

leader of the executive branch; the rejection vote to impeach a judge, or a President, a person in one of the other branches; the affirmative vote to ratify a treaty; the affirmative vote to ratify an action by the President. The Constitution includes also the allowance for the Chambers to eject a Member that has been voted by the people, the ultimate kind of rejection.

The Constitution should not be amended to allow a minority to control the budget process.

COSIGNING A LOAN TO ONE OF THE MOST CORRUPT REGIMES IN THE WORLD IS WRONG

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

Mr. TAYLOR of Mississippi. I hope our Speaker is listening because the American people would like to know when he is going to schedule the vote on the Mexican \$40 billion bailout.

I say to the Speaker, "You want to call it a loan guarantee. Well, if you want to loan one of the most corrupt regimes in the world \$40 billion, to cosign a note personally, you're welcome to do so."

If the President of the United States would like to do so personally, Mr. Speaker, he is also welcome to do so.

However, Mr. Speaker, do not ask the American people to cosign a loan to one of the most corrupt regimes in the world and be held accountable.

A couple of years back, in fact less than 1½ years ago, the now Speaker and President said we have to pass NAFTA or the Mexican economy will fail. Well, I voted against it, but the majority voted for it. They passed NAFTA, and now the Mexican economy has failed. They said we have to pass NAFTA or we will lose jobs in America. Well, unfortunately the majority voted for NAFTA, and we have lost 700 manufacturing jobs in my south Mississippi congressional district alone.

I say, "Mr. Speaker, you all have been wrong twice. Let's don't be wrong three times. If you're not going to have a vote, then tell the American people you will not schedule a vote. But if you're going to have a vote on this bailout, tell the American people when it's going to be, and let's don't have it in the middle of the night when the television cameras and the reporters are gone."

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SAM JOHNSON of Texas). Further 1-minutes will be in order after the close of regular business today.

PROPOSING A BALANCED BUDGET AMENDMENT TO THE CONSTITUTION

The SPEAKER pro tempore. Pursuant to House Resolution 44 and rule

XXIII, 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 1.

□ 0956

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. 1) proposing a balanced budget amendment to the Constitution of the United States, with Mr. WALKER in the chair.

The Clerk read the title of the joint resolution.

The CHAIRMAN. When the Committee of the Whole rose on Wednesday, January 25, 1995, all time for general debate had expired.

Pursuant to the rule, the committee amendment in the nature of a substitute printed in the Joint Resolution is considered as read, is not subject to amendment while pending, and is debatable for 1 hour, equally divided and controlled by the gentleman from Texas [Mr. BARTON] and an opponent.

No further amendment shall be in order except those designated in section 3 of House Resolution 44. Each further amendment may be offered only by the named proponent or a designee, may be considered notwithstanding the adoption of a previous amendment in the nature of a substitute, is considered read, is not subject to amendment, and is debatable for 1 hour, equally divided and controlled by the proponent and an opponent of the amendment.

If more than one amendment is adopted, only the one receiving the greater number of affirmative votes shall be considered as finally adopted.

In the case of a tie for the greater number of affirmative votes, only the last amendment to receive that number of affirmative votes shall be considered as finally adopted, except that if the amendment in the nature of a substitute recommended by the Committee on the Judiciary is one of the amendments receiving the greater number of votes, then it shall be the amendment considered as finally adopted.

The Clerk will designate the committee amendment in the nature of a substitute printed in the joint resolution.

The text of the committee amendment in the nature of a substitute is as follows:

H.J. RES. 1

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years after the date of its submission for ratification:

"ARTICLE—

"SECTION 1. Prior to each fiscal year, Congress shall, by law, adopt a statement of receipts and outlays for such fiscal year in

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

"SECTION 2. No bill to increase tax revenue shall become law unless approved by a three-fifths majority of the whole number of each House of Congress.

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

"SECTION 4. 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 faces 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 5. 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 6. The amount of the debt of the United States held by the public as of the date this Article takes effect shall become a permanent limit on such debt and there shall be no increase in such amount unless three-fifths of the whole number of each House of Congress shall have passed a bill approving such increase and such bill has become law.

"SECTION 7. All votes taken by the House of Representatives or the Senate under this Article shall be rollcall votes.

"SECTION 8. Congress shall enforce and implement this Article by appropriate legislation.

"SECTION 9. This Article shall take effect of the fiscal year 2002 or for the second fiscal year beginning after its ratification, whichever is later."

The CHAIRMAN. Pursuant to the rule, the amendment is not subject to amendment while pending.

The gentleman from Texas [Mr. BARTON] will be recognized for 30 minutes and a Member opposed will be recognized for 30 minutes.

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

Mr. BARTON of Texas. Mr. Chairman, I ask unanimous consent that 15 of the 30 minutes that I control be allotted to the gentleman from Fort Worth, TX, Mr. PETE GEREN, for such use as he may see fit.

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

There was no objection.

Mr. BARTON of Texas. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey [Mr. SAXTON].

Mr. SAXTON. Mr. Chairman, each time I approach this podium with regard to this subject, I say the words "This is a historic debate," and it truly is a historic debate because we are about making a major change in the

way this House does business, and to the extent that the gentleman from Texas [Mr. BARTON] and the gentleman from Illinois [Mr. HYDE], the chairman of the Committee on the Judiciary, have led the way on this, to me they are true American heroes in the historic sense because it is very clear to me that in looking at the history of tax-and-spend policy and balancing the budget, or our failure to do so, it is a direct result of the fact that it is easier to increase taxes than it is to cut spending, and that is what this amendment is about, providing an opportunity for the American people to expect us to vote by more than a simple majority to increase taxes in order to balance the budget.

In 1981, Mr. Chairman, there was a major effort to balance the budget, and we increased taxes. In 1983 there was a major effort to balance the budget, and the House increased taxes. In 1990 there was a major effort to balance the budget, and the House increased taxes. In 1993 there was a major effort to balance the budget, and again the House increased taxes.

Today we are facing in this fiscal year a \$180 billion deficit, and it is expected to grow.

Our expectations of what this House will do to solve this problem cannot ignore history because every time we have gotten serious about it, we have increased taxes, reached into the pockets of American taxpayers, and said, "Give us more." And each time, we have spent more. We still have a deficit after all these tax increases.

So the amendment offered by the gentleman from Texas [Mr. BARTON] would simply put in place a new rule that would require us to pass future taxes by a three-fifths' vote, and I commend the gentleman for his amendment.

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

(Mr. CONYERS asked and was given permission to revise and extend his remarks.)

Mr. CONYERS. Mr. Chairman, I rise in opposition to the Barton amendment because it is a prescription for delay rather than action, for ambiguity rather than specificity, for abdication to the courts rather than responsibility that lies here in this Chamber. It could turn economic recessions into depressions, it fails to define very important terms, and it creates a minority reign over our fiscal and economic policy.

First and foremost, it refuses to allow us to look under its hood the way any family would if it were buying a car before making a decision. There are no numbers, no projections, no nothing. One Republican Member yesterday, in a moment of unexpected candor, analogized the secret budget-cutting plan to the San Francisco 49ers football team, saying that they could not make their game plan public. Well, to continue the analogy, I guess the American people would be the San Diego Chargers, or, in other words,

their adversary to whom this secret budget cannot be disclosed. In the name of responsibility, none of us should support a budget amendment with a secret plan.

Second, this amendment is an attack on Social Security as sure as we are in this Chamber. Currently, Social Security is off budget. This amendment, in one of its rare instances of clarity, says clearly that Social Security outlays and receipts are on budget, and if they are on budget, they are up for grabs when the budget balancing occurs. If you buy the hortatory resolution passed by the Republicans, then you are going to be in for a big surprise if you think that Social Security is not on the table. This amendment refuses to put an ironclad protection into the text of the amendment that we on this side of the aisle are insisting upon.

Then, with unfunded mandates being considered already on the floor, the constitutional amendment to balance the budget is the mother of all unfunded mandates. We are going to get unfunded mandates coming down by the dozens, and it will pass the responsibilities but not the resources to the States. Republicans will not put that protection in the amendment as well.

So the other side has all the tools needed to balance the budget now. They are now the majority. They need not wait 7 years and two Presidential elections to balance the budget. What tool or what power is missing today? In the words of former Governor Weicker, this amendment is like a quarterback on a football field in the middle of a huddle, going into the stands and then yelling, "OK, team, score a touchdown."

Let us not wait for the Constitution to do it for us years down the road. Let us do it for ourselves.

We are still left with a troubling lack of definitions on outlays and receipts, on standing, and on what role the courts would play. Here we are bringing in the judiciary, and they have no institutions whatsoever on how they would indeed balance an unbalanced budget.

So the Republicans now are clearly scared of the big buckle, the buckle in the Congress, the buckle among several States, the buckle that could occur among the American people.

Mr. Chairman, let us put those numbers on the table. Let us get on with the real business of deficit reduction, like the \$500 billion already achieved by Congress in the previous 2 years and the new administration, because we can make a difference by not supporting what I think is a very flawed plan for the great document called the Constitution that controls the laws of this country.

Mr. Chairman, I ask the Members, please do not support this amendment.

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

The CHAIRMAN. The Chair recognizes the gentleman from Texas, Mr. PETE GEREN, who controls 15 minutes.

Mr. PETE GEREN of Texas. Mr. Chairman, I yield 2 minutes and 15 seconds to the gentleman from Louisiana [Mr. TAUZIN].

Mr. TAUZIN. Mr. Chairman, yesterday as we began this debate on the balanced budget amendment, we heard a lot of discussion about alternatives, including the possibility of a capital budget amendment, the idea being that, "Well, American families borrow money, don't they? And they get to sign mortgages, don't they? Why couldn't we here in Washington continue to borrow money and sign mortgages like American families do, and then have a balanced budget built around that concept?"

There is only one problem with that theory. That theory is based upon the notion that American families do that, so why not have the Government do that? The difference is that when American families sign a mortgage, when they buy a home or when they buy a car and sign on the dotted line on that mortgage agreement, they agree to pay the debt back. Here in Washington, when we mortgage the future, when we accumulate debt year after year after year and pile it on, there is no agreement ever to pay it back. All we ever do is pay the interest on the loan. I ask you, "Wouldn't you love to be a family that could borrow at will from the bank and never be required to do anything more than pay the interest?" Who in America gets that right except the Federal Government? Who in America gets away with that kind of financing except the Federal Government?

It just does not work that way. We cannot continue to pile up debt and think we can only pay the interest when the interest is eating up the money we need to spend on decent and good American policies for our own people and expect that this debt is not one day going to cripple us. No American family can do it, not under any capital budget plan that anybody has suggested to this Congress in this debate.

It is for that reason that I hope Members will join with us and support the Barton-Hyde-Geren-Tauzin constitutional amendment that does three very important things: It says, first, "That we have to balance the budget, and we have to get about it now and do it soon"; second, it says, "Do it without taxing us anymore unless you do it with a supermajority. Don't tax us anymore, please, because we can't take it"; and, finally it says, "Quit borrowing. Quit borrowing money on the backs of our children, end this deficit financing, and get us back into a position where we are doing the honest thing, spending only the money we were sent up here to spend."

Mr. CONYERS. Mr. Chairman, I am delighted to yield 4 minutes to the gentlewoman from Texas [Ms. JACKSON-LEE], a member of the Committee on the Judiciary.

□ 1010

Ms. JACKSON-LEE. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, at the conclusion of the Constitutional Convention, Benjamin Franklin was asked, "What have you wrought?" And he answered simply, "A Republic, if you can keep it."

Those words sometimes fall in a deafening sound on our ears, trying to understand if Ben Franklin was talking about Republican and Democratic politics. Simply, Ben Franklin was offering the fact that we are a Republic, a representative body, a body that should be representative of all of the people of the United States of America.

Sitting on the Judiciary, Committee Mr. Chairman, that was the approach which I took to be able to offer to the American people a realistic statement on where we wanted to go in balancing the budget, strongly debating the issue of amending the Constitution of the United States, having been amended only some 27 times in our history; offering the thoughts of constituents across this Nation, not to blind side America, but to have a real debate in the Judiciary Committee. Recognizing that we had established a trust with the American people, veterans benefits for the likes of the gentleman in the gallery who had thrown himself on a grenade in World War II, vested in this Nation, we talked about veterans benefits.

We talked about military preparedness, because Democrats want national security, and we asked the majority party, what would happen in a time of crisis when the military, your boys and girls, had to be prepared? Why not join us in a bipartisan way and exempt that so that this Nation can be prepared for the needs of national security?

Time after time we were voted down. And then we come to Social Security, and I have heard one of my colleagues suggest, oh, we are protected by the vote that was offered yesterday.

I come from a constituency that is filled with hard-working senior citizens who are now retired and hard-working men and women who simply say, "Hold on to my Social Security." SHEILA JACKSON-LEE is not going to vote against any measure that may help our senior citizens. I voted for that yesterday, with great fear and trepidation in my heart. For any time in the next week or year or two some small sentence will say they have repealed that resolution. There is no depth there. But I am trying to help my constituents. There is no guarantee to say that because you voted for that, then you have to be assured or can be assured, if you will, that Social Security is protected. It is not to the depth I would like. Not for the hard-working citizens that I see every day, rolling up their sleeves, getting on Metro buses in the city of Houston, working hard, long hours.

But Ben Franklin said, "What have we wrought." And he answered, "A Republic, if you can keep it."

And I think we need to, in a bipartisan way, keep a Republic that reflects on the needs of Americans, reflects on the needs of women and children, reflects on the needs of States who are not recognizing, like the State of Texas, that it will lose billions of dollars for working men and women, middle class men and women, senior citizens, who have invested their time and their life in working for this country.

I waive the Constitution because it is a sacred document. I do not come here in a lack of spirit of cooperativeness. I would have wanted the Judiciary Committee meeting to have gone on. But I think that we must look at the Constitution and try to keep it. We must do a balanced budget amendment that answers the concerns of the American people.

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

Mr. MICA. Mr. Chairman, during my first 2 years in Congress as a freshman, I had the opportunity to serve as the coordinator for the balanced budget amendment effort. During the last Congress, unfortunately, our efforts to pass any balanced budget amendment were defeated.

On this historic day, however, the question before us is not whether or not we will pass a balanced budget amendment. The question is which of two balanced budget amendments will be adopted. I personally favor a balanced budget amendment that places some limit on Congress' ability to raise taxes. However, quite frankly, I can and will and intend to support any reasonable measure that finally brings fiscal order to this body.

On the first day of this session of Congress, Republicans kept their promise. We required Congress to live under the same laws we impose for everyone else. We cut committee staffs. We opened meetings to the public. We banned proxy voting. We required an audit of this Congress. We eliminated some of the wrongs of former Congresses. And we also required by rule of the House of Representatives a three-fifths vote to increase taxes.

Now, as we move to the most important item in the Contract With America, I urge my colleagues to first adopt a balanced budget amendment, and, second, to adopt it with a three-fifths limit on raising taxes.

Now, as we amend this great charter, let us hope that in the year 2002, people look back and they say on this day we did the right thing.

Mr. CONYERS. Mr. Chairman, I am pleased to yield 3 minutes to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Chairman, I would urge that this proposition be defeated, because I think it ought to do what it pretends to do. But the fact is it does not.

The American people are being told that this is an amendment that would require by constitutional edict that the budget be balanced. That is absolutely

not so. I defy anyone to show me the language that requires that. All this proposal does is to say that 7 years from now, when Congress passes an unbalanced budget, they simply have to have 60 percent of the people on this floor to agree to the deal, rather than 50 percent. That is all it says.

I would suggest to you all that does is raise the price of getting the deal. I have never yet seen a Member of Congress agree to vote for a budget because something got taken out that costs money. I have seen an awful lot of Members with their hands out saying to committee chairs or saying to Presidents, "Give me, Give me, Give me. Put this in, I will vote for it." "Put this road in, I will vote for it." That is why I think this, as presently drawn, will cost the taxpayers money.

Second, we ought not to make Mr. Alan Greenspan President of the United States. The Federal Reserve has enough power already. Yet what this proposal says is that the Congress could not do one blessed thing to save one American job in the midst of the most serious recession that we could probably have. There is no flexibility for the Government to do anything except get on its knees and beg the Federal Reserve to loosen up on credit.

I thought that FDR a long time ago taught us how stupid that idea is.

Third, if we are going to pass an amendment, it ought to protect Social Security. I defy you to show me the language that requires that Social Security be protected. Oh, yes, there is hortatory language in the fig leaf proposition that was passed yesterday which says "Oh, the committee ought to see to it that it is protected." But there is nothing that guarantees that they will be so. And as we all know, we have heard the Republican leadership of this House on national television say, "Well, we are not going to touch Social Security for the first 4 or 5 years." Why should we allow people to have a sneak attack on Social Security down the line?

Lastly, they ought to have to tell us where this baby is actually going to cut, and they will not do that. They are only going to show you after you vote for it.

I think the American public has a right to know which programs are going to be cut, by how much, and if they are not given the right to know, I think every Member of this House has a duty to demand the right to know. Get real. Get about cutting spending. This is a "play" act.

□ 1020

Mr. PETE GEREN of Texas. Mr. Chairman, I yield 1½ minutes to the distinguished gentleman from Texas [Mr. LAUGHLIN].

Mr. LAUGHLIN. Mr. Chairman, I rise in strong support of the Barton-Tauzin balanced budget amendment. There are some who say this is just a Republican proposal. I would point out that there are Democrats in this House that for

the entire 6 years I have been a Member have been strong leaders, leaders like the gentleman from Texas [Mr. STENHOLM], the gentleman from Louisiana [Mr. TAUZIN], and others of us who have signed discharge petitions to bring the balanced budget amendment to the House floor.

Our constituents demand that we operate the Federal Government much as they have to operate their family budgets and our city councils and our State governments and our county governments must do so. Consider that today we are spending \$816 million a day on gross interest payments. Consider that that is eight times higher than our Federal expenditures on education. Consider that those interest payments are 50 times higher than our expenditures on job training and 55 times more than we are spending on Head Start and 140 times more money than we are spending on childhood immunizations.

So we are living on credit. And so as I listen to my constituents, I hear them saying, "we are paying enough taxes. Impose restrictions so that you who go to the Congress in Washington, DC, will use the money that we have given you already."

Mr. CONYERS. Mr. Chairman, I yield 3 minutes to the gentleman from North Carolina [Mr. WATT], a member of the Committee on the Judiciary.

Mr. WATT of North Carolina. Mr. Chairman, the amendment before the House at this time would require a three-fifths majority to raise taxes. I want to spend a minute or two talking about democracy, not taxes, not balanced budget amendments, but democracy, about due process, about equal protection of the law, about majority rule.

Every time we put a provision in our Constitution that goes away from a simple majority, what I want to submit to my colleagues and to the American people is that we are doing something that is undemocratic.

There is diversity in this body. Four hundred and thirty-five Members of this body come from all parts of this country: different colors, different genders, different perspectives, different regions, personalities, and we reflect the diversity of this great Nation.

Any time we upset that 50 percent plus one majority rule proposition, we take away the power or we give extra power to some other part of this Nation and some other view in this Nation.

So I am here today to talk about majority rule and the importance of standing up for majority rule. This is not about a balanced budget amendment. It is about my ability to have the same right and the same responsibility as my colleagues in this body.

This is counter democratic. It is counter equal protection. It is counter majority rule. And I encourage my colleagues to get real and defend the constitution rather than amend the constitution to give us their notion of what fiscal policy ought to be.

Mr. BARTON of Texas. Mr. Chairman, I yield 2 minutes to the gentleman from Washington [Mr. TATE], one of the distinguished members of our freshman class, who is a named sponsor of the amendment.

Mr. TATE. Mr. Chairman, I rise today to strongly encourage my colleagues to support the tax limitation balanced budget amendment. I urge support for this amendment because it is the only one requiring a three-fifths vote to raise taxes, to borrow money, or to increase the deficit.

The tax limitation balanced budget amendment is essential. For too many years this Congress has funded its bloated Federal programs on the backs of our children. There has rarely been a Federal program that Congress has not liked—Washington, DC, has continually and relentlessly spent the money of American families, and seemingly with no regret. It is time we make the nasty addiction of taxation a lot harder to satisfy. Currently, the deficit is over \$4.5 trillion—over \$13,000 for every man, woman, and child in the United States. Mr. Chairman, your grandchildren will be paying our debt. This dangerous accumulation of debt must be brought to an end. Congress has become a fat-cat. It is time we put this one on an Ultra Slim-Fast diet. By making it harder for Congress to take the working people's money, we will force, not ask, Congress to spend taxpayers' money responsibly. Every single American lives on a budget, why shouldn't the Federal Government? Forty-nine States operate under a balanced budget, why shouldn't the Federal Government? The answer is—it should.

This amendment is bold. It will be criticized. But it is needed. November 8 said something, Mr. Chairman. This freshman class made a collective commitment to come here and make a difference. I made a commitment—a commitment to cut the size of the Government—and let taxpayers keep more of what they earn.

Americans work hard for their money, and we need to make it hard for the Government to take more of it. This amendment is what the people have asked for.

Mr. CONYERS. Mr. Chairman, I yield 1 minute to the gentleman from Texas [Mr. BENTSEN].

(Mr. BENTSEN asked and was given permission to revise and extended his remarks.)

Mr. BENTSEN. Mr. Chairman, I want to thank the gentleman from Michigan for yielding time to me.

My colleagues, again, I have to come down here and oppose this amendment and oppose the Barton amendment. I have to tell my colleagues, I am not going to discuss it from a constitutional perspective because I am not a lawyer.

I, like some of my new colleagues from the other side, came from the private sector. I am a banker. This is a new business to me to be involved in.

When I look at the arguments that are before us, I think we see a little transparency. Speaker after speaker who has come down for this amendment has come down to talk about how the States balance their budgets. The cities balance their budgets. The Federal Government should do the same.

But I would offer for the RECORD something from the National Association of State Budget Officers, which shows the percentages of State budgets that come from the Federal budget. So, again, as I said yesterday, I do not think we are being honest with the American people when we are talking about this issue. We are not being honest about what the procedure is in this amendment.

This will not take us to a balanced budget.

ENOUGH STATE SUPPORT TO WIN ITS RATIFICATION

MONEY FROM THE FEDERAL GOVERNMENT

The percentage of each state's budget that came from the Federal Government in direct aid in the 1992 fiscal year, the latest for which figures are available.

	<i>Percent</i>
Alabama	58
Alaska	17
Arizona	29
Arkansas	28
California	33
Colorado	26
Connecticut	16
Delaware	15
Florida	20
Georgia	28
Hawaii	15
Idaho	31
Illinois	21
Indiana	31
Iowa	21
Kansas	26
Kentucky	26
Louisiana	33
Maine	30
Maryland	20
Massachusetts	21
Michigan	27
Minnesota	20
Mississippi	39
Missouri	27
Montana	28
Nebraska	23
Nevada	N.A.
New Hampshire	34
New Jersey	19
New Mexico	N.A.
New York	27
North Carolina	26
North Dakota	32
Ohio	23
Oklahoma	26
Oregon	16
Pennsylvania	26
Rhode Island	26
South Carolina	31
South Dakota	38
Tennessee	36
Texas	26
Utah	23
Vermont	31
Virginia	17
Washington	20
West Virginia	32
Wisconsin	20
Wyoming	21

Source: National Association of State Budget Officers.

In the abstract, all's fine. But what about higher state taxes and lesser services? Vermont and West Virginia are among a handful

of states where the amendment does not seem to stand a chance. In West Virginia, for instance, the strong opposition of United States Senator Robert C. Byrd means that the matter will probably never come to a vote. In Vermont, Gov. Howard Dean, a Democrat, has taken the lead in warning officeholders in other states that a balanced-budget amendment might mean that the Federal Government would simply foist obligations onto the states.

In New York, the Legislature's lower house, the Assembly, will probably reject the amendment if it ever reaches a vote there. Sheldon Silver, the Democratic Speaker, said he was "concerned that in times of recession, when deficit spending is used to stimulate the economy, that particular method would be lost to us."

In most of the other large states, including California, Pennsylvania and Illinois, which, like New York, have full-time legislatures with highly trained professional staffs, the leading politicians are withholding judgment on the amendment until they figure out the degree to which it would require them to raise their own states' taxes or lower their own spending.

In interviews, many officials agreed with Robert C. Jubelirer, the President pro tem of the Pennsylvania Senate. "These guys aren't going to ratify a balanced-budget amendment," Mr. Jubelirer, a Republican, said of his colleagues, "and then be told you have to raise taxes in Pennsylvania. If we're told that is not the case, I think ratification is do-able."

Officials in Connecticut took a similar stance. In New Jersey, Gov. Christine Todd Whitman, a Republican, strongly supports the amendment in principle, her spokeswoman said, and would like to lead the charge for it.

The issue of a constitutional amendment requiring a balanced Federal budget has been before the states in one form or another for years. Twenty-nine legislatures have voted for a measure calling for a constitutional convention to deal with the matter. But most of those states acted before 1980, and the legislatures of three states—Alabama, Florida and Louisiana—subsequently voted to rescind their votes on the convention.

Many state officials say they want any constitutional amendment to include a provision prohibiting the Federal Government from passing on new obligations to the states without money to cover them. A measure limiting, although not outlawing, what are called unfunded mandates is now pending in Congress and will almost certainly become law. But chances are remote that such a provision would be written into a constitutional amendment.

Once Congress approves a constitutional amendment, there is no limit on how long the states have to ratify it. But the prevailing view among proponents and opponents of the balanced-budget measure is that if 38 legislatures do not adopt it in the first year or two, it will never be added to the Constitution.

"The political momentum slides across the country when time drags," said George D. Caruolo, leader of the Democratic majority in the Rhode Island Senate. "People become more interested in parochial concerns, and the whole thing becomes more complicated."

Parochial concerns are, indeed, the chief enemy of the balanced-budget amendment. "When it comes to that vote," said David Harris, the Republican Secretary of Finance and Administration in New Mexico, the first question legislators will ask will be, "What does it do to us?"

Mr. PETE GEREN of Texas. Mr. Chairman, I yield 1½ minutes to the gentleman from Georgia [Mr. DEAL].

(Mr. DEAL of Georgia asked and was given permission to revise and extend his remarks.)

Mr. DEAL of Georgia. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I would like to rise in support of the Barton-Geren-Tauzin constitutional amendment. Unfortunately, for the last few days we have heard a lot of partisan rhetoric about a balanced budget. I would like to remind my good friends on the Republican side of the aisle that no constitutional amendment will be passed without the assistance and the hard work of Members like the gentleman from Texas [Mr. PETE GEREN], the gentleman from Louisiana [Mr. TAUZIN], and especially the gentleman from Texas [Mr. STENHOLM], who have labored long and hard in the trenches, in fact, for more than 30 days.

□ 1030

It is with our bipartisan support that an amendment, which I think will pass today, will come about. Mr. Chairman, if a balanced budget amendment occurs, there will then be hard decisions that will have to be made to implement it in this body.

I would remind Members that last year we had the opportunity to vote on trying to just slow down the largest-growing part of our budget, that of entitlements, to slow them down to the growth of inflation plus 1 percent on top of that. I would remind Members that 80 percent of the votes that came for that proposal came from the Democratic side of the aisle.

Therefore, let us put aside partisan politics and get on with it. Let us ask the question: Will these two proposals, the one we are talking about now and the one that will follow, really make any difference?

Since 1977 there have been 15 tax increases approved by Congress. Had we had the Barton-Tauzin-Geren amendment in place, 9 of those 15 would have been blocked.

BACKGROUND

Since 1977, Congress has passed 15 bills increasing taxes:

Four received more than 60 percent votes in the House and Senate in each vote and would not have been affected by either Barton-Geren or Schaefer-Stenholm.

Two were passed by voice vote once but received more than 60 percent vote in every other vote in the House and the Senate.

Two bills received less than 60 percent vote, but more than a constitutional majority, in at least one vote in the House or Senate.

Seven bills received less than a constitutional majority in at least one vote in the House or Senate.

CONCLUSION

Using recent history as a guide, both Barton-Geren and Schaefer-Stenholm will be effective in blocking tax increases. The tax limitation in Barton-Geren would have been only marginally more effective in blocking tax increases than Schaefer-Stenholm since 1978.

If a three-fifths supermajority requirement for tax increases had been in the Constitution

since 1977, 9 of 15 tax bills would have been blocked.

Seven bills raising taxes by a total of \$558.9 failed to receive a constitutional majority and would not have passed if the tax limitation provision in Schaefer-Stenholm had been in effect.

TAX BILLS THAT WOULD HAVE FAILED IF HOUSE JOINT RESOLUTION 28, SCHAEFER-STENHOLM AMENDMENT, HAD BEEN IN EFFECT

1. 1977—SOCIAL SECURITY TAX

Summary

Increased Social Security payroll tax rates and the taxable wage base for both employers and employees.

Size of tax increase

\$80.4 billion

Votes failing to receive constitutional majority

The Senate initially passed the bill by a vote of 42-25 on November 4, 1977.

The House passed the conference report by a vote of 189-163.

2. 1982—TAX EQUITY AND FISCAL RESPONSIBILITY ACT

Summary

Made a variety of tax changes, including repealing or curtailing several tax breaks and other tax changes to increase revenues by \$99 billion and cut welfare, Medicare and Medicaid spending by \$17 billion.

Size of tax increase

\$99 billion

Votes failing to receive constitutional majority

Senate initially passed the bill by a vote of 50-47 on July 22, 1982.

3. 1982—TRANSPORTATION ASSISTANCE ACT OF 1982

Summary

Authorized \$71.3 billion for highway construction over 1983 to 1986 and increased gasoline taxes.

Size of tax increase

\$22 billion

Votes failing to receive constitutional majority

The House adopted the conference report by a vote of 180-87 on December 21, 1982. (R 73-46, D 107-41.)

4. 1987—OMNIBUS BUDGET RECONCILIATION ACT

Summary

Made a variety tax changes to increase revenues by \$11.9 billion, made several spending cuts in entitlement programs and raised several user fees.

Size of tax increase

\$11.9 billion.

Votes failing to receive constitutional majority

The House initially passed the bill by a vote of 206-205. (R 1-164, D 209-40.)

5. 1992—H.R. 4210 TAX FAIRNESS AND ECONOMIC GROWTH ACT

Summary

Permanently increased top tax rate and imposed a surtax on incomes above \$250,000 in addition to other tax increases to offset a two-year temporary middle class tax cuts, expanded IRAs and other tax breaks.

Size of tax increase

\$77.5 billion.

Votes failing to receive Constitutional Majority

The House passed the conference report by a vote of 211-189 on March 20, 1992 (R 1-149, D 209-40).

6. 1992—H.R. 11, URBAN AID TAX BILL

Summary

Created enterprise zones, changed passive loss rules and made other changes in the tax code. Increased taxes on securities firms, owners of real estate, increased estimated taxes for individuals and corporations, capped the business deduction for moving expenses and other tax increases.

Size of tax increase

\$27 billion.

Votes failing to receive Constitutional Majority

The House adopted the conference report by a vote of 208-202 on October 6, 1992. (R 39-122, D 169-79).

7. 1993—OMNIBUS BUDGET RECONCILIATION

Summary

Increased taxes through an increase in the top tax rate, an increase in the gas tax, taxes on Social Security benefits and other tax changes, made changes in entitlement programs and placed caps on discretionary spending.

Size of tax increase

\$241 billion.

Votes failing to receive Constitutional Majority

The Senate initially passed the bill by a vote of 50-49 on June 25, 1993.

Mr. CONYERS. Mr. Chairman, I yield 2 minutes to the gentleman from West Virginia [Mr. WISE].

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

Mr. Chairman, I rise in opposition to the Barton substitute for several reasons. First of all, I will be offering one later in the day that does two things: It takes Social Security off budget, and it says that the Federal Government may be involved in capital budgeting for physical infrastructure.

What that means is that we build for growth in our balanced budget amendment, and we permit those things that help add to an economy, the roads, the bridges, the airports, the water, the sewer systems, the buildings. Those things that are necessary for growth can be accounted for and reflected and encouraged, not discouraged.

Mr. Chairman, I also want to talk for just a second about the provision of the Barton amendment that does trouble me. That is the supermajority. Yes, it is a great bumper sticker, three-fifths vote to raise taxes, 60 percent vote instead of a 50-percent vote; 60 percent, a supermajority, instead of a regular majority.

Where does this stop, Mr. Chairman? Should we have a 60-percent majority, for instance, to change Social Security? Perhaps so. Should there be a 60-percent majority required before a program can be cut, whether it is welfare or defense or something along those lines? Should there be a 60-percent majority for just about anything that we feel is important?

I guess what is most concerning to me, Mr. Chairman, on this is that where does the 60-percent majority stop and what are the priorities? I get concerned when somebody tells me they want a 60-percent majority in the Constitution to take money from a mother and father. Laudable, yes.

However, I am equally concerned, or more concerned, when I know that the toughest vote I will ever cast is whether or not to go to war, and yet it is only a 50-percent majority to take the son or daughter from the mother or father to send them to war.

Certainly, Mr. Chairman, majority rule is what has governed this country. Majority rule is what should continue. For those reasons, I oppose the Barton substitute.

The CHAIRMAN. The Chair would announce that the gentleman from Texas [Mr. BARTON] has 9 minutes remaining, the gentleman from Texas [Mr. PETE GEREN] has 9½ minutes remaining, and the gentleman from Michigan [Mr. CONYERS] has 12 minutes remaining.

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

(Mr. BUNNING of Kentucky asked and was given permission to revise and extend his remarks.)

Mr. BUNNING of Kentucky. Mr. Chairman, I thank the gentleman for yield time to me.

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

Mr. Chairman, I rise today in strong support of the balanced budget amendment. It is a step that Congress should have taken before now. The American people are depending on us to take the necessary action to put our financial house in order.

Almost exactly 1 year ago I signed a discharge petition to force the Democratic leadership to allow us to vote on a balanced budget amendment that had been locked away. What a difference an election makes.

I want to thank my good friend, the gentleman from Illinois, Mr. HENRY HYDE the Chairman of the Judiciary Committee, for making sure that we will get to vote on the balanced budget amendment in a timely manner as the people have indicated that they want.

This is a measure that I have supported since the day I arrived in Washington as a freshman Member of this great body. It is a measure that the American people have overwhelmingly called on us to pass. And now, the time has come for us to pass this amendment.

Every year we pass a budget that is not balanced and every year we put our children and grandchildren further in debt. No more.

Cutting the spending and establishing priorities about how we spend the people's money are ideas whose time have come. In fact, they are past due.

Why do we need a balanced budget amendment to do that? We need it because it has become crystal clear that the Congress is not capable of making the cuts to balance the budget without the discipline of a balanced budget amendment.

Opponents of the balanced budget amendment have resorted to the same old tired arguments that we can make the tough choices without the amendment. Well, we have not made those choices in over a quarter of a century.

Some of the enemies of the amendment have even resorted to trying to scare our senior citizens into believing that a balanced budget amendment would cut Social Security.

That simply is not true. As chairman of the Social Security Subcommittee, I would not support any measure which would jeopardize the safety and soundness of the Social Security trust fund and the longstanding contract that we have with our senior citizens.

That contract was made long before the Contract With America was ever conceived. We must and we will honor it.

The balanced budget amendment is the best insurance that I know for protecting the long-term solvency of the Social Security trust fund. Budget deficits and the need to borrow and pay interest on that borrowing are the real threats to Social Security.

I suspect that the reason that the spendaholics have taken these low-road attacks on the balanced budget amendment is because they are afraid that their pet pork programs will be found lacking merit when we sit down to decide what we need and what we can live without.

What a shame that some would stoop so low as to try to frighten elderly Americans to protect programs that are likely to be found unworthy of our support when deciding how to spend the people's money.

We all know that the Social Security trust fund operates in the black. It should not even be a part of this debate. The real issue is whether we will live up to our responsibilities or not.

Anyone who does not have the guts to live up to the responsibilities needs to find a new line of work. And they need to stop trying to scare senior citizens.

We must reject the business-as-usual approach by the naysayers who have run us into debt over the last quarter century. We have tried it their way and we have huge debts, yearly deficits and interest payments on the debt that eat up 18 percent of each year's budget.

It has been a long time coming; but, the time has finally come. I ask my colleagues to let us make this change that will turn our wagon away from the valley of debt and head back toward the economic high ground.

Mr. BARTON of Texas. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida [Mr. CANADY], a subcommittee chairman of the Committee on the Judiciary.

(Mr. CANADY of Florida asked and was given permission to revise and extend his remarks.)

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

Mr. Chairman, I am pleased to rise in support of the Barton balanced budget amendment to the U.S. Constitution.

The enactment of a balanced budget amendment is a top priority of the American people and it is very fitting that this amendment is among the first matters to be taken up by the House during the 104th Congress.

The balanced budget amendment is a top priority for the American people because they are frustrated and dismayed by the inability of Congress to do business in a responsible manner and to balance the Federal budget. The American people are rightly fearful that our children will pay dearly in the future for our imprudence and lack of discipline today.

We have all heard the statistics concerning the national debt. But those statistics bear repeating. During the past decade the national debt has tripled. The Federal Government now owes a staggering \$4.7 trillion. Interest alone on the debt is over \$200 billion annually. We now spend more on interest than we do on many major functions of the Federal Government.

The massive and mounting Federal debt threatens to severely damage our economy and to undermine the soundness of all governmental programs and activities.

Congress has engaged in extended efforts to control Government spending and to reduce and eliminate the Federal deficit. Those legislative efforts have been—by any reasonable standard—a total failure.

Placing limitations on debt is a time-honored tradition in the Congress. Unfortunately, it has also been a time-honored tradition regularly to increase the statutory ceiling on the Federal debt. Indeed, since 1960 Congress has on 64 separate occasions acted to raise the limit on the debt.

The Gramm-Rudman Act of 1985 established steadily declining deficit targets supposedly culminating in a balanced budget for 1991. But Congress has continually revised this law, circumventing its goals and indefinitely postponing the illusive balanced budget.

In the past 10 years, Congress has passed five balanced-budget statutes. But we are no closer to balancing our budget. With its insatiable appetite, Congress continues to spend money—borrowing and taxing more and more.

The history points up a basic institutional failure on the part of both the legislative and the executive branches of the Federal Government—and a failure that has involved Members of both political parties. And this history points unavoidably to the conclusion that we must take a fundamentally different approach to the budget process.

In short, we must provide for external discipline to rein in the deficit. Adoption of the balanced budget amendment will impose—by constitutional mandate—the requisite discipline on Congress.

The Barton amendment would discourage the Congress from deficit spending, increasing taxes, and raising the limit on the national debt. It would force Members of Congress to make tough necessary and long-avoided legislative choices about how to spend the hard-earned dollars of American taxpayers.

The three-fifths vote required to raise taxes is a vital part of the amendment. It discourages Congress from relying on tax increases rather than spending cuts to balance the budget—and forces Congress to limit the growth of the Federal Government.

We should only amend our Constitution when there is no other means to deal with an urgent need. A constitutional amendment should be adopted only as a last resort.

But I would submit to this House that we are faced with an urgent need to balance the budget, and with a long, disgraceful history of failed legislative attempts to force a balanced budget. We must move beyond these failed legislative approaches. We must reject the scare tactics of those who oppose a balanced budget. We must amend the Constitution to require a balanced budget.

Mr. BARTON of Texas. Mr. Chairman, I yield 1 minute to the gentleman from Oklahoma [Mr. ISTOOK], one of

our more thoughtful Members on the subject of constitutional issues.

Mr. ISTOOK. Mr. Chairman, as we move to balance the budget, pressure to raise taxes will intensify. Even with taxes as high as they are, we currently raise only about \$3 in taxes for every \$4 we spend.

Faced with equalizing taxes and spending, big spending groups will lobby us with more fervor than ever before, trying to scare folks into believing that taxes must go up rather than have spending come down.

Mr. Chairman, Congress is not known for resisting such pressure. We need a safeguard to make it tougher to raise taxes than to cut spending. We need a two-thirds supermajority of 60 percent on proposals to raise taxes.

Mr. Chairman, in Oklahoma, continuous tax increases prompted the people to pass a restriction. Oklahoma now requires that to raise taxes there must be a 75-percent supermajority in the legislature or a statewide vote approving it. It worked. Taxes in Oklahoma have stopped going up.

Mr. Chairman, we need similar protection for the American people. The 60 percent requirement is tame. It is reasonable. We need it. We need the Barton amendment.

Mr. CONYERS. Mr. Chairman, I am pleased to yield 2 minutes to our distinguished colleague, the gentleman from Pennsylvania [Mr. KANJORSKI].

Mr. KANJORSKI. Mr. Chairman, I rise today in opposition, of course, to the amendment of my friend, the gentleman from Texas [Mr. BARTON]. I have had the occasion to express my concern on the House floor on past occasions on the balanced budget amendment.

I have always, Mr. Chairman, and I say with pride, voted to defend the Constitution of the United States as it presently exists, as opposed to the suggestions that we solve our fiscal problems in this country, and we solve our lack of intestinal fortitude in this Congress, by changing permanently the one instrument that 5 billion people in this world envy the most, the Constitution of the United States.

At this point in the history of the United States, more than 10,000 amendments have been offered to the Constitution of the United States in more than 208 years. Of those 10,000, only 27 have been enacted.

Mr. Chairman, it is clear to me that as a result of the change of the structure of the House and the makeup of the House today on both the majority side and the minority side, that there will likely be a two-thirds majority of this House for some form of a balanced budget amendment to the Constitution.

Mr. Chairman, I fear the destruction of the Constitution, and I think that, as we learned from Prohibition in the 1920's, we may realize that what we think is a good solution and a fast solution to inject intestinal fortitude into this Congress and into this Gov-

ernment, that we may instead wreck havoc on the Constitution.

I think particularly the amendment offered by the gentleman from Texas [Mr. BARTON] requiring a three-fifths majority to either raise taxes or to run a deficit is particularly egregious. It indicates the lengths to which we are going to put into place an amendment to our sacred Constitution. The Barton amendment is an irresponsible proposal that must be rejected. I urge my colleagues to vote against this proposal.

Mr. PETE GEREN of Texas. Mr. Chairman, I yield such time as he may consume to the gentleman from New Jersey [Mr. ROB ANDREWS], one of the real leaders for fiscal responsibility.

(Mr. ANDREWS asked and was given permission to revise and extend his remarks.)

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

Mr. PETE GEREN of Texas. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. CONDIT].

(Mr. CONDIT asked and was given permission to revise and extend his remarks.)

Mr. CONDIT. Mr. Chairman, I rise in strong support of the balanced budget amendment.

As we all know, the greatest and gravest problem confronting our Nation is our skyrocketing budget deficit and national debt. In the last 14 years, the national debt has quintupled. Interest on this debt is now one of the largest portions of the Federal budget. If we do not take decisive action we will condemn our children and grandchildren to pay for our excesses. For the sake of future generations, we must correct this situation and passing the balanced budget amendment will do just that.

I do not take the step of supporting a balanced budget amendment to our sacred Constitution lightly. I would prefer that we not have to take this step. But the fact of the matter is that we have adopted, time and again, statutory measures to balance the budget and they have all failed because Congress has failed to live up to the letter of the law.

After careful consideration and analysis, I am convinced that a balanced budget amendment is the only way that we can instill the discipline needed to balance the budget. With a constitutional amendment, there can be no escape from fiscal accountability.

This morning, the American people have heard a lot of horror stories and gloom and doom scenarios about what will happen under a balanced budget amendment. The real truth, however, is that these scare tactics are not an argument against a balanced budget amendment—they are instead an argument against a balanced budget. So if you are opposed to what we are trying to do here today—fine. But, I wish that the opponents of a balanced budget amendment would quit trying to scare the American people with these gloom and doom scenarios.

When we vote this morning, I will support the three-fifths tax limitation. Should the three-fifths fails to receive the requisite number of votes for passage—and I think it will—I will then support the Stenholm version. I will oppose the other substitutes, which I believe are nothing more than an attempt to water-down and diminish the full effectiveness of a clean balanced budget amendment.

□ 1040

Mr. Chairman, I would be remiss if I did not close and say that the gentleman from Texas [Mr. PETE GEREN] and the gentleman from Louisiana [Mr. TAUZIN] have worked very hard on this issue and we would not be standing here today debating this issue had it not been for all the work the gentleman from Texas [Mr. STENHOLM] has done. He is the unquestioned leader in this Congress on the balanced budget amendment.

Mr. BARTON of Texas. Mr. Chairman, I yield 1 minute to the gentleman from Colorado [Mr. SCHAEFER], another of the outstanding leaders in the balanced budget effort, who is also, as manager, the leader of the congressional Republican baseball team.

(Mr. SCHAEFER asked and was given permission to revise and extend his remarks.)

Mr. SCHAEFER. Mr. Chairman, this morning I rise in strong support of the contract version of the balanced budget amendment and that three-fifths vote requirement for tax increases.

The Federal budget can and should be balanced through spending cuts and not through tax increases. That was the message of the voters last fall: Cut spending first. That preference for spending cuts even if only effective after the year 2002 should be embodied in the U.S. Constitution.

I thank very much my friend from Texas [Mr. BARTON] for his leadership on this particular issue. We have worked long and hard on this. I encourage each and every one of my colleagues to support the Barton substitute.

My colleagues, let us do this for our children and for our grandchildren. Vote for the Barton amendment.

Mr. PETE GEREN of Texas. Mr. Chairman, I yield 1 minute to the gentlewoman from California [Ms. HARMAN].

(Ms. HARMAN asked and was given permission to revise and extend her remarks.)

Ms. HARMAN. Mr. Chairman, I come to the issues involved in a balanced budget amendment cautiously, mindful that many who support strong deficit reduction, as I do, still oppose amending the Constitution. Like so many other issues we deal with, the considerations are not black or white but, in the words of Bill Joel, "shades of gray."

On balance, I vote yes because I believe the tough choices to reduce our \$5 trillion debt will not be made without the constitutional requirement to bal-

ance receipts and outlays. So I will support the Stenholm-Schaefer amendment as I did in the last Congress. But I will also support for the first time the Barton-Tauzin-Geren amendment to raise the threshold for raising taxes to a supermajority of 60 percent.

Constitutional amendments are different from laws or House rules for reasons carefully cited in this debate. But having watched Congress' frequent inability to rein in spending and to face tough choices, I feel that to be effective the amendment must put maximum pressure on us to reduce spending first and that is what raising the tax threshold will do.

A related and critical issue is the treatment of Social Security in any budget balancing process. Valid issues about fairness and viability of our Social Security system need to be addressed at a future time, but the Social Security trust fund which is funded by a 15-percent annual flat tax on America's workers must be protected. I support the Wise amendment because it takes Social Security off-budget and support House Concurrent Resolution 17.

Let me add two final thoughts. First, by taking clear action today the House is standing up to its responsibility to start the debate. No doubt what we finally do will be further amplified in the Senate, in conference, and in our statehouses. Everyone must participate in the national debate on the best form of the balanced budget amendment, and the blueprint to achieve a balanced budget.

Second, deficit reduction cannot wait on ratification of a balanced budget amendment. I will continue to support responsible bipartisan measures to cut spending now—in the interest of my constituents, our children, and our future.

Mr. BARTON of Texas. Mr. Chairman, I yield 1 minute to the distinguished majority whip, the gentleman from Texas [Mr. DELAY], a strong supporter of tax limitation.

Mr. DELAY. Mr. Chairman, I want to congratulate the gentleman from Texas for all the hard work that he has put into this amendment and I hope that Members on that side of the aisle will recognize that this is the constitutional amendment that really has teeth in it. We try to play these games back and forth about the Constitution and what kind of balanced budget it should be.

This amendment is the real amendment. Congress, for instance, passed a law requiring a balanced budget in 1981, 1985, 1987, and in 1990, and we never get there.

The most important part of this is that the Government is too big, it spends too much, and it is too intrusive in our lives. We have to make it very difficult for anyone in this Congress to raise more money from the American people. Right now they pay over 53 percent of their income, which goes to the cost of government. It ought to be very hard to raise any more taxes. We ought to look at spending first and cutting that spending.

Ladies and gentlemen, I urge you to vote for the Barton amendment.

Mr. Chairman, I rise in support of the amendment offered by my good friend from Texas, Mr. BARTON.

The Barton amendment would require Congress to balance the Federal budget by the year 2002. It would require a three-fifths vote of Congress to run a budget deficit, and a three-fifths vote to increase the public debt. Most importantly, it would require a three-fifths vote to raise taxes.

Since 1930, the Federal budget has been balanced only eight times. The last time the budget was balanced was 1969—26 years ago. During the 8 years in which the budget was balanced, Federal spending averaged 16.2 percent of gross domestic product [GDP] and revenues averaged 17.5 percent.

According to the Congressional Budget Office, spending will be 21.7 percent of GDP this year and revenues will be 19.2 percent. This means Federal spending is 34 percent higher today than it was on average during the 8 years in which the budget was in balance. Revenue is 10 percent higher today than it was on average during those 8 years.

Clearly, the problem is not that taxes are too low, the problem is spending is too high.

Let me briefly review the dismal record of past efforts to increase taxes in order to reduce the deficit. In 1982, Congress increased taxes by \$98 billion; in 1984, Congress increased taxes by \$49 billion; in 1987, Congress increased taxes by \$28 billion; in 1989, Congress increased taxes by \$14.2 billion; in 1990, Congress increased taxes by \$164 billion; and finally, in 1993, Congress increased taxes by \$241 billion. Despite a decade of tax increases, the deficit is still projected to exceed \$200 billion a year for the rest of this century.

Raising taxes to solve our deficit problem hasn't worked in the past, and there's absolutely no reason to think it would work any better in the future. Indeed a study by the Joint Economic Committee shows that since the end of World War II, Congress has increased spending by \$1.59 for every dollar of additional taxes.

The Democratic leadership insists that a constitutional amendment to require a balanced budget is a copout. They claim that Congress already has the power it needs to balance the budget. This may be true, but it should be abundantly clear by now that in the absence of a constitutional amendment Congress will never make the tough choices. Congress has not only failed to balance the budget in 26 years, it has systematically passed and then ignored four separate laws requiring it to balance the budget.

In 1978, Congress passed a law requiring a balanced budget by 1981. In 1985, Congress passed a law requiring a balanced budget by 1991. In 1987, Congress passed a law to require a balanced budget by 1993. In 1990, Congress passed a law to balance the budget by 1995. None of these laws have produced the intended result.

Unlike the failed statutory efforts of the past, a constitutional amendment will force Congress to set budget priorities and make the tough decisions. Congress will finally have to choose between the special interests and the national interest.

I urge my colleagues to support the Barton amendment.

BALANCED BUDGET LAWS

Law	Goal	Result
Public Law 95-435	1981	1981
October 10, 1978	\$0	-\$79 billion
Public Law 99-177	1991	1991
December 12, 1985	\$0	-\$269 billion
Public Law 100-119	1993	1993
September 29, 1987	\$0	-\$255 billion
Public Law 101-508	1995	1995 (est.)
November 5, 1990 ¹	+\$31 billion	-\$176 billion

¹ While the 1990 law excludes Social Security from its deficit calculations, on a unified budget basis, meeting the original -\$83 billion deficit target would have resulted in a +\$31 billion surplus in 1995.

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

Ladies and gentlemen, may I review with you the impact of the balanced budget amendment and the Contract With America on Social Security recipients.

The cuts in the Old-Age and Survivors and Disability Insurance under the balanced budget amendment would have a total cut of \$73.2 billion. The average cut in each of the congressional districts would be \$168 million. The average cut per each recipient would be \$1,556.

When you add in the cuts in Old-Age and Survivors and Disability Insurance under the Contract With America, the total spending cuts in Social Security would then jump to \$100.3 billion with an average cut per congressional district of \$229 million and an average cut per recipient of \$2,130. I refer you to the Economic Policy Institute figures on this subject.

I think that is too much. I protest that a constitutional amendment would do this to the seniors in America. I am totally at a loss to give anyone any explanations of how they would give an explanation to their constituents about a matter of this magnitude.

Mr. PETE GEREN of Texas. Mr. Chairman, I yield 1 minute to the gentleman from Louisiana [Mr. HAYES].

Mr. HAYES. Mr. Chairman, I agree with those who say it should not be necessary to amend the Constitution and it should not be. If the Founders had ever thought that we would so disregard public service as to spend more than we got, they would have put it in there in the first place. We owe them an obligation to use their flexibility of the amendment process to change it, for surely from their graves they would wish they could change us.

Second, I am going to vote for both the Barton amendment and the Stenholm amendment because the difference is that one requires a supermajority in raising taxes. I can support that. Nine States already do and they are still able to have their taxpayers believe they would like to cut spending.

But the message of both of those votes is to cut spending first. That is an easy message to deliver. My only admonition to my friends on both sides of the aisle is, make sure you pass one of the two out of here. That is still the

continuing obligation that you have on public service.

Mr. BARTON of Texas. Mr. Chairman, I yield such time as he may consume to the gentleman from New Hampshire [Mr. BASS], another outstanding Member of the freshman class.

(Mr. BASS asked and was given permission to revise and extend his remarks.)

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

Mr. Chairman, I rise in support of the balanced budget amendment with the three-fifths tax limitation. And I do so as a freshman Member of this body. I have only been here for 3 weeks and I don't know all the tricks of the trade and what all the Washington insiders say and think. But I do know what the people of New Hampshire say and think.

They say they want a balanced budget, not more debt for their kids.

They say they want smaller Government, not more Federal mandates in their lives.

They say they want less Federal spending to balance this budget, not more taxes for them to pay.

That is what the November election was about and that is what this amendment is about. The three-fifths limitation not only ensures a balanced budget, but helps ensure that it is done through a shrinking of Government and not a growth in taxes. That is what the people want and that is what this amendment delivers.

Mr. BARTON of Texas. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. CRANE], who year in and year out gains the most outstanding ranking as the most conservative Member of Congress.

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

I salute his efforts in trying to get a balanced budget amendment finally passed in this Congress that imposes some discipline with regard to the question of escalating taxes.

I came here in 1969. The last time we had a balanced budget was that year. In the years since, we cut taxes once, very significantly, in 1981. Ironically, it produced almost a doubling of revenues in the course of the ensuing decade, but the spending has been out of control, and I hear a lot of good rhetoric on how we have got to discipline ourselves on spending. But we must remember that when you do not have some discipline from the standpoint of imposing restrictions on constantly raising taxes, we could be confronted with what we went through in 1993 with passage of the biggest tax increase in the history of civilization, and it still was not addressing that question of spending.

We are being overtaxed currently. We have got to get it under control. The supermajority requirement is a perfect way of approaching it. I urge my colleagues to support Barton.

□ 1050

Mr. CONYERS. Mr. Chairman, I am delighted to yield 2 minutes to the distinguished gentleman from New York

[Mr. JOSÉ SERRANO] a member of the Committee on the Judiciary.

Mr. SERRANO. Mr. Chairman, this whole issue of the balanced budget amendment and the three-fifths super majority is one that if you really analyze it can confuse you a lot.

First of all, we all come here with an equal vote and now we are being told in order to accomplish something legislatively we have to get a special super majority.

How is it going to end? Any time we find an issue we do not have the courage to deal with ourselves we are going put forth a super majority so that everybody can deal with it that way and then throw it off to someone else?

The other issue that seems to create a problem here is that we cannot still get the truth from the other side, from the proponents of this bill, what it is they intend to do once they balance the budget the way they want to balance the budget.

This whole issue of Social Security that some people think we are trying to scare some folks here, this is a honest issue. This is a truthful issue.

Why will people not tell us what is going to happen to Social Security and Medicare once this constitutional amendment takes effect?

When I was much younger the airline industry went out to try to get new customers and they said "fly now; pay later." What I am being told to do now is vote now and find out later. If we vote now we are going to find out later that we are going to be in deep trouble on the real contract, besides the Constitution, which is the only contract we have with America. The real contract was with senior citizens about their Social Security and their Medicare and now we are going to sell them this approach: We will balance the budget hopefully someday, and then next year and the year after we will tell you how we hurt you.

I think that is not right and that is not fair. We do not need a balanced budget amendment. We need to balance the budget and I am for that. We do not need a three-fifths super majority. We need to respect each individual vote in this House. We should not be afraid to exercise our right here. We should not support this amendment.

Mr. PETE GEREN of Texas. Mr. Chairman, I yield 1 minute and 15 seconds to the distinguished gentleman from Mississippi [Mr. PARKER].

Mr. PARKER. Mr. Chairman, when I first came to this body in 1989, I was not in favor of a balanced budget amendment. Since that time, I have reached the conclusion that the only way that the U.S. Congress will exercise true fiscal responsibility is through a balanced budget mechanism that forces us to reduce spending and set new budget priorities.

For 6 years, I have listened to the opponents of a balanced budget amendment say that we should exercise our current constitutional responsibility, and achieve deficit reduction through

the regular authorization and appropriation process. And yet, we don't do it.

I have listened for the last few weeks, and today, as the opponents say that we should tell the American people where the cuts are going to be made before we pass a balanced budget amendment. If you support a balanced budget, if you support deficit reduction, that argument is irrelevant. No one is disputing the fact that this amendment will require painful cuts.

But, that is what the American people are demanding. True, many people may not be aware what a balanced budget will mean in terms of cuts in programs. But, the people want reduced Government spending and an end to deficit spending. It is time for us to give the people what they want.

The Barton-Geren amendment is the most fiscally conservative proposal before us—which is why I support it.

I urge you to show courage, and do what the people demand.

I believe that today we will finally pass a balanced budget amendment. Once we do, and we have to begin to make the tough cuts in spending that it will require, there will be a tendency by the Congress to avoid the painful choices we will have to make. Only the Barton amendment makes it more difficult to resort to tax increases to avoid the pain of spending cuts. We need such a mechanism.

The only way to really reduce the size of the Federal budget is to reduce spending. The only way to justify politically unpopular but necessary cuts is with an amendment that makes it more difficult to turn to the option of more taxation. The only way to avoid future budgets like we got in 1992, is to pass the Barton-Geren balanced budget amendment.

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

(Mr. CONYERS asked and was given permission to revise and extend his remarks.)

Mr. CONYERS. Mr. Chairman, I would like to review the important factor of judicial review under the proposed amendment. As currently drafted, the Barton substitute is totally silent on the issue of judicial review, creating what could be a serious legal quagmire.

One potential uncertainty concerns the applicability of the political question doctrine, which is designed to restrain the judiciary from inappropriate interference in the business of other branches of the Federal Government. We will not have to worry with that doctrine anymore because we are inviting the judiciary to come into the legislative business of Government, and we are not even giving any direction as we amend the Constitution of the United States to create this exception.

Many scholars have indicated that the political question doctrine is unlikely to limit judicial intervention in the present case.

An additional area of confusion relates to judicial limitations concerning standing. While a taxpayer may not be able to show sufficient injury to have standing to bring suit in Federal court

that would allow him to challenge congressional failure to comply with the balanced budget amendment, standing may be far more compelling if sought by a Member of Congress or an entire House of Congress or an entitled recipient who has been denied benefits as a result of the questionable impoundment of funds. This is certain to be a thicket of confusion and tangled litigations and appeals.

Mr. BARTON of Texas. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Illinois [Mr. HYDE], the chairman of the Committee on the Judiciary. I wish it could be more.

(Mr. HYDE asked and was given permission to revise and extend his remarks.)

Mr. HYDE. Mr. Chairman, I just want to say to my friend from Michigan, the first amendment is silent on judicial review. All of the amendments are silent on judicial review. The courts will review or not. They have been doing it since 1791, and unfortunately or fortunately we have limited control over them.

As to my friend from North Carolina, the Constitution provides many interesting examples of supermajorities. One of the most interesting is the 25th amendment where the President and his advisers, his Cabinet, have a dispute over whether he is able to continue serving as President, and that dispute can finally be resolved by a two-thirds vote of Congress.

We have overriding vetoes, we have treaty ratifications, and so on.

The 14th amendment is very interesting. That requires a two-thirds vote to rehabilitate, to remove disqualifications from someone who had engaged in rebellion.

Mr. PETE GEREN of Texas. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Texas [Mr. BARTON], a cosponsor of the amendment.

Mr. BARTON of Texas. Mr. Chairman, I yield that 1 minute to the distinguished gentleman from Illinois, Mr. DENNY HASTERT, our chief deputy whip.

Mr. HASTERT. Mr. Chairman, today, the American people will see who wants to do their business and who wants to give them the business.

Today, we vote on the balanced budget amendment. Since any amendment requires two-thirds of the final vote, the fate of the balanced budget amendment lies in the hands of our friends on the other side of the aisle.

I urge my colleagues on the other side of the aisle to join with Republicans and those who are supporting this to pass a tax-limitation balanced budget amendment.

The reasons to vote for the Barton substitute are clear.

The American people want their Government to be fiscally responsible. They want us to balance the budget in order to lower our debt and make our children's futures brighter.

But they want us to cut spending first, not raise taxes even higher. The Barton substitute makes it more difficult for the Government to balance the budget on the backs of middle-class taxpayers by requiring a three-fifths vote on tax increases.

□ 1100

Mr. Chairman, I urge my colleagues to pass the Barton substitute. It is the best alternative for the middle-class taxpayer.

Mr. CONYERS. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. STENHOLM].

(Mr. STENHOLM asked and was given permission to revise and extend his remarks.)

Mr. STENHOLM. Mr. Chairman, I first want to stand and commend my colleague and fellow Texan for the yeoman's work he has done in promoting his proposal to amend the Constitution to require a balanced budget. JOE has worked tirelessly for an ideal he believes in passionately, not only this year but for most of his career here in the House of Representatives.

I also want to say, as I have before, that I know JOE is sincere about his desire to move us toward a balanced budget. I have seen JOE cast the hard votes which both opponents and supporters of a constitutional amendment say must occur if we are ever to reduce our deficit. For example, last July, when I offered my entitlement cap proposal on the floor, which CBO scored as saving approximately \$150 billion over 5 years, JOE was one of the 37 Members, 9 Republicans, who got onto my good-guy list by supporting this amendment. I know that whatever the ultimate conclusion of this debate may be, we can count on JOE to be there in the future for the hard votes.

I do want to take this opportunity to clarify one issue which has become somewhat confused in the rhetoric over the past few weeks. It is true that JOE's amendment has a stronger restriction against raising revenues, the three-fifths vote requirements, but to say that Schaefer-Stenholm is absent on tax restraint is simply wrong.

After years of wrestling with various formulations, in June 1992 the principal sponsors of the leading Senate and House versions came together and arrived at the bipartisan, bicameral consensus version of the BBA embodied in Senate Joint Resolution 41/House Joint Resolution 103 of the 103d Congress. As my colleagues know, this language is now embodied in H.J. Res. 28, as well as the Schaefer-Stenholm amendment to be considered today or tomorrow. This is the strongest version—indeed, the only version—with a realistic possibility of obtaining two-thirds majorities in both bodies.

H.J. Res. 28 is not a simple balanced budget amendment; it does contain a meaningful tax limitation. If this balanced budget amendment had been in effect since 1977, 7 of the 15 tax increases which were approved would not have been possible, at least in the form in which they passed. Interestingly enough, the three-fifths supermajority requirement for tax increases would have blocked only two additional tax increases.

Therefore, recent history indicates that some of the hysteria about the differences between these leading constitutional proposals is

not founded in fact. Although the debate on tax limitation has made it appear that Barton-Geren and Schaefer-Stenholm are dramatically different, the practical effects would have been very similar.

I also want to point out that a balanced budget requirement itself would promote tax limitation. As long as the power to deficit spend remains unrestrained, the deficit will be used as an excuse to raise taxes. A civic-minded public will be at least somewhat susceptible to this appeal for "shared sacrifice," while the higher taxes actually pay for more spending. In contrast, once a balanced budget becomes the norm, the public will see the clear, \$1-for-\$1 relationship between higher taxes and bigger Government and reject those taxes. Therefore, even if it did not contain explicit tax limitation language, the amendment would operate to limit tax increases.

It also should be noted that a balanced budget requirement itself would promote spending restraint. Currently, Federal spending escalates because the special interest political rewards for spending outweigh the generalized public interest in spending restraint. Without a balanced budget amendment, there is no clear procedural or political barrier to ever-spiraling spending—because it is the unlimited ability to borrow that creates the unlimited ability to spend without immediate consequence. In contrast, the amendment would perfect the democratic process, by visibly reconnecting the demand for new spending with its true costs to taxpayers and the economy.

Finally, I would like to emphasize that the experience of the States proves how requiring a balanced budget also promotes restraint in taxing and spending. In 1992, the CATO Institute noted that 49 State governments have balanced budget requirements and found that:

From 1940 to 1990, State and local spending climbed from 12 to 14 percent of national income [while] Federal spending climbed from 13 to 28 percent. * * * It is inconceivable that Federal spending would have skyrocketed as it has if Congress had had to raise taxes every year to pay for its spending, as the States do. (National Review, June 8, 1992.)

Clearly, the most effective amendment is the one that passes. The bipartisan bicameral language offers the best opportunity to effect a change that is good for the country. Votes in 1986, 1990, 1992, and 1994 and the whip counts that many folks have conducted this year demonstrate that, in both bodies of Congress, support for the bipartisan, bicameral balanced budget amendment is plus or minus the necessary two-thirds majority by a hairsbreadth.

This is a situation that must not be wasted. Vote for the constitutional amendment in which you most sincerely believe. But if you believe in a balanced budget amendment, do not squander this rare opportunity.

Mr. CONYERS. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Virginia [Mr. SCOTT], a member of the Committee on the Judiciary.

Mr. SCOTT. Mr. Chairman, I rise today to state my opposition to the Barton amendment.

Mr. Chairman, if you actually read the bill rather than read the title, you will find that the amendment does not require a balanced budget. It only re-

quires a three-fifths vote to pass an unbalanced budget. It requires nothing before the year 2002.

So since there is no plan and since the sponsors propose no plan to get to a balanced budget, we can assume, based on the testimony, that unless you are going to cut Social Security, you are not going to have a balanced budget.

If we use our past experience to guide us, we can find that Congress is unwilling to make the tough, necessary cuts to bring the deficit down, but we have been very willing to add pork to a budget to get the extra votes needed to pass it.

Mr. Chairman, if we actually look at that history, we will see that the three-fifths vote may make it more difficult to pass an unbalanced budget, but it is also going to make it more difficult to pass a budget with a lower deficit, so either you are faced with no budget at all or a budget with a higher deficit.

Therefore, Mr. Chairman, this should be called the pork protection plan rather than the balanced budget amendment. Simply put, it will allow a minority of Members in either the House or the Senate to hold out for the spending projects in their district.

The way you reduce the deficit, Mr. Chairman, is the tough decisions. Making the tough decisions ought to require only a majority of the vote, because we have seen no evidence that we can get a majority of the Members to step up to the plate to make those spending cuts.

Mr. Chairman, if the Barton amendment passes, we will find we will need a three-fifths vote to pass a budget only, and the only way to do that is to pork it up to make sure we can get the requisite votes.

Mr. Chairman, I would hope that the Barton amendment would fail.

Mr. BARTON of Texas. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from New York [Mr. BOEHLERT].

(Mr. BOEHLERT asked and was given permission to revise and extend his remarks.)

Mr. BOEHLERT. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. PETE GEREN of Texas. Mr. Chairman, I yield myself such time as I may consume.

The CHAIRMAN. The gentleman has 3¼ minutes remaining.

Mr. PETE GEREN of Texas. Mr. Chairman, we would not be here today if it were not for the tireless efforts of the gentleman from Texas [Mr. STENHOLM] and the gentleman from Texas [Mr. BARTON], and I think it is so important that we recognize their tireless efforts over the last decade to bring us where we are on the verge of this victory. The taxpayers of America, future generations, and this Congress owe the gentleman from Texas [Mr. STENHOLM] and the gentleman from Texas [Mr.

BARTON] a thank you for their hard work.

Mr. Chairman, if you listen to the opponents of this amendment, you would think that this is going to bring about the end of Western civilization. They talk about these cuts; they talk about the disaster that would come if all we do is only spend what we take in.

Mr. Chairman, right now, if we do not do anything, our Government will increase in spending, between now and 2002, 50 percent. Mr. Chairman, all we need to do to balance the budget is limit that increase to 30 percent, not increase by 50 percent, limit. Let me repeat that point: Right now, if we do not change anything, spending in this Government will increase by 50 percent between now and the year 2002. To bring our budget into balance, all we need to do is limit that increase to 30 percent rather than 50 percent.

I raise that point to those who talk about the draconian side effects of living within our means. Mr. Chairman, people say that this is not fair.

Spending somebody else's money, spending other generations' money year after year, decade after decade, Mr. Chairman, that is not fair.

Let me quote Thomas Jefferson on this point:

The question whether one generation has the right to bind another by the deficit it imposes is a question of such consequence as to place it among the fundamental principles of government. We should consider ourselves unauthorized to saddle posterity with our debts and morally bound to pay them ourselves.

Mr. Chairman, I believe strongly that we are morally bound to pay them ourselves, and that is why our balanced budget amendment is so critical.

Why three-fifths? Many people ask that. You can look over the last 15 years of the experience of our Government. In the best of times and in the worst of times, Government grew. In spite of all the rhetoric about what happened in the 1980's, Government grew. Government grew by almost 50 percent.

Mr. Chairman, in our legislative process, there is a bias toward growing Government. The power of the bureaucracy to influence legislation, the power of the bureaucracy to frame issues gives them influence in the legislative process that needs to be checked, that needs to be offset. That is why we need this three-fifths limitation.

Mr. Chairman, I urge our colleagues to support this important initiative, this historic initiative. It is fair. It is reasonable. And it is most importantly a practical response to a real-world problem that we can use this year to document last year, to document in every year but 2 years in the last half of the century to document. This institution is not going to live within its means unless we do this.

It is a fact. Anybody who says they want us to do without it, I applaud that, but it is not going to happen.

The CHAIRMAN. All time of the gentleman from Texas [Mr. BARTON] has expired.

Mr. CONYERS. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. BERMAN], a member of the Committee on the Judiciary.

(Mr. BERMAN asked and was given permission to revise and extend his remarks.)

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

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

Has our confidence in our ability to make the tough choices ebbed so dramatically that we would cast away for all time the carefully wrought balance among the three branches of Government?

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

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

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

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

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

And unless the amendment before us is merely hortatory, a suggestion I am certain its proponents would roundly deny, our children face the prospect of an unelected judiciary plunging into the adjudication of patently political questions they have strenuously and wisely sought to avoid for over 200 years. I fear that we face the unprecedented prospect of the courts ordering cuts in fundamental Federal programs in order to effect compliance with the amendment.

Even for those who believe that achieving a zero budget deficit is the paramount objective of our times, I would contend that this provision does not belong in our Constitution.

For the entirety of U.S. history, our Constitution and the very small number of amendments we have adopted thereto have served two key functions: allocating power within our democracy, and protecting fundamental individual rights.

The amendment under consideration today has a strikingly different purpose: enshrining a particular fiscal policy in the Constitution. I would submit that article 1 already provides ample authority to the Congress to hew to that fiscal policy. But it dishonors our sacred Constitution to clutter it with a particular view of

budgeting and economics that has not stood the test of time.

In fact, economists on both sides of the political spectrum have raised serious concerns about forcing the Federal Government to always adopt a balanced budget. Herb Stein, a senior fellow at the American Enterprise Institute and an adviser to Presidents Nixon, Ford, and Reagan, objects to a balanced budget because it would result in "needless confusion, evasion, and litigation" and ultimately would be very "unfair."

The balanced budget amendment has been mischaracterized as a way to protect the American people's pocketbook. The Contract With America heralds it as "keeping Congress from passing the bill on to you, the American people." Who do you think will foot the bill if not the American people?

No matter how you disguise it the American people will end up footing the bill. It's just a question of which Americans. Aside from Defense, which the Republicans have vowed not to increase, more than 80 percent of Federal spending consists of payments to individuals. Wealthy individuals and corporations get their Government benefits from tax subsidies.

A three-fifths vote requirement for tax increases serves to enshrine a principal of protecting the rich and burdening the poor. Although the middle class will end up bearing the brunt of any effort to balance the budget, the mix of tax increases to payment cuts will determine whether it is the rich or the poor who must make the greatest sacrifices.

However, even conservative economists who are not concerned about this equity issue and who believe that draconian spending cuts are necessary, recognize that a balanced budget amendment is simply bad fiscal policy. They know that a constitutional amendment would risk making recessions more frequent and deep.

In years of slow growth or recession revenues rise more slowly while costs for programs such as unemployment insurance increases more rapidly. Consequently the deficit will be larger during recessions and smaller during expansions. Under the fiscal straitjacket of a balanced budget amendment greater deficit reduction would be required during a recession while less deficit reduction would be required during an expansion. This is precisely the opposite of what most economist feel should be done to stabilize the economy and avert recessions.

Also, the balanced budget amendment is bad fiscal policy because, unlike most State balanced budget amendments, the amendment before you today fails to distinguish between operating budgets and long-term investments. Businesses and homeowners know the difference between borrowing to consume and borrowing to invest. It is ludicrous to enshrine a fiscal policy that forces the Federal Government to be shortsighted and that makes long-term investments more difficult.

Finally, the balanced budget amendment is premised on a faulty notion that all debt is bad. Government bonds represent wealth to their holders—in large part the American public. When the Government spends more than it takes in, it adds to their wealth. This does not mean that the Government should always run a big deficit, but rather that our Government should choose carefully whether a deficit is wise at any particular time. As a government that makes fiscal policy we must be free

to decide whether achieving a balanced budget is really in the best national interest of the United States.

Mr. Chairman, I urge all my colleagues to protect the Constitution, support sound fiscal management, and get down to the business of making the hard choices we were elected to make. I urge my colleagues to oppose the balanced budget amendment.

Mr. CONYERS. Mr. Chairman, I yield the balance of my time, 1 minute, to the gentlewoman from California [Ms. LOFGREN], a member of the Committee on the Judiciary.

Ms. LOFGREN. Mr. Chairman, I urge that we step back from this amendment today and take the time that is necessary to analyze what this amendment would do to our Constitution.

You know, as a member of the board of supervisors in Santa Clara County, I am mindful we spent more time analyzing the impact of a use permit for a golf course than this body has spent analyzing the impact of this amendment.

Whether you are for or against the amendment, our people sent us here to make sure that we avoid the law of unintended consequences, and I do not think we can honestly say that we understand the unintended consequences of this amendment today.

What is an outlay under the amendment? Is it a Federal loan program? Would it include guaranteed loans? Would it include working capital for the Federal Deposit Insurance Corporation? Does it include the Postal Service? Does it include the Federal Reserve and Fannie Mae? We do not know. What about tax compliance? Does it include a bill that raises taxes for some and not for others?

I urge that we take our time and do the job people sent us here for.

The CHAIRMAN. All time has expired for the minority.

The gentleman from Texas [Mr. BARTON] is recognized for 4 minutes to close the debate.

□ 1110

Mr. BARTON of Texas. I thank the distinguished chairman. Let me say what a pleasure it is to have the gentleman from Pennsylvania [Mr. WALKER] presiding over this historic debate.

The CHAIRMAN. The Chair thanks the gentleman from Texas.

(Mr. BARTON of Texas was asked and was given permission to revise and extend his remarks.)

Mr. BARTON of Texas. Mr. Chairman, let me thank the distinguished chairman of the Committee on the Judiciary, the gentleman from Illinois [Mr. HYDE] for his leadership in this effort.

Mr. Chairman, I would also like to thank the new Republican majority leadership for their support. Special thanks to LAMAR SMITH, the task force leader on this item in the Contract With America, for his excellent work to get the three-fifths' vote in the contract.

I would like to thank the gentleman from Texas [Mr. STENHOLM], the gentleman from Texas [Mr. GEREN], the gentleman from Colorado [Mr. SCHAEFER], the gentleman from California [Mr. CONDIT.] and the gentleman from Louisiana [Mr. TAUZIN], and all the other strong Members who, in a bipartisan way, have been pushing for a balanced budget amendment to the Constitution.

We have won the debate that there needs to be an amendment. The question is what kind of an amendment?

Opponents have spoken on this floor, talked about the mechanics. They have talked about issues that are not the principal issue. The principal issue is how are we going to amend the Constitution? How are we going to get spending under control?

It is not whether the Committee on the Judiciary is going to have oversight capability. The basic premise is we have simply got to stop spending as much money as we have been spending.

Since 1965, which was the last year Federal spending went down, spending has gone up every year for 29 straight years: an amazing percentage of 1,300 percent.

We are going to spend more money this year on interest on the debt than we spent for the entire Federal budget in fiscal year 1971. It is amazing.

We do not have the backbone in the Congress of the United States to say no. We have to amend the Constitution, and if we are going to do it, let us look at the problem. The problem is not lack of revenue. The problem is too much spending. If you want to limit spending, what do you do? You limit revenues. How do you limit revenues? By limiting the ability to raise taxes. That is what generates the revenue.

There are nine States that have tax limitation provisions either in their constitutions or on their statutes. The chart to my left shows that those States that have tax limitation provisions, they work. Taxes go up less in those States. They still go up, but they go up less. When the taxes go up less, spending goes up less. That means there is a greater likelihood that the budget will be balanced.

My brother, Jay Barton, is a history teacher in Mt. Pleasant, TX. He is not a political expert.

He called my staff this morning, and he said, "Tell Joe Congress is like an addict. They are addicted to spending. They say give us one more spending fix, one more year, and then we will do the right thing." We have not balanced the budget since 1969.

We have not had spending go down since 1965. Unless we do go into a cold turkey withdrawal by passing a constitutional amendment with a tax limitation provision, spending is going to spiral out of control and when that happens society as we know it today is simply going to collapse.

The plain and simple solution is a balanced budget amendment to the Constitution, with a three-fifths' tax

limitation provision in it. This three-fifths provision is not overly difficult. We have three-fifths to borrow money in the Stenholm/Schaefer amendment, three-fifths to increase the debt ceiling; let us go the third leg, put the three-fifths' provision to actually prevent tax increases.

As has been pointed out since 1970, there have been 16 major tax bills on the floor of the House. Seven of those did pass with more than 60 percent. Seven failed, and two passed by voice vote. The largest tax increase in history passed this body a year-and-a-half ago by 2 votes, by 2 votes, 218 to 216. It would have failed if we had had the three-fifths' provision in. Would we have not addressed the budget problem? No. We would have done it by cutting spending, not raising taxes. Please vote for the tax limitation balanced budget amendment.

The chart follows:

DO YOU REALLY THINK THE PROBLEM IS THAT TAXES ARE TOO LOW? SPENDING IS SIMPLY TOO HIGH
[in billions of dollars]

Year	Federal spending	Increase
1964	118.5
1965	118.2	(0.3)
1966	134.5	16.3
1967	157.5	23.0
1968	178.1	20.6
1969	183.6	5.5
1970	195.6	12.0
1971	210.2	14.6
1972	230.7	20.5
1973	245.7	15.0
1974	269.4	23.7
1975	332.3	62.9
1976	371.8	39.5
1977	409.2	37.4
1978	458.7	49.5
1979	503.5	44.8
1980	590.9	87.4
1981	678.2	87.3
1982	745.8	67.6
1983	808.4	62.6
1984	851.8	43.4
1985	946.4	94.6
1986	990.3	43.9
1987	1,003.9	13.6
1988	1,064.1	60.2
1989	1,143.2	79.1
1990	1,252.7	109.5
1991	1,323.8	71.1
1992	1,380.9	57.1
1993	1,408.1	27.2
1994	1,461.0	52.9
1995 (projected)	1,531.0	70.0

Spending increase since 1965—1,300 percent.
Average spending increase—\$65 billion.
Source: Congressional Budget Office.

Cut spending, don't raise taxes. Support the tax-limitation balanced budget amendment.

Mr. MARKEY. Mr. Chairman, I rise today in strong opposition to the balanced budget constitutional amendment sponsored by my colleague, Mr. BARTON.

Three substitutes to the Barton amendment will be considered later today, each of which specifically exempts Social Security from balanced budget calculations. The Barton amendment, taken from the Republican Contract with America, does not specifically exempt Social Security from cuts. Now, I know that the Republican leadership has said that "Social Security is off the table," but we're about to set the table, and Social Security is still on it. I think when we are talking about a program that means as much as this one does to ordinary Americans, it is not unreasonable to ask for this commitment on paper. Like they say in the long-distance business, "put it in writing."

Let's compare how the Republicans handle a question they really care about. In their balanced budget amendment, they put in a line that says, to raise taxes, even on the wealthiest 1 percent of Americans, a supermajority of House Members would have to vote for the increase. This means that a tax increase, no matter how necessary, how targeted towards the wealthy, could be blocked by a minority in the House. So, there are specific protections written into the Republican amendment—but those protections aren't for the elderly. When it comes to taxes, they want the protection enshrined in the Constitution. When it comes to Social Security, they want it shunted off to a concurrent resolution.

Today's vote will divide this body into two groups: those who are serious about protecting Social Security by law, and those who are not. No amount of rhetoric will change that.

Mr. FIELDS of Texas. Mr. Chairman, when the American people gave the Republican Party and its Contract with America a mandate on November 8, they were telling Congress to give them the change that had been promised, but not delivered, in 1992. They liked what they saw in the Republican contract; so they overwhelmingly voted in the first Republic House in 40 years.

So what have we done the first 20 days of the 104th Congress? We passed the Congressional Accountability Act, something that was a long-time coming, that simply makes Congress live under the same rules as all Americans. Now, today, we have a historic opportunity to do one more thing the American people want: To pass a real balanced budget amendment. That is why I urge all of my colleagues, Republican and Democrat, to support the bipartisan Barton-Tauzin amendment with the tax limitation that three-fifths of each House of Congress must approve a tax increase before it can be enacted. This long overdue step will restore fiscal control to the Federal budget and prevent politicians in the future from increasing spending and leaving the bills to the future generations.

To simply require a balanced budget would not be the proper cure to this lingering virus because, unfortunately, many politicians then would simply try to use the amendment as an excuse to raise taxes after failing to keep spending under control. We need to cut the Federal budget, not the family budget, to balance our budget.

This debate today should be a foregone conclusion. For 25 consecutive years, Americans have been saddled with budget deficits and it continues to happen. Meanwhile, our deficit and our debt continue to rise astronomically. The requirement to have three-fifths approval to raise taxes is not something new. There are already 10 States that require supermajorities to raise tax revenue. Seven of these States that have lived under this requirement for a significant amount of time show substantial savings to the taxpayers.

Mr. Chairman, Americans are getting tired of broken promises to cut the deficit that never materialize. As a result, we have seen strong voter support for real budget reform. We have seen what has happened in the absence of the balanced budget. If supermajorities are required for both taxes and borrowing, legislators in the future will find it difficult to increase spending as rapidly as it has grown in recent years.