subsidies if they are going to have to provide better benefits. The President's bill will check them out of the subsidy plan, and you support that bill.

Ms. DELAURO. Employers who already offer insurance, this is in the State of Connecticut, will pay $1.1 billion less in premium payments in the year 2000 than they would without comprehensive reform, $805 less per worker for 1.8 percent of payroll. I think I have answered your question.

Mrs. JOHNSON of Connecticut. Isn't it odd that study didn't use the Congressional Budget Office figures? It used some weird model no one is familiar with? If we use Congressional Budget Office figures, we don't save money. We cost money.

Ms. DELAURO. I would be happy to use Congressional Budget Office figures in reference to small businesses, which is very, very clear in saying in fact employers are going to see health costs go down, and in fact that employers might be able to provide increased wages and we will see even a creation of jobs. And you know and I know how important that is to the State of Connecticut.

Mrs. JOHNSON of Connecticut. And, of course, Congresswoman DELAURO, since small businesses in Connecticut will not be qualified for the subsidies, they will have to close, rather than expand. Let me just finish. You had quite long time.

Ms. DELAURO. You are supposed to be asking me a question. Let me answer.

Mrs. JOHNSON of Connecticut. Small businesses in Connecticut won't qualify for the subsidies in the President's plan. That is the subsidy structure that you support. And we won't qualify because our average wages are too high. But our profit margins are zero, because we are in such a recession.

Ms. DELAURO. I got a call about 2 days ago from Harry Pappas. And you can call Harry up. He runs a cleaning business in New Haven, CT. Harry received a package from the National Federation of Independent Businesses. The sole purpose of him giving me a call was to say ROSA, do not support the President's plan. They also sent him a worksheet. Wait a minute, let me finish.

Mrs. JOHNSON of Connecticut. It is my questioning time, and you are taking it from me. You are taking so long. Get to the point.

Ms. DELAURO. Harry filled out the sheet, and, lo and behold, he found out he was going to save 37 percent on his health care cost. He called me and said ROSA, support the Clinton health care plan.

Mrs. JOHNSON of Connecticut. A whole chain of small businesses from Connecticut testified before the Ways and Means Committee 3 days ago.

Ms. DELAURO. We are talking about different small businesses in Connecticut.

Mrs. JOHNSON of Connecticut. It would push his costs up extraordinarily and send five of his companies at risk out of business. When the President says small businesses can't afford this, that is why we have to subsidize them, and when Connecticut small businesses won't qualify for any of those subsidies because of the way the President structured them, don't you believe for a minute that our small businesses making zero profit are going to increase their insurance.

Mr. CARDIN. Let Mrs. JOHNSON please complete the question.

Mrs. JOHNSON of Connecticut. You support a bill with mandatory health alliances. Mandatory health alliances will force the purchasing of insurance to move on to a State-by-State business basis, individual-by-individual. This will cause Connecticut to lose clearly and quickly thousands of jobs, because we have thousands of people who are doing a very efficient job of purchasing insurance for millions of Americans in a very quick and efficient fashion.

How can you support a bill that not only will hemorrhage jobs out of Con-

necticut, but will increase the overall cost of the purchasing operation of insurance?

Ms. DELAURO. Let me talk about the whole issue of alliances, which has been referred to tonight over and over again.

Mrs. JOHNSON of Connecticut. I asked you about the job impact in Connecticut. That is my question, and you have 30 seconds additionally to answer it.

Mr. CARDIN. We are well beyond the 5-minutes of this section. Ms. DELAURO may respond.

Mrs. JOHNSON of Connecticut. The time is out. The question is jobs in Connecticut from the health alliances. They will be hemorrhaging.

Ms. DELAURO. You are wrong. You are absolutely wrong. I don't care what you call it. You can call it Rural Electrification, the Grange, Farmers' Co-op, you can call it whatever you want. Let us focus in on what the purpose is of having a mechanism that says small businesses gather together so in fact they have a better purchasing power. You let the little guy have more buying power.

Mrs. JOHNSON of Connecticut. Jobs in Connecticut, the health alliance, but purchasing alliance, which I introduced 3 years ago.

Mr. CARDIN. Everybody can relax a little bit now. We have finished the portion of the debate in which teams or Members will question each other. We will now have the closing arguments. I would first yield to Mr. GINGRICH for the closing points.

Mr. GINGRICH. Let me thank our friend from Maryland for being the moderator tonight. I think this has been a useful experiment, and we will find out over the next day or two if our colleagues think it is useful to have eight of us down here doing this sort of thing.

I wanted to make three points. The first is I was on a college campus in Georgia. A woman got up, a student, who was a native American, and she said she had to speak out, that if every American understood how bad Government health care is on the Indian reservations, they would not tolerate the idea of extending Government medicine to everyone else.

It was a very moving and very powerful point, that here we are, not able to have public schools that work in the inner city, not able to provide safety to our children, not able to have Government that functions in all of its current duties, and we have a proposal in a massive bill to extend to every American a Government bureaucracy controlled from Washington, with decisions made by people appointed by politicians.

Second, I wanted to make the point that this is all real. This is not a debate at Oxford. This is not a set of nice resolutions or goals. I can agree to most of the goals my Democratic friends have. This bill would put into place some truly bizarre things.

If you take a look at the details, and I keep citing the bill because that is what becomes law. On page 120, it says that none of the board of directors, none, can be a health care provider, an individual who is an employee or member of a board of directors of a health care provider, a health plan, a pharmaceutical company, a supplier of medical equipment, a person who derives income from provision of health care, a member or employee of an association, law firm or other association. It goes down through for a page saying that if you know anything about health care, you can't serve on the boards.

Later they develop this brand new monstrosity called a National Council on Medical Education, totally appointed by the Secretary of Health and Human Services, who is of course appointed by the President. So they are all political appointments. This national council will be able to decide how many black doctors, how many Asian doctors, how many women doctors, how many Polynesian doctors.

This is a level of Government control that is just wrong. It is not what America is about. We want to work on a bipartisan basis for a bill that has the private sector, personal choice, personal responsibility, and a chance to create a better America, not a chance to turn America into a giant German Bureaucracy.

Mr. CARDIN. I now recognize Mr. GEPHARDT for a closing.

Mr. GEPHARDT. I want to start my closing with a story tonight. Twenty-one years ago, almost this month, my son was diagnosed with terminal cancer, and I remember talking to the doctors in the hall that night when he was diagnosed and thinking that we didn't have a chance. But in the months ahead, because of their work and their dedication and nurses and doctors in hospitals all over the country, we worked with him, and he prayed. And tonight he is alive. He graduated from college last May.

We were lucky. We had insurance. We were covered. There are so many people that were in the hospital with us who had kids with cancer who didn't have coverage, because they couldn't afford it.

I have thought many times if he had gotten cancer today, would we have been able to afford it? I was a young lawyer in St. Louis. I didn't make a lot. Could we afford it today? Would he have had coverage?

Would he have been able to get treatment under the preexisting conditions and rules that are in many policies today?

I am not sure he would. He called me the other night. He still has lots of problems from his cancer. He got a job after he graduated from college, and he was telling me he was afraid to go to the doctor to get these problems taken care of because there was a preexisting condition clause in his policy now. He has got to wait 6 months before he is covered.

□ 2200

We can do better than this. Back in the time of the Depression, the Democratic Party came forward and said, we have to have Social Security; people have to have a pension.

We came forward with, yes, a government program, and you called it socialism and a dictatorship.

But when the votes came here, you joined with us and a majority of Republicans voted for this program. The same thing happened in 1965. You are a great party, and you are good people. And you want this country to do well. You are better than this. You can do better than this.

Let us have plans like the Thomas and the Johnson plans. Let us talk about a compromise. Let us do this for the American people. We can do it. It is the right thing to do: Affordable health care, guaranteed private insurance that never goes away, choice, and protecting Medicare.

Let us join together and make it happen for the American people.

Mr. CARDIN. First, let me congratulate the eight participants who were willing to subject themselves to this debate. This is an experiment. It is the first of its kind on the floor of the House. Obviously, we are feeling our way in certain respects.

I want to thank all eight of you for your participation. There will be those who will speculate as to who won this debate.

I think in a very real sense the House of Representatives has won this debate, because this type of spirited debate can only improve the way in which we do the people's business here in the House of Representatives. I also think that the American people have won in this debate, for they have had an opportunity to witness different views on health care reform in a very democratic setting, and that can only help in raising the image of this body in the eyes of the public.

Last, I think the issue of health care reform has been advanced by this type of a debate in which the differences can be explained. And hopefully, we will be able to find a common ground for the enactment of health care reform.

So on behalf of all the Members of the House of Representatives, I would like to thank the eight participants for living up to the highest traditions of the Members of the House of Representatives.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. GALLO (at the request of Mr. MICHEL), for today, on account of hip surgery.

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. LINDER) to revise and extend his remarks and include extraneous material:)

Mr. MICHEL, for 5 minutes each day, on today and March 17, 18, 21, 22, and 23.

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

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

Mr. OWENS, for 5 minutes, today.

Mr. GONZALEZ, 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. LINDER) and to include extraneous matter:)

Mr. GILMAN.
Mr. CLINGER.
Mr. HORN in three instances.
Mr. SHUSTER.
Mr. DUNCAN.
Mr. GOODLING.
Mr. SHAW.
Mrs. JOHNSON of Connecticut.
Mr. BEREUTER.
Mr. GINGRICH.
Mr. GILLMOR.
Mr. COBLE.
Mr. QUINN.
Mr. SOLOMON.
Mr. TAYLOR of North Carolina.
Ms. ROS-LEHTINEN.
Mr. PACKARD in two instances.

(The following Members (at the request of Mr. TORRES) and to include extraneous matter:)

Ms. LONG.
Mr. WISE.
Mr. STOKES.
Mrs. MINK of Hawaii.
Mrs. BYRNE.
Mr. REED.
Mr. ROSE.
Mr. HOYER.
Ms. SLAUGHTER.
Mr. TOWNS in two instances.
Mr. CLAY.
Mr. HINCHEY.
Mr. VENTO.
Mr. KLECZKA.
Mr. HAMILTON.
Mr. MONTGOMERY.
Mr. ROSTENKOWSKI.
Mr. FRANK of Massachusetts.
Mr. BROWN of California.
Mr. SABO.
Mr. ACKERMAN.
Mr. WYDEN in two instances.
Mr. GEPHARDT.
Mr. STUDDS.
Mr. JOHNSON of Georgia.

ADJOURNMENT

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

The motion was agreed to; accordingly (at 10 o'clock and 2 minutes p.m.) under its previous order the House adjourned until Thursday, March 17, 1994, at 10 a.m.

CONTRACTUAL ACTIONS, CALENDAR YEAR 1993 TO FACILITATE NATIONAL DEFENSE

The Clerk of the House of Representatives submits the following report for printing in the CONGRESSIONAL RECORD pursuant to section 4(b) of Public Law 85-804:

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION,
Washington, DC, March 2, 1994.

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

DEAR MR. SPEAKER: In accordance with Section 4(a) of Public Law 85-804 (50 U.S.C. 1431-35), I am reporting to the United States Senate on all calendar year actions taken by the National Aeronautics and Space Administration (NASA) under authority of that Act which involve actual or potential cost to the United States in excess of $50,000. These actions include the granting of extraordinary contractual relief and the indemnification of certain contractors.

During calendar year 1993, the NASA Contract Adjustment Board did not meet to consider any cases and granted no requests for extraordinary contractual relief under Public Law 85-804.

With respect to contractor indemnification, NASA has previously provided for that contingency. Specifically, on January 19, 1983, the Administrator made a decision to provide indemnification to certain NASA Space Transportation System contractors for specified risks arising out of contract performance directly related to NASA space activities. The authority of that decision was extended from September 30, 1984, through September 30, 1989, and has been extended again through September 30, 1994. In addition, on July 11, 1990, the Administrator decided to provide indemnification to certain NASA contractors involved in providing commercial Expendable Launch Vehicle launch services for NASA spacecraft or for activities which are carried out by NASA on behalf of the United States. The authority of that decision extends through June 30, 1995. Copies of the Administrator's Memorandum Decisions Under Public Law 85-804 dated November 5, 1989, and July 11, 1990, are enclosed.

During calendar year 1993, one NASA prime contractor was indemnified under the Memorandum Decision dated November 5, 1989. No contractors were indemnified under the Memorandum Decision dated July 11, 1990. A summary description of the contract indemnified is also enclosed.

Sincerely,

DANIEL S. GOLDIN,
Administrator.

MEMORANDUM DECISION UNDER PUBLIC LAW 85-804

Authority for National Aeronautics and Space Administration Contracting Officers to indemnify certain NASA contractors and subcontractors involved in ASA space activities.

1. On July 4, 1982, the Space Transportation System (hereinafter STS) completed its design, development, test and evaluation phase and was declared an operational system of the United States for the transportation of payloads into the out of outer space for governmental and commercial purposes. Except for suspension of STS launches as a result of the Challenger accident, the STS has conducted and will continue to conduct launch, in orbit and landing activities on a repetitive basis and at a prudent frequency.

2. Scheduled STS operations have dictated a continuing examination of the risks in repetitive space activities of the STS and of the present availability of adequate insurance at reasonable premiums to manufacturers and operators of the system. While NASA's STS space activities are designed to be safe, there exists the low statistical probability that a malfunction of either hardware, software or operator error could occur resulting in an accident. This low probability of occurrence cannot be totally removed. In the event that such a malfunction or operator error led to an accident, the potential liability arising from such an accident could be substantially in excess of the insurance coverage NASA contractors could reasonably be expected to acquire and maintain, considering the availability, cost and potential terms and conditions of such insurance at the present time.

3. Pursuant to the authority of Public Law 85-804 and Executive Order 10789, as amended, and notwithstanding any other provisions of the contracts to which this determination may apply, I therefore authorize that certain NASA contractors, as further defined in paragraphs 4 and 5 below, be held harmless and indemnified against certain risks as specifically set forth herein. Accordingly, and subject to the limitations hereinafter stated, cognizant NASA Contracting Officers are authorized to include in prime contracts, described in paragraphs 4 and 5 below, contract provisions for the indemnification of the contractors and their subcontractors at any tier, against claims or losses, as defined in paragraph 1A of E.O. 10789, as amended, arising out of contract performance directly related to NASA's space activities.

4. This authorization is limited to prime contracts which have an effective date before October 1, 1994, by or for NASA for:

a. provision of Space Transportation System and cargo flight elements or components thereof;

b. provision of Space Transportation System and cargo ground support equipment or components thereof;

c. provision of Space Transportation System and cargo ground control facilities and services for their operation; and

d. repair, modification, overhaul support and services and other support and services directly relating to the Space Transportation System, its cargo and other elements used in the NASA's space activities.

5. This authorization is further limited solely to claims or losses resulting from or arising out of the use or performance of the products or services described in paragraph 4 in NASA's space activities. For this purpose, the use or performance of such products or services in NASA's space activities begins

solely when such products or services are provided to the U.S. Government at a U.S. Government installation for or in connection with one or more Space Transportation System launches and are actually used or performed in NASA's space activities.

6. The risks for which indemnification is authorized are the risks arising under the contracts described in paragraphs 4 and 5 causing personal injury or death, or loss of or damage to property, or loss of use of property. These risks are considered unusually hazardous risks solely in the sense that if, in the unlikely event, the Space Transportation System, its cargo or other elements or services used in the NASA's space activities malfunctioned causing an accident, the potential liability could be in excess of the insurance coverage that a NASA prime contractor would reasonably be expected to purchase and maintain, considering the availability, cost, and terms and conditions of such insurance. In no other sense are the Space Transportation System, its cargo or other elements or services used in NASA's space activities unusually hazardous.

7. a. This authorization may be applied prospectively, without additional consideration, to existing prime contracts and subcontracts and in new prime contracts and subcontracts which otherwise meet the conditions of this memorandum.

b. Indemnification of prime contractors and subcontractors may be provided under this authorization only when the Government will receive the benefit of all cost savings, if any, to the prime contractor and its subcontractors at every tier.

8. All contract indemnification clauses and procedures shall comply with applicable provisions of Federal Acquisition Regulation (FAR) Subpart 50.4 as supplemented by NASA FAR Supplement (NFS) 18-50.4.

9. This authorization is given upon condition that each prime contractor is approved by me and that such contractor maintains financial protection of such type and in such amounts as may be determined by me in writing to be appropriate under the circumstances. Each prime contractor shall provide a statement of applicable financial protection through the cognizant Contracting Officer for my review and determination. In making this determination, I shall take into account such factors as the availability, cost and terms of private insurance, self-insurance and other proof of financial responsibility and workman's compensation insurance.

10. When indemnification provisions are included in a prime contract pursuant to the authority of this decision, the cognizant Contracting Officer shall immediately submit directly to the Contract Adjustment Board a report referencing this decision and containing the information required by NFS 18-50.403-70, Reporting and records requirements.

11. The actual or potential cost, if any, of the actions hereby authorized is impossible to estimate since it is contingent upon the remote possibility of an occurrence and extent of loss resulting from certain space activities which malfunction. Such an event may never occur; however, should a major incident occur, millions of dollars of damage could result.

12. I find that this action will facilitate the national defense. In the remote event that the Space Transportation System, its cargo or other elements or services used in NASA's space activities malfunctioned causing damage in excess of insurance maintained by contractors and subcontractors, the resulting excess liability could place the contractors' and subcontractors' continued existence in jeopardy, making those contractors and subcontractors unavailable to continue to support space activities and the Department of Defense. I note that for purposes of the Defense Production Act of 1950, the term "national defense" is defined as "programs for . . . space, and directly related activity." (50 U.S.C. App. 2152(d))

RICHARD H. TRULY,
Administrator.

JULY 11, 1990.

MEMORANDUM DECISION UNDER PUBLIC LAW 85-804

Authority for National Aeronautics and Space Administration contracting officers to indemnify certain NASA contractors and subcontractors involved in providing commercial Expendable Launch Vehicle (ELV) launch services for NASA spacecraft or for activities which are carried out by NASA on behalf of the United States.

1. Prior to the Challenger accident and consistent with national policy, NASA's phase-out of our Expendable Launch Vehicle (ELV) program was near completion and most missions were transitioned to the Shuttle for launch. Up until this time, NASA had total responsibility for the design, development, fabrication, test, and launch of both Government and commercial payloads on the Scout, Delta, and Atlas-Centaur launch vehicles. The President's National Space Policy of November 2, 1989, which reaffirmed the key tenants of earlier national policy statements, directed Federal Agencies to establish a Mixed Fleet Launch Policy utilizing the unique capabilities of the Space Shuttle and ELVs to support Government launch requirements. The policy also precluded NASA from maintaining an ELV adjunct to the Space Shuttle and directed NASA to procure requisite ELV launch services directly from the private sector or through the Department of Defense. In accordance with the Deputy Administrator's Decision Memorandum #22, dated January 27, 1989, NASA will acquire launch services whenever possible directly from commercial operators.

2. Increasing need of launch services with a high degree of mission success has dictated a continuing examination of the risks in repetitive launch activities and the present availability of adequate insurance at reasonable premiums to providers of commercial expendable launch services. While commercial launch activities are designed to be safe, there exists the low statistical probability that a malfunction of either hardware, software, or operator error could occur resulting in an accident. This low probability of occurrence cannot be totally removed. In the event that such a malfunction or operator error led to an accident, the potential liability arising from such an accident could be substantially in excess of the insurance coverage NASA contractors could reasonably be expected to acquire and maintain, considering the availability, cost, and potential terms and conditions of such insurance at the present time.

3. Pursuant to the authority of Public Law 85-804 and Executive Order 10789, as amended, and notwithstanding any other provisions of the contracts to which this determination may apply, I therefore authorize that certain NASA contractors, as further defined in paragraphs 4 and 5 below, be held harmless and indemnified against certain risks as specifically set forth herein. Accordingly, and subject to the limitations hereinafter stated, cognizant NASA contracting officers are authorized to include in prime contracts, described in paragraphs 4 and 5 below contract provisions for the indemnification of the contractors and their subcontractors at any tier, against claims or losses, as defined in paragraph 1A of Executive Order 10789, as amended, arising out of contract performance directly related to providing NASA commercial ELV launch services.

4. This authorization is limited to prime contracts which have an effective date before June 10, 1995, by or for NASA for provision of commercial ELV launch services.

5. This authorization is further limited solely to claims or losses resulting from or arising out of the use or performance of commercial launch services provided to NASA, where NASA, under its contract, maintains sufficient oversight and approval rights to assess and influence mission risk. For this purpose, the use or performance of such launch service activities begins only after such services are provided to the U.S. Government at a U.S. Government installation for or in connection with one or more ELV launches and are actually used to provide launch services for NASA or NASA-sponsored activities which are carried out by NASA on behalf of the United States. The use or performance referred to is limited to the explosion, detonation, combustion, or impact of a launch vehicle, its payloads, or a component thereof, whether or not the payload is separated from the launch vehicle.

6. The risks for which indemnification is authorized are the risks arising under the contracts described in paragraphs 4 and 5 which result in claims by third persons, including employees of the contractor, for death, personal injury, or loss of, damage to, or loss of use of property; loss of, damage to, or loss of use of property of the Government. These risks are considered unusually hazardous risks solely in the sense that if, in the unlikely event, the ELV, its cargo or other elements or services used in providing NASA launch services malfunctioned causing an accident, the potential liability could be in excess of the insurance coverage that a NASA prime contractor would reasonably be expected to purchase and maintain, considering the availability, cost, and terms and conditions of such insurance. In no other sense is the provision of commercial ELV launch services for NASA spacecraft unusually hazardous.

7. a. This authorization may be applied prospectively, without additional consideration, to existing prime contracts and subcontracts and in new prime contracts and subcontracts which otherwise meet the conditions of this memorandum.

b. Indemnification of prime contractors and subcontractors may be provided under this authorization only when the Government will receive the benefit of all cost savings, if any, to the prime contractor and its subcontractors at every tier.

8. All contract indemnification clauses and procedures shall comply with applicable provisions of Federal Acquisition Regulation (FAR) Subpart 50.4 as supplemented by NASA FAR Supplement (NFS) 18-50.4.

9. This authorization is given upon condition that each prime contractor maintains financial protection of such type and in such amounts as may be determined by me in writing to be appropriate under the circumstances. Each prime contractor shall provide a statement of applicable financial protection through the cognizant contracting officer for my review and determination. In making this determination, I shall take into account such factors as the availability,

cost and terms of private insurance, self-insurance and other proof of financial responsibility and workmen's compensation insurance.

10. When indemnification provisions are included in a prime contract pursuant to the authority of this decision, the cognizant contracting officer shall immediately submit directly to the Contract Adjustment Board a report referencing this decision and containing the information required by NFS 18-50.403-70, Reporting and records requirements.

11. The actual or potential cost, if any, of the actions hereby authorized is impossible to estimate since it is contingent upon the remote possibility of an occurrence and extent of loss resulting from commercial launch activities which malfunction. Such an event may never occur; however, should a major incident occur, millions of dollars of damage could result.

12. I find that this action will facilitate the national defense. In the remote event that commercial ELV launch service activities provided for NASA spacecraft cause damage in excess of insurance maintained by contractors and subcontractors, the resulting excess liability could place the contractors' and subcontractors' continued existence in jeopardy, making those contractors and subcontractors unavailable to continue to provide commercial ELV launch services. I note that for purposes of the Defense Production Act of 1950, the term "national defense" is defined as "programs for * * * space, and directly related activity." (50 U.S.C. App. 2152(d))

RICHARD H. TRULY,
Administrator.

CONTRACTORS INDEMNIFIED DURING CALENDAR YEAR 1993

Rockwell International Corporation, October 19, 1993. Affected NASA contract: NAS 9-18028.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2775. A communication from the President of the United States, transmitting amendments to the fiscal year 1995 budget that would implement savings from reform of the Federal procurement system, pursuant to 31 U.S.C. 1107 (H. Doc. No. 103-220); to the Committee on Appropriations and ordered to be printed.

2776. A communication from the President of the United States, transmitting amendments to the fiscal year 1995 budget that would implement savings from reduced rental payments paid by Federal agencies to the General Services Administration [GSA], pursuant to 31 U.S.C. 1107 (H. Doc. No. 103-221); to the Committee on Appropriations and ordered to be printed.

2777. A letter from the Director, the Office of Management and Budget, transmitting the cumulative report on rescissions and deferrals of budget authority as of March 1, 1994, pursuant to 2 U.S.C. 685(e); to the Committee on Appropriations and ordered to be printed.

2778. A letter from the Secretary, Department of Defense, transmitting the Department's Future Years Defense Program [FYDP] and associated procurement and RDT&E annexes for the fiscal year 1995 President's budget, pursuant to 10 U.S.C. 221(a); to the Committee on Armed Services.

2779. A letter from the Adjutant General, the Veterans of Foreign Wars of the United States, transmitting proceedings of the 94th National Convention of the Veterans of Foreign Wars of the United States, pursuant to 36 U.S.C. 118; 44 U.S.C. 1332; to the Committee on Armed Services and ordered to be printed.

2780. A letter from the Secretary of the Interior, transmitting the annual report on the Youth Conservation Corps program in the Department for fiscal year 1993, pursuant to 16 U.S.C. 1705; to the Committee on Education and Labor.

2781. A letter from the Secretary of Labor, transmitting the interim report: National Wage Record Database Design Project, pursuant to section 462(g) of the Job Training Partnership Act; to the Committee on Education and Labor.

2782. A communication from the President of the United States, transmitting a report on international agreements transmitted to Congress after the deadline for their submission, with reasons, pursuant to 1 U.S.C. 112b(b); to the Committee on Foreign Affairs.

2783. A letter from the Chairman, Board of Governors, Federal Reserve System, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act during the calendar year 1993, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

2784. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a report that during calendar year 1993, the NASA Contract Adjustment Board did not meet to consider any cases and granted no requests for extraordinary contractual relief under public law 85-804, pursuant to 50 U.S.C. 1431-35; to the Committee on Government Operations.

2785. A letter from the Chairman, National Endowment for the Humanities, 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.

2786. A letter from the Executive Director, National Mediation Board, 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.

2787. A letter from the Acting Assistant Secretary (Civil Works), Department of the Army, transmitting findings regarding construction of navigation improvements and associated port facilities at Los Angeles and Long Beach Harbors, CA; to the Committee on Public Works and Transportation.

2788. A letter from the Secretary of Health and Human Services, transmitting a draft of proposed legislation entitled, "Low-Income Home Energy Assistance Amendments of 1994," pursuant to 31 U.S.C. 1110; jointly, to the Committees on Energy and Commerce and Education and Labor.

2789. A letter from the Secretary, Department of Defense, transmitting the annual report for the National Security Education Program, pursuant to 50 U.S.C. 1906; jointly, to the Permanent Select Committee on Intelligence and the Committee on Education and Labor.

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. CLAY: Committee of conference. Conference report on H.R. 3345. A bill to amend title 5, United States Code, to eliminate certain restrictions on employee training; to provide temporary authority to agencies relating to voluntary separation incentive payments, and for other purposes (Rept. 103-435). Ordered to be printed.

Mr. MOAKLEY: Committee on Rules. House Resolution 388. A resolution waiving points of order against the conference report to accompany the bill (H.R. 3345) to amend title 5, United States Code, to eliminate certain restrictions on employee training; to provide temporary authority to agencies relating to voluntary separation incentive payments; and for other purposes (Rept. 103-436). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ACKERMAN:

H.R. 4039. A bill to amend the Truth in Lending Act to limit unauthorized use of credit cards by discouraging theft of credit cards that are mailed; to the Committee on Banking, Finance and Urban Affairs.

By Mr. ROSTENKOWSKI (for himself (by request) and Mr. FORD of Michigan):

H.R. 4040. A bill to establish a comprehensive system of reemployment services, training, and income support for permanently laid off workers, to facilitate the establishment of one-stop career centers to serve as a common point of access to employment, education and training information and services, to develop an effective national labor market information system, and for other purposes; jointly, to the Committees on Education and Labor and Ways and Means.

By Mr. BLILEY (for himself, Mr. ROHRABACHER, Mr. PAXON, and Mr. BALLENGER):

H.R. 4041. A bill to amend the District of Columbia Self-Government and Governmental Reorganization Act to provide for the appointment of the ranking members of the Committee on the District of Columbia of the House of Representatives and the Subcommittee on General Services, Federalism, and the District of Columbia of the Committee on Governmental Affairs of the Senate to the National Capital Planning Commission; to the Committee on the District of Columbia.

By Mr. FARR (for himself, Mr. DELLUMS, Ms. SCHENK, Mr. PASTOR, Mr. TORRES, Mr. BECERRA, Mr. BERMAN, Mr. BEILENSON, Mr. FILNER, Ms. ROYBAL-ALLARD, and Mr. FAZIO):

H.R. 4042. A bill to require a report on the timeliness of processing applications for naturalization; to the Committee on the Judiciary.

By Mr. FIELDS of Louisiana:

H.R. 4043. A bill to direct the Secretary of the Interior and the Secretary of Energy to undertake initiatives to address certain needs in the Lower Mississippi Delta region, and for other purposes; jointly, to the Committees on Natural Resources, Education and Labor, Energy and Commerce, and Science, Space, and Technology.

By Mr. LANCASTER (for himself, Mr. ROSE, and Mrs. CLAYTON):

H.R. 4044. A bill to require the Secretary of Agriculture to issue regulations for the pur-

chase and eradication of swine infected with or exposed to brucellosis; to the Committee on Agriculture.

By Mr. POMBO:

H.R. 4045. A bill to confer U.S. citizenship posthumously on Rudolph Salli; to the Committee on the Judiciary.

By Mrs. THURMAN:

H.R. 4046. A bill to amend subchapter II of chapter 73 of title 10, United States Code, to prevent cost-of-living increases in the survivor annuity contributions of uniformed services retirees from becoming effective before related cost-of-living increases in retired pay become payable; to the Committee on Armed Services.

By Mrs. THURMAN (for herself, Ms. BROWN of Florida, Mr. BACCHUS of Florida, Mr. BILIRAKIS, Mr. CANADY, Mr. DEUTSCH, Mrs. FOWLER, Mr. GIBBONS, Mr. GOSS, Mr. HASTINGS, Mr. HUTTO, Mr. JOHNSTON of Florida, Mr. LEWIS of Florida, Mr. MCCOLLUM, Mr. DIAZ-BALART, Mrs. MEEK of Florida, Mr. MICA, Mr. MILLER of Florida, Mr. PETERSON of Florida, Ms. ROS-LEHTINEN, Mr. SHAW, Mr. STEARNS, and Mr. YOUNG of Florida):

H.R. 4047. A bill to amend title XIX of the Social Security Act to improve the Federal medical assistance percentage used under the Medicaid Program, and for other purposes; to the Committee on Energy and Commerce.

By Mr. VENTO (for himself, Mr. FOGLIETTA, Mr. FRANK of Massachusetts, Mr. KOPETSKI, Mrs. SCHROEDER, and Mr. TOWNS):

H.R. 4048. A bill to expedite the naturalization of aliens who served with special guerrilla units in Laos; to the Committee on the Judiciary.

By Mrs. VUCANOVICH (for herself and Mr. BILBRAY):

H.R. 4049. A bill to establish within the Department of Energy a National Test and Demonstration Center of Excellence at the Nevada test site, and for other purposes; jointly, to the Committees on Armed Services, Science, Space, and Technology, and Energy and Commerce.

By Mr. FORD of Michigan (for himself, Mr. WILLIAMS, Mr. GEPHARDT, Mr. ROSTENKOWSKI, Mr. CLAY, Mr. MARTINEZ, Ms. DELAURO, Mr. MATSUI, Mr. FORD of Tennessee, Mr. GEJDENSON, Mr. MCDERMOTT, Mr. MILLER of California, Mr. JOHNSTON of Florida, Mrs. KENNELLY, Mr. HOYER, Mr. KOPETSKI, Mr. LEWIS of Georgia, Mr. LEVIN, Mrs. LOWEY, Mr. PENNY, Mr. BACCHUS of Florida, Mr. SABO, Mr. SAWYER, Mrs. SCHROEDER, Mr. SCOTT, Mr. WHEAT, Ms. WOOLSEY, Mr. GENE GREEN of Texas, Mr. CARR, Mr. KLINK, Mr. MURPHY, Mr. SERRANO, and Mr. RICHARDSON):

H.R. 4050. A bill to establish a comprehensive system of reemployment services, training, and income support for permanently laid off workers, to facilitate the establishment of one-stop career centers to serve as a common point of access to employment, education and training information and services, to develop an effective national labor market information system, and for other purposes; to the Committee on Education and Labor.

By Ms. WOOLSEY (for herself, Mr. CLYBURN, Mr. FRANK of Massachusetts, Mr. SCOTT, and Ms. VELAZQUEZ):

H.R. 4051. A bill to reform the child support system; to the Committee on Ways and Means.

By Mr. BACCHUS of Florida (for himself, Mr. BAKER of Louisiana, Mr. MCCOLLUM, Mr. LAZIO, Mr. FAZIO, Mr. JOHNSTON of Florida, Mr. SHAW, Mrs. MEEK of Florida, Mr. JEFFERSON, Mr. RAVENEL, Mrs. FOWLER, Mr. SCHUMER, Mr. FLAKE, Mr. JOHNSON of South Dakota, Mr. LEWIS of Florida, Mr. MILLER of Florida, Mr. KLINK, Ms. BROWN of Florida, Mr. BILIRAKIS, Mr. MICA, Mr. LIVINGSTON, Mr. KING, Mr. STEARNS, Mr. ACKERMAN, Mr. CANADY, Mr. PETERSON of Florida, Mr. LEVY, Mr. COLEMAN, Mr. GALLEGLY, Mr. BOEHNER, Mr. HASTINGS, Mr. HUTTO, Mr. PETERSON of Minnesota, Mr. MANZULLO, Mr. DEUTSCH, Mrs. THURMAN, Mr. CALVERT, Mr. GOODLING, Mr. MACHTLEY, Mr. FIELDS of Louisiana, Mr. GOSS, Mr. YOUNG of Alaska, Mr. CRAPO, Mr. DIAZ-BALART, Ms. ROS-LEHTINEN, Mr. FRANKS of New Jersey, Mr. DOOLEY, Mr. CRAMER, Mr. HAYES, Mr. QUINN, Mr. MCCRERY, Mr. SPENCE, Mr. YOUNG of Florida, Ms. MOLINARI, Mr. TAUZIN, Mr. BATEMAN, Mr. POMBO, and Mr. TALENT):

H.R. 4052. A bill to improve the National Flood Insurance Program; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BECERRA (for himself, Mr. BEILENSON, Mr. BERMAN, Mr. FARR, Mr. FILNER, Ms. ROYBAL-ALLARD, Mr. TORRES, Mr. DELLUMS, Mr. DIXON, Mr. SERRANO, Ms. VELAZQUEZ, and Mr. PASTOR):

H.R. 4053. A bill to expand the scope of unfair immigration-related employment practices and protections under the Immigration and Nationality Act; to the Committee on the Judiciary.

By Mr. BECERRA (for himself, Mr. BEILENSON, Mr. BERMAN, Mr. FARR, Mr. FILNER, Mr. MARTINEZ, Ms. ROYBAL-ALLARD, Mr. TORRES, Mr. DELLUMS, Mr. FAZIO, Mr. DIXON, Mr. SERRANO, Ms. VALAZQUEZ, Mr. PASTOR, and Mr. INSLEE):

H.R. 4054. A bill to provide for Federal incarceration of undocumented criminal aliens; to the Committee on the Judiciary.

By Mr. BURTON of Indiana:

H.R. 4055. A bill to combat crime; jointly, to the Committees on the Judiciary, Energy and Commerce, Foreign Affairs, Banking, Finance and Urban Affairs, and Armed Services.

By Mr. HOAGLAND (for himself, Mr. KOPETSKI, Mr. BREWSTER, Mr. ARCHER, Mr. SHAW, Mr. PORTMAN, and Mr. MATSUI):

H.R. 4056. A bill to amend the Internal Revenue Code of 1986 to reform the rules regarding subchapter S corporations; to the Committee on Ways and Means.

By Mr. SCHUMER (for himself, Mr. CRAPO, Mr. BREWSTER, Mr. INGLIS of South Carolina, Mr. EDWARDS of Texas, Mrs. MORELLA, Ms. HARMAN, and Mr. HASTERT):

H.R. 4057. A bill to amend the Congressional Budget and Impoundment Control Act of 1974 to create a deficit reduction account and to reduce the discretionary spending limits, and for other purposes; jointly, to the Committees on Government Operations and Rules.

By Mr. STUDDS:

H.R. 4058. A bill to amend title 46, United States Code, to improve the safety of towing vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. TAYLOR of North Carolina (for himself, Mr. SOLOMON, Mr. CRANE, Mr. CRAMER, Mr. BOEHNER, and Mr. WILSON):

H.R. 4059. A bill to amend the Immigration and Nationality Act to provide for the expedited deportation of criminal aliens, to expand the health-related causes for which aliens may be excluded, to prohibit certain Federal benefits to aliens who are not lawfully within the United States, and to provide that aliens applying for asylum shall be detained; jointly, to the Committees on the Judiciary, Government Operations, and Ways and Means.

By Mr. DORNAN (for himself, Mr. STUMP, Mr. BARTLETT of Maryland, Mr. FIELDS of Texas, Mr. KING, Mr. MCHUGH, Mr. LEWIS of Florida, Mr. GEKAS, Mr. STEARNS, Mr. HYDE, and Mr. LEVY):

H.R. 4060. A bill to amend title 18, United States Code, to require the imposition of the death penalty for espionage that resulted in the identification by a foreign power of an individual acting as an agent of the United States and consequently in the death of that individual; to the Committee on the Judiciary.

By Mr. TRAFICANT:

H.R. 4061. A bill to provide for a pilot power plant designed to revitalize depressed communities by providing energy intensive industry with an effective opportunity to dispose of solid wastes and obtain inexpensive electricity and steam, and to provide a pilot role model for the development of a comprehensive national strategic energy intensive industry initiative; to the Committee on Energy and Commerce.

By Mr. WYDEN (for himself and Mr. LEWIS of Georgia):

H.R. 4062. A bill to amend the U.S. Housing Act of 1937 to provide for referenda among residents of public housing developments to determine whether firearms shall be prohibited or limited in such developments, and for other purposes; jointly, to the Committees on Banking, Finance and Urban Affairs and the Judiciary.

By Mr. WYDEN (for himself and Ms. FURSE):

H.R. 4063. A bill to establish a special protection unit for the Bull Rull River and Little Sandy River watersheds in the Mt. Hood National Forest in the State of Oregon to maintain and protect the forest resources of the watersheds and the natural purity of the water resources of the watersheds through restrictions on timber activities in and human access into the unit; to the Committees on Natural Resources and Agriculture.

By Mr. PETE GEREN of Texas:

H.J. Res. 338. Joint resolution to designate October 1994 as "National Decorative Painting Month"; to the Committee on Post Office and Civil Service.

By Mr. MINGE:

H.J. Res. 339. Joint resolution proposing an amendment to the Constitution of the United States to limit the terms of Representatives and Senators, and to provide for a 4-year term for Representatives; to the Committee on the Judiciary.

By Mr. TAYLOR of North Carolina (for himself and Mr. SOLOMON):

H.J. Res. 340. Joint resolution proposing an amendment to the Constitution of the United States to provide that no person born to parents who are unlawfully in the United States at the time of the birth shall be a U.S. citizen on account of birth in the United States; to the Committee on the Judiciary.

By Ms. FURSE:

H. Con. Res. 223. Concurrent resolution expressing the sense of the Congress that any

legislation that is enacted to provide for comprehensive national health care reform should provide for coverage of syringes for individuals who have been diagnosed with diabetes and who require the administration of insulin by syringe; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. RIDGE (for himself, Ms. SNOWE, Mr. CLINGER, Mr. SANTORUM, Mr. GREENWOOD, Mr. GALLO, Mr. CUNNINGHAM, Ms. SCHENK, and Mr. BORSKI):

H. Con. Res. 224. Concurrent resolution requesting the President to designate Victoria Van Meter as an honorary goodwill ambassador for the United States; to the Committee on Post Office and Civil Service.

By Mr. ROEMER (for himself, Mr. ZIMMER, Mr. DURBIN, Mr. RAMSTAD, Mr. HUGHES, and Mrs. ROUKEMA):

H. Res. 389. Resolution urging the Committee on Foreign Affairs to conduct a hearing to determine the foreign policy implications of the proposed joint United States-Russian space station; jointly, to the Committees on Foreign Affairs and Science, Space, and Technology.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 65: Mr. OXLEY.
H.R. 71: Mr. ROHRABACHER.
H.R. 122: Mr. FRANKS of New Jersey.
H.R. 167: Mr. CALVERT.
H.R. 349: Mr. KYL.
H.R. 425: Mr. HOKE.
H.R. 427: Mr. HOKE.
H.R. 439: Mr. PAXON.
H.R. 522: Mr. PARKER and Mr. DIXON.
H.R. 672: Mr. FLAKE and Mr. SOLOMON.
H.R. 769: Mr. OBERSTAR.
H.R. 967: Mr. GRANDY.
H.R. 1006: Mr. ANDREWS of Maine.
H.R. 1034: Mr. FILNER and Mr. TORRES.
H.R. 1080: Mr. TORKILDSEN.
H.R. 1156: Mr. BLUTE.
H.R. 1164: Mr. DEUTSCH.
H.R. 1191: Mr. SHAYS.
H.R. 1354: Mr. EVANS, Mr. NEAL of North Carolina, Ms. MCKINNEY, and Mr. ROMERO-BARCELÓ.
H.R. 1640: Mr. STUPAK.
H.R. 1671: Mr. KLEIN, Mr. LIGHTFOOT, Mr. MONTGOMERY, and Mr. KLINK.
H.R. 1718: Mr. BRYANT, Mr. DIXON, Mr. PAYNE of New Jersey, Mr. THOMPSON, and Mr. WATT.
H.R. 1897: Mr. ABERCROMBIE, Mr. OWENS, Mr. RANGEL, Ms. MOLINARI, Mr. PORTER, Mr. HOKE, Mr. SCHAEFER, Mr. NADLER, Mr. FISH, Mr. SENSENBRENNER, and Mr. YOUNG of Alaska.
H.R. 1900: Mr. DICKS.
H.R. 1968: Mr. YOUNG of Alaska.
H.R. 2062: Mr. SUNDQUIST.
H.R. 2119: Mr. GEJDENSON, Mr. MINETA, Mr. BEILENSON, Mr. FILNER, and Mr. BERMAN.
H.R. 2135: Mr. QUINN.
H.R. 2145: Mr. TORRICELLI, Mr. FISH, Mr. ANDREWS of New Jersey, Mr. FRANKS of New Jersey, and Mr. KLECZKA.
H.R. 2229: Mr. HAMBURG, Mr. BECERRA, Miss COLLINS of Michigan, Mr. SERRANO, Mr. EDWARDS of California, Mr. LAFALCE, and Mr. FARR.
H.R. 2292: Mr. BACHUS of Alabama.
H.R. 2365: Mr. WAXMAN, Mr. LEHMAN, Mr. BARRETT of Wisconsin, Ms. BYRNE, AND Ms. ESHOO.
H.R. 2460: Mr. BROWDER.
H.R. 2462: Mr. BUYER, Mr. ROEMER, and Mr. SANTORUM.
H.R. 2623: Mr. PARKER, Mr. EWING, and Mr. FISH.
H.R. 2626: Mr. BRYANT and Mr. ACKERMAN.
H.R. 2641: Mrs. UNSOELD, Mr. SKAGGS, and Mr. MINGE.
H.R. 2646: Mr. CRAPO and Mr. TORKILDSEN.
H.R. 2721: Ms. MCKINNEY, Ms. LOWEY, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. PENNY, and Mr. TORRES.
H.R. 2741: Mr. RANGEL.
H.R. 2838: Mr. SWETT and Mr. BONIOR.
H.R. 2882: Mr. CALVERT and Mr. GINGRICH.
H.R. 2927: Mr. DOOLEY and Mr. BARLOW.
H.R. 2971: Mr. STUMP.
H.R. 3100: Mr. MINETA and Ms. VELAZQUEZ.
H.R. 3122: Mrs. MORELLA and Mr. OXLEY.
H.R. 3171: Mr. RAVENEL.
H.R. 3182: Mrs. MEEK of Florida.
H.R. 3224: Mrs. MEYERS of Kansas.
H.R. 3293: Mr. FROST, Mr. GINGRICH, Mr. DEUTSCH, Mr. WILSON, Ms. LOWEY, and Mr. BONILLA.
H.R. 3328: Mr. RAHALL, Mr. ROYCE, and Mr. REED.
H.R. 3333: Mr. GRAMS.
H.R. 3365: Mr. CRAMER, Mr. PENNY, and Mr. SARPALIUS.
H.R. 3367: Mr. THOMAS of Wyoming, Mr. PACKARD, and Mr. SCHAEFER.
H.R. 3372: Mr. COBLE, Ms. MCKINNEY, Mrs. MALONEY, Mr. RANGEL, Mr. OBEY, Mr. BEREUTER, Mr. LEWIS of Georgia, Mr. MANN, Mr. STRICKLAND, Mr. TAYLOR of Mississippi, Mr. TORKILDSEN, Mr. DICKEY, Mr. GEKAS, Mr. SPENCE, Mr. BALLENGER, Mr. CUNNINGHAM, Ms. CANTWELL, Mr. HANSEN, Mr. KLEIN, Mr. MEEHAN, and Mr. OWENS.
H.R. 3392: Mr. DORNAN, Mr. BROWDER, Mrs. THURMAN, and Mr. DICKS.
H.R. 3399: Mr. FOGLIETTA.
H.R. 3404: Mr. INSLEE.
H.R. 3434: Mr. PENNY, Mr. ROMERO-BARCELÓ, Ms. SHEPHERD, AND Ms. SLAUGHTER.
H.R. 3455: Mr. GLICKMAN, Mr. CANADY, and Mr. HORN.
H.R. 3461: Mrs. MINK of Hawaii and Ms. MARGOLIES-MEZVINSKY.
H.R. 3462: Ms. MCKINNEY, Mrs. MINK of Hawaii, and Ms. MARGOLIES-MEZVINSKY.
H.R. 3463: Mrs. MINK of Hawaii and Ms. MARGOLIES-MEZVINSKY.
H.R. 3475: Mr. FAZIO, Mr. BARTLETT of Maryland, and Mr. TRAFICANT.
H.R. 3492: Mr. BATEMAN and Mr. TAYLOR of North Carolina.
H.R. 3513: Mr. COPPERSMITH.
H.R. 3523: Mr. ROHRABACHER.
H.R. 3569: Ms. NORTON.
H.R. 3577: Mr. FILNER.
H.R. 3614: Ms. EDDIE BERNICE JOHNSON of Texas, Mr. LIPINSKI, and Ms. VELÁZQUEZ.
H.R. 3622: Mrs. THURMAN.
H.R. 3635: Mr. HUNTER.
H.R. 3642: Mr. CANADY, Mr. FRANKS of New Jersey, Mr. HAMBURG, Mr. ORTON, Mr. SARPALIUS, Ms. SLAUGHTER, and Mr. TORRES.
H.R. 3656: Mr. BEILENSON, Mr. FROST, Mr. SHAYS, Mrs. UNSOELD, Mr. HOCHBRUECKNER, Mr. HORN, Mr. LEVY, Mr. MACHTLEY, and Mr. GLICKMAN.
H.R. 3663: Mr. LANTOS.
H.R. 3685: Mr. GOSS.
H.R. 3720: Ms. VELÁZQUEZ.
H.R. 3745: Mr. FROST, Mr. RANGEL, Mr. BONIOR, and Mr. BARLOW.
H.R. 3751: Mr. FOGLIETTA and Mr. EVANS.
H.R. 3762: Mr. BAKER of California.
H.R. 3785: Mrs. MALONEY, Mrs. MORELLA, Mr. SHAYS, and Mr. SMITH of New Jersey.
H.R. 3797: Mr. KIM and Mr. PENNY.
H.R. 3808: Mr. PICKLE.
H.R. 3830: Mr. DE LUGO, Mr. FALEOMAVAEGA, Mr. GONZALEZ, Mr. HYDE, Mr. JOHNSTON of Florida, Mr. KING, Mr. SANDERS, and Mr. STUPAK.
H.R. 3849: Mr. TORKILDSEN.
H.R. 3862: Mr. TAYLOR of Mississippi, Mr. QUILLEN, Mrs. VUCANOVICH, and Mr. PAXON.
H.R. 3866: Mr. KLECZKA, Mr. TRAFICANT, Mr. SOLOMON, Mr. NATCHER, Mr. TOWNS, Mr. COYNE, Mr. MCHALE, and Mr. CARR.
H.R. 3878: Mr. FILNER.
H.R. 3880: Mr. HUTCHINSON, Mr. BARCIA of Michigan, Mr. DOOLITTLE, Mr. KLINK, Mr. BATEMAN, Mr. ARCHER, Mr. TAYLOR of North Carolina, Mr. HUTTO, Mr. FISH, Mr. GRAMS, and Mr. HEFLEY.
H.R. 3883: Mr. ZELIFF and Ms. LOWEY.
H.R. 3886: Mr. FIELDS of Texas, Mr. WELDON, and Mr. LAUGHLIN.
H.R. 3901: Ms. LAMBERT, Mr. THOMPSON, Mr. PARKER, and Mr. FROST.
H.R. 3913: Mr. LEWIS of Florida, Mr. DORNAN, and Mr. CALLAHAN.
H.R. 3939: Mrs. UNSOELD, Mr. PARKER, and Mr. COBLE.
H.R. 3949: Mr. KLUG and Mr. BARTLETT of Maryland.
H.R. 3951: Mr. GOODLATTE, Mr. RAVENEL, Mrs. THURMAN, Mr. SMITH of Michigan, Mr. SKEEN, Mr. KNOLLENBERG, Mr. CARR, and Mr. EHLERS.
H.R. 3955: Mr. DARDEN and Mr. FIELDS of Texas.
H.R. 3969: Mr. THOMAS of Wyoming, Mr. ROGERS, Mr. GINGRICH, Mr. HOLDEN, Mr. COLLINS of Georgia, Mr. MONTGOMERY, Mr. WHITTEN, Mr. PICKETT, Mr. SUNDQUIST, Mr. ROWLAND, Mr. POMBO, Mr. PETE GEREN of Texas, and Mr. SARPALIUS.
H.R. 3986: Mr. GRAMS, Mr. CASTLE, Mr. SMITH of Michigan, Mr. GORDON, Mr. GLICKMAN, Mr. PORTMAN, Mr. BATEMAN, and Mr. KLUG.
H.R. 3999: Mr. DURBIN and Mr. PORTER.
H.R. 4008: Mr. SAXTON.
H.R. 4013: Mr. WILLIAMS.
H.J. Res. 22: Mr. CALVERT.
H.J. Res. 61: Mr. CALVERT.
H.J. Res. 103: Ms. ENGLISH of Arizona.
H.J. Res. 177: Mr. WAXMAN, Mr. SANDERS, Mr. WYNN, Mr. HASTINGS, Mr. FISH, Mr. HUTTO, Mr. FAZIO, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. KASICH, Mr. KENNEDY, Mrs. KENNELLY, Mr. LIPINSKI, Ms. ROYBAL-ALLARD, Mr. STOKES, Mr. FALEOMAVAEGA, Mr. WILSON, Mr. EVANS, Mr. MARTINEZ, Mr. MFUME, Mr. TEJEDA, Mr. FOGLIETTA, Mrs. SCHROEDER, Mr. HOCHBRUECKNER, Mr. GILMAN, Mr. DELLUMS, Ms. VELAZQUEZ, Mr. DEFAZIO, Mr. HYDE, Ms. SLAUGHTER, Mr. SHAYS, and Mr. FILNER.
H.J. Res. 253: Mr. HORN, Mr. BLUTE, Mr. BISHOP, Ms. MCKINNEY, Mr. BILIRAKIS, Mrs. UNSOELD, Mr. LIVINGSTON, Mr. YATES, Mr. MCCRERY, Mr. HYDE, and Mr. SHAYS.
H.J. Res. 266: Mr. FISH.
H.J. Res. 278: Mrs. THURMAN and Mr. ROMERO-BARCELÓ.
H.J. Res. 291: Mr. SARPALIUS, Mr. STENHOLM, Ms. MCKINNEY, Mr. DELLUMS, Mr. POMBO, Ms. BROWN of Florida, Ms. NORTON, Ms. WATERS, Mr. ROSE, Mr. SISISKY, Mr. ANDREWS of Maine, Mr. BERMAN, Mr. STUDDS, Mr. HAMBURG, Mr. DICKEY, Mr. FAZIO, Ms. WOOLSEY, Mr. MATSUI, Mr. BECERRA, Mr. FILNER, Mrs. KENNELLY, Mrs. JOHNSON of Connecticut, Ms. DELAURO, Mrs. MINK of Hawaii, Mr. RUSH, Mrs. COLLINS of Illinois, Mrs. MEYERS of Kansas, Mrs. BENTLEY, Mr. BARLOW, Mr. OLVER, Mr. STUPAK, Mr. WAXMAN, Mr. STRICKLAND, Mr. HASTINGS, Mr. CLAY, Mr. PALLONE, Ms. FURSE, Ms. VELAZQUEZ, Mr. TOWNS, Ms. LOWEY, Mr. FOGLIETTA, Mr.

HOLDEN, Mr. KLINK, Mr. MCHALE, Mr. CLYBURN, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. GENE GREEN of Texas, Ms. SHEPHERD, Mr. SANDERS, Ms. CANTWELL, Mrs. UNSOELD, Mr. WISE, Mr. BARRETT of Wisconsin, Mr. OBEY, Mr. GOODLATTE, Mr. SABO, Mr. COBLE, Mr. SYNAR, and Mr. SLATTERY.

H.J. Res. 297: Mr. TOWNS and Mr. FAWELL.

H.J. Res. 302: Mr. PRICE of North Carolina.

H.J. Res. 305: Mr. GREENWOOD, Ms. BROWN of Florida, Mrs. UNSOELD, Mr. HEFNER, Mr. HUTTO, Mr. DE LUGO, Mr. SAXTON, Ms. MARGOLIES-MEZVINSKY, Mr. RICHARDSON, and Mr. FILNER.

H.J. Res. 309: Mr. CALLAHAN, Mr. MONTGOMERY, Mr. MCDERMOTT, Mr. CRAMER, Mr. WOLF, Mr. RANGEL, Mr. BACHUS of Alabama, Mr. BALLENGER, Mr. LIPINSKI, and Mr. EVERETT.

H.J. Res. 311: Mr. ACKERMAN, Mr. BACCHUS of Florida, Mr. BALLENGER, Mr. BATEMAN, Mr. BEILENSON, Mr. BILBRAY, Mr. BOEHLERT, Mr. CONYERS, Mr. DELLUMS, Mr. DINGELL, Mr. FOGLIETTA, Mrs. FOWLER, Mr. GEKAS, Mr. HALL of Ohio, Mr. HANSEN, Mr. HEFNER, Mr. HINCHEY, Mr. JACOBS, Mr. KLECZKA, Mr. KREIDLER, Mr. MCHUGH, Mrs. MALONEY, Ms. MARGOLIES-MEZVINSKY, Mrs. MEYERS of Kansas, Mrs. MINK of Hawaii, Mr. MOAKLEY, Mr. MONTGOMERY, Mrs. MORELLA, Mr. MURPHY, Mr. ROMERO-BARCELÓ, Mr. STUDDS, Mr. TOWNS, Ms. VELAZQUEZ, Mrs. VUCANOVICH, Mr. WHEAT, Mr. WILSON, Mr. WOLF, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. STEARNS, and Mr. HYDE.

H.J. Res. 317: Mr. NUSSLE, Mr. RAMSTAD, Mr. FIELDS of Louisiana, Mrs. MINK of Hawaii, Mr. NATCHER, Ms. SNOWE, Mr. TALENT, Mr. PICKLE, and Ms. FURSE.

H.J. Res. 322: Mr. PETE GEREN of Texas, Mr. COOPER, Mr. FROST, Mr. TORRICELLI, Mr. MENENDEZ, Mr. CALLAHAN, Mr. BROWDER, Mr. HILLIARD, Mr. ORTON, Mr. FILNER, Mr. BATEMAN, and Mr. MANN.

H.J. Res. 325: Mr. RANGEL, Mr. MINETA, Mr. HILLIARD, Mr. HYDE, Mr. LIVINGSTON, Mr. MCCLOSKEY, Mr. MCDERMOTT, Mr. KLEIN, Mr. MANTON, Mr. KLECZKA, Mr. MURTHA, Mr. NEAL of Massachusetts, Mrs. CLAYTON, and Mr. DEUTSCH.

H.J. Res. 332: Mr. DORNAN, Mr. HANSEN, Mr. CONYERS, Mr. RANGEL, Mr. ARCHER, Mr. YOUNG of Florida, Mr. SPENCE, Mr. LEWIS of Florida, Mr. BATEMAN, Mr. BILIRAKIS, Mr. SANGMEISTER, Mr. TORRES, Mr. BLILEY, Mr. MURTHA, Mr. COBLE, Mr. CALLAHAN, Mr. MANTON, Mr. CLINGER, Mr. SOLOMON, Mr. JACOBS, Mr. MINETA, Mr. KLEIN, Mr. STUMP, Mr. TORRICELLI, Mr. ROMERO-BARCELÓ, Mr. SMITH of Michigan, Mr. SARPALIUS, and Mr. KING.

H.J. Res. 333: Mr. RIDGE, Mr. MORAN, Ms. FURSE, Mr. HINCHEY, Mr. NADLER, Mr. BROWN of California, Mr. COSTELLO, and Mr. DE LUGO.

H.J. Res. 335: Mr. GEKAS, Mr. MURPHY, Mr. KENNEDY, Mr. WOLF, and Ms. EDDIE BERNICE JOHNSON of Texas.

H.J. Res. 336: Mr. BORSKI.

H. Con. Res. 20: Mr. EMERSON.

H. Con. Res. 147: Mr. WILSON and Mr. ROMERO-BARCELÓ.

H. Con. Res. 166: Mr. PRICE of North Carolina.

H. Con. Res. 199: Mr. KNOLLENBERG, Mr. PAYNE of New Jersey, Mr. ANDREWS of Texas, Ms. MARGOLIES-MEZVINSKY, Mr. SARPALIUS, and Mr. ROMERO-BARCELÓ.

H. Res. 234: Mr. BURTON of Indiana, Mr. LAROCCO, Mr. EWING, Mr. SKAGGS, Mr. BARTON of Texas, Mr. ZIMMER, Mr. BORSKI, Mr. SWETT, Mr. KENNEDY, Mr. GRAMS, Mr. BARCA of Wisconsin, Mr. SHAYS, and Mr. BROWN of Ohio.

H. Res. 315: Mr. PARKER.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

80. By the SPEAKER: Petition of the Legislature of Rockland County, NY, relative to memorializing the President to appoint a special envoy to Northern Ireland; to the Committee on Foreign Affairs.

81. Also, petition of the Common Council of the city of Buffalo, NY, relative to H.R. 2229; jointly, to the Committees on Foreign Affairs, Energy and Commerce, Post Office and Civil Service, and Ways and Means.