

Hobson	McIntosh	Schiff
Hoekstra	McKeon	Seastrand
Hoke	Metcalf	Sensenbrenner
Hostettler	Meyers	Shadegg
Houghton	Mica	Shaw
Hunter	Miller (FL)	Shays
Hutchinson	Molinari	Shuster
Hyde	Moorhead	Skeen
Inglis	Morella	Smith (MI)
Istook	Myers	Smith (NJ)
Jacobs	Myrick	Smith (TX)
Johnson (CT)	Nethercutt	Smith (WA)
Johnson, Sam	Neumann	Solomon
Jones	Ney	Souder
Kasich	Norwood	Spence
Kelly	Nussle	Stearns
Kim	Oxley	Stockman
King	Packard	Stump
Kingston	Parker	Talent
Klug	Paxon	Tate
Knollenberg	Peterson (MN)	Tauzin
Kolbe	Petri	Taylor (NC)
LaHood	Pombo	Thomas
Largent	Porter	Thornberry
Latham	Portman	Tiahrt
LaTourette	Pryce	Torkildsen
Laughlin	Quillen	Upton
Lazio	Quinn	Vucanovich
Leach	Radanovich	Waldholtz
Lewis (CA)	Ramstad	Walker
Lewis (KY)	Regula	Walsh
Lightfoot	Riggs	Wamp
Linder	Roberts	Watts (OK)
Livingston	Rogers	Weldon (FL)
LoBiondo	Rohrabacher	Weller
Longley	Ros-Lehtinen	White
Lucas	Roth	Whitfield
Manzullo	Roukema	Wickert
Martini	Royce	Wolf
McCollum	Salmon	Young (AK)
McCrery	Sanford	Young (FL)
McDade	Saxton	Zeliff
McHugh	Scarborough	Zimmer
McInnis	Schaefer	

Spratt	Thornton	Waters
Stark	Thurman	Watt (NC)
Stenholm	Torres	Waxman
Stokes	Torricelli	Williams
Studds	Towns	Wilson
Stupak	Traficant	Wise
Tanner	Velazquez	Woolsey
Taylor (MS)	Vento	Wyden
Tejeda	Visclosky	Wynn
Thompson	Ward	Yates

ity to yield to other Members, and that the gentleman from Alabama [Mr. BROWDER] be allowed to control the following 10 minutes and have the authority to yield to other Members.

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

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. Mr. Chairman, I yield myself 10 minutes to begin.

Mr. Chairman, in a way, it almost seems anticlimactic to be on the floor today to talk about the most sweeping amount of change that we have seen in this country over the last 60 years. I want to kind of go back and set the foundation for this. Frankly, we have to go back all the way before the last election. The reason why it is important to go back there is it is all about promises made and promises kept.

My colleagues may recall that the Republican majority, at the time the Republican minority, has a program called a Contract With America. We laid out a number of things that we wanted to do to reestablish contact with the American people, including cutting the size of the Congress, the congressional staffs, applying the same laws that we pass on the American people to apply to us known as the Shays Act, the line-item veto, and, of course, the balanced budget amendment and family tax relief, designed to eliminate or ease the burden on the tax increase that the American people suffered in 1993.

We said that we would be able to give Americans tax relief; we said we would be able to balance the budget; we said that we would be able to provide for a strengthened national security situation, and we would get all of this accomplished. Then the horror stories started about what this would really mean for Americans.

My colleagues may remember some of the famous memos that were put out that talked about the fact that Republicans could not do it unless they robbed all of these programs.

Well, back last November we won an election, and a lot of it had to do with our Contract With America. Then in December it was said that there is simply no way we can balance the budget and give tax relief and provide for a stronger national defense and make government smaller; it could not be done. Well, last January or February, I came to the floor with a program to pay for the tax cuts, with a program to pay for less of a tax burden on Americans.

People said, "Well, you can do that, John, but you cannot pass a budget resolution that will enact this entire program." I then came back later that spring with the help and support of my colleagues in the Republican Party, and we then laid down a budget resolution that balanced the budget in 7

NOT VOTING—7

Chapman	Sisisky	Weldon (PA)
Fields (LA)	Tucker	
Goodling	Volkmmer	

□ 1530

So the motion to table was agreed to. The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. GOODLING. Mr. Speaker, I regret that I missed rollcall vote 737 on the motion to table. Had I been present I would have voted "yea."

GENERAL LEAVE

Ms. SLAUGHTER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the resolution just tabled.

The SPEAKER pro tempore (Mr. BARRETT of Nebraska). Is there objection to the request of the gentlewoman from New York?

There was no objection.

□ 1530

THE 7-YEAR BALANCED BUDGET RECONCILIATION ACT OF 1995

The SPEAKER pro tempore (Mr. LAHOOD). Pursuant to the order of the House of Tuesday, October 24, 1995, and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for consideration of the bill, H.R. 2491.

□ 1532

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2491) to provide for reconciliation pursuant to section 105 of the concurrent resolution on the budget for fiscal year 1996, with Mr. BOEHNER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the order of the House of Tuesday, October 24, 1995, the bill is considered as having been read the first time.

The gentleman from Ohio [Mr. KASICH] will be recognized for 90 minutes, and the gentleman from Minnesota [Mr. SABO] will be recognized for 90 minutes.

Mr. SABO. Mr. Chairman, I ask unanimous consent that the gentleman from Florida [Mr. GIBBONS] be allowed to control the first 30 minutes of debate on our side, and have the author-

NOES—189

Abercrombie	Fazio	McCarthy
Ackerman	Filner	McDermott
Andrews	Flake	McHale
Baesler	Foglietta	McKinney
Baldacci	Ford	McNulty
Barcia	Frank (MA)	Meehan
Barrett (WI)	Frost	Meek
Becerra	Furse	Menendez
Beilenson	Gejdenson	Mfume
Bentzen	Gephardt	Miller (CA)
Berman	Gibbons	Minge
Bevill	Gonzalez	Mink
Bishop	Gordon	Moakley
Bonior	Green	Mollohan
Borski	Gutierrez	Montgomery
Boucher	Hall (OH)	Moran
Brewster	Hamilton	Murtha
Browder	Harman	Nadler
Brown (CA)	Hastings (FL)	Neal
Brown (FL)	Hefner	Oberstar
Brown (OH)	Hilliard	Obey
Bryant (TX)	Hinchev	Olver
Cardin	Holden	Ortiz
Clay	Horn	Orton
Clayton	Hoyer	Owens
Clement	Jackson-Lee	Pallone
Clyburn	Jefferson	Pastor
Coleman	Johnson (SD)	Payne (NJ)
Collins (IL)	Johnson, E. B.	Payne (VA)
Collins (MI)	Johnston	Pelosi
Conyers	Kanjorski	Peterson (FL)
Costello	Kaptur	Pickett
Coyne	Kennedy (MA)	Pomeroy
Cramer	Kennedy (RI)	Poshard
Danner	Kennelly	Rahall
de la Garza	Kildee	Rangel
DeFazio	Klecicka	Reed
DeLauro	Klink	Richardson
Dellums	LaFalce	Rivers
Deutsch	Lantos	Roemer
Dicks	Levin	Rose
Dingell	Lewis (GA)	Roybal-Allard
Dixon	Lincoln	Rush
Doggett	Lipinski	Sabo
Dooley	Lofgren	Sanders
Doyle	Lowey	Sawyer
Durbin	Luther	Schroeder
Edwards	Maloney	Schumer
Engel	Manton	Scott
Eshoo	Markey	Serrano
Evans	Martinez	Skaggs
Farr	Mascara	Skelton
Fattah	Matsui	Slaughter

years, provided the tax relief we promised, brought about a smaller, more focused, more efficient Federal Government, and strengthened national defense.

People said, "Oh, well, we know you can do the budget resolution, that is the easy part. What you will not be able to do is reconciliation where the rubber meets the road."

So, Mr. Chairman, I come here today with a reconciliation bill that in fact keeps our word, provides tax relief to Americans, sharpens the focus of the Federal Government, strengthens national defense, and keeps all of the promises that we were making last fall.

Is it not a great thing in America that a group of elected officials are going to keep their promises? In fact, we are going to balance the budget over 7 years and save the next generation. Mr. Chairman, just to explain a little bit about it, probably the greatest misnomer or the greatest misunderstanding about this proposal, if we listen to the tenor of the debate, is that Federal spending is going to go down in this budget.

Well, let me just put a couple of things in perspective. JFK, John Kennedy, created the first \$100 billion budget in this country, and that occurred in 1962. We created our first \$100 billion budget in 1962. From 1962 to 1995, the Federal budget grew from \$100 billion to \$1.5 trillion in spending per year.

If a person started a business when Christ was on earth, if that person lost \$1 million a day, 7 days a week, he or she would have to lose \$1 million a day, 7 days a week for the next 700 years to create \$1 trillion. Our budget is \$1.5 trillion and our national debt is approaching \$5 trillion, and this November we are going to have to lay down a debt service payment paying interest on our national debt approaching \$25 billion.

Mr. Chairman, the gentleman from Mississippi, SONNY MONTGOMERY, one of the great gentlemen of this House, came to me almost in a panic saying, "John did you know, \$25 billion in interest payments?"

I say to my colleagues, with the national debt approaching \$5 trillion, the American people, the mothers and fathers, the mothers and fathers in this country know one thing, that if the Federal Government is unable to control its appetite, if we are unable to slow the growth in Federal spending, it is going to eat us alive.

Now, over the last 7 years in Washington, and we will get some charts out here later, we have spent cumulatively on Federal spending \$9.5 trillion. Remember what I said about how long it took to make \$1 trillion? We spent \$9.5 trillion. Over the next 7 years, in an effort to balance the budget, give Americans tax relief, strengthen national defense, shrink the size and scope of government and make it more focused, we are going to go from \$9.5 trillion in spending to \$12.2 trillion in spending.

Federal spending is going up by almost \$3 trillion.

Now, in Washington, they claim that only having a \$3 trillion increase in spending rather than a \$4 trillion increase in spending is a revolution. Frankly, on Main Street in every small town, in every large city in America, a \$3 trillion increase is not a revolution, it is barely an evolution.

The simple fact of the matter is that people who struggle every day in their families or people who struggle every day in their businesses do not view a \$3 trillion as opposed to a \$4 trillion increase something that would be impossible to do. Frankly, they wonder why it goes up so much.

Mr. Chairman, the bottom line is, we have a rational plan over time to slow the growth in Federal spending, to slow the growth in Federal spending while at the same time giving people some of their money back, so that they can spend it on things that they think are most important.

Do my colleagues know what the bottom line here is today? The bottom line here today is about the pendulum, it is about power, it is about money, and it is about influence. For 30 years we have sent an awful lot of power and an awful lot of money and a lot of influence to this city.

What we are trying to do is, in a commonsense way, bring the pendulum back so that the American people can be entrusted, so that the American people can be empowered, so that the American people can get their money, their power, and their influence back to fix problems and to show true compassion in the communities in which they live across this great country. Our belief is, it does not work best here; it works best when administered with common sense by people who live all across this country in Main Street, USA.

Mr. Chairman and Members, this is clearly a historic vote, a historic opportunity. This is our chance to restore fiscal sanity and to guarantee economic security for this country. If we are up to this job by slowing the growth in Federal spending, if we can live within a \$3 trillion increase rather than a \$4 trillion increase, do we know what? We have made the first down payment on guaranteeing the prosperity of the United States of America for another century. Mr. Chairman, let us pass the reconciliation bill.

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

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

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

Mr. Chairman, the gentleman from Ohio [Mr. KASICH] always makes such a nice speech. It is a pleasure to hear him. I get to dreaming when the gentleman speaks, but let us get back to reality, let us get back to reality.

Mr. Chairman, I would ask the gentleman from Ohio [Mr. KASICH], has the

gentleman read this bill? Has the gentleman read this bill? Has the gentleman from Ohio read the bill?

Mr. KASICH. Yes.

Mr. GIBBONS. When?

Mr. KASICH. Well, we wrote most of it.

Mr. GIBBONS. Mr. Chairman, the gentleman has not read it. He has not read it. Nobody has read it.

I can tell you one thing it does not contain. It does not contain a \$500-per-child tax cut, does it? Does this bill contain a \$500-per-child tax cut? Yes or no. The answer is no.

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

Mr. GIBBONS. No; the gentleman has plenty of time. You have 5 hours.

Mr. KASICH. Well, then, how am I supposed to answer the question?

Mr. GIBBONS. Does it contain a \$500 tax cut?

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

Mr. GIBBONS. Mr. Chairman, I yield to the gentleman from Ohio, very briefly.

Mr. KASICH. Mr. Chairman, of course the gentleman knows that we are going to have a \$500 tax cut. Contained actually in that bill, it is not there, but it is our full intent to do it, and the gentleman understands the purely technical grounds under which we do not have that in there right now.

Mr. GIBBONS. Mr. Chairman, reclaiming my time, the first thing we have established is that it does not contain any \$500 tax cut, so anybody that gets up and says that does not know what is in the bill.

Second, 33 percent of all of the children in families under 18 years of age do not get any tax cut of any sort in the Kasich bill, or should I say in the Gingrich reconciliation bill. Thirty-three percent of all of the children in the United States get nothing out of the Kasich-Gingrich bill. Another 10 percent get a minimal amount of the Kasich tax cut for children and families.

The bill is a fraud. There are so many outrages in this bill that it is impossible to state them all, but there are some real principles that everybody ought to understand. Most of the children and families in tax cuts are in upper income families. They get the tax cuts. The lower income families that really need the money, that have really suffered in all of this revolution, do not get a thing out of this bill, not a cotton-pickin' penny out of this bill.

□ 1545

It is obvious that what is happening in this huge reconciliation bill is that the budget balancing is coming on the backs of poor people, of sick people, of children, and of the working poor. The earned income credit, a bipartisan, partial solution to the problems of the working poor, is being decimated in this bill. That is just a part of the problems that are contained in this bill.

Mr. Chairman, I have a limited amount of time; and I want to be fair with Members on my side about this bill.

Mr. Chairman, I yield 2 minutes to the gentleman from Tennessee [Mr. FORD].

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

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

Mr. Chairman, the reconciliation bill will harm average people just to give that huge tax cut to the wealthiest of people in this country. I would just like to point out, in several areas, some 15 million children in this country will be impacted with the welfare cuts that are being made to give that tax cut to the rich and wealthy of this country.

When we look at children who are receiving public assistance or those who are receiving some type of assistance under the welfare program, it punishes a child by denying cash aid when a State drags its feet on paternity establishment. It leaves children holding the bag if the State runs out of Federal money in any given time. It does not assure safe child care for children when their parents work. It allows children to die when in State care, and the only thing the State is required to do is to make notification to the family upon death.

It throws some medically disabled children off SSI because of the bureaucratic technicalities. It denies SSI benefits to children who did not become disabled soon enough. It cuts aid to poor children just to pay the tax cuts to the rich in this country. There is no guarantee of foster care for children who are abused or neglected under the welfare reform package.

Mr. Chairman, welfare reform that we are working on now with the conferees in the Committee on Ways and Means, the House version of that bill is cruel to children in this country. Just to pay for the huge tax cut, the \$245 billion, that we are going to say to 15 million children who live below the poverty threshold in this country, that we are going to take from the children of this nation to give to the rich and wealthy of this Nation.

The bill harms average people—to provide tax cut for the wealthiest. Reconciliation should focus on balancing the budget—not tax cuts for privileged class.

WELFARE

The Republicans have chafed at suggestions that their welfare reform bill—H.R. 4—is cruel to children. The truth hurts. Here are just ten examples of the cruel policies embedded in the Republican contract on America.

It punishes the child—until the mother is 18 years old—for being born out-of-wedlock to a young parent—title I. Number of children punished: 70,000.

It punishes a child—for his entire childhood—for the sin of being born to a family on welfare, even though the child didn't ask to be born—title I. Number of children punished: 2.2 million.

It punishes a child—by denying cash aid—when a State drags its feet on paternity establishment—title I. Number of children punished: 3.3 million.

It leaves children holding the bag if the State runs out of Federal money—title I. Number of children punished: ?

It does not assure safe child care for children when their parents work—title I. Number of children punished: 401,600.

It allows children to die while in State care without requiring any State accountability beyond reporting the death—title II. Number of children punished: ?

It throws some medically disabled children off SSI because of bureaucratic technicalities—title IV. Number of children punished: 75,943.

It denies SSI benefits to children who didn't become disabled soon enough—title IV. Number of children punished: 612,800.

There is no guarantee of foster care for children who are abused or neglected—title II. Number of children punished: ?

It cuts aid to poor children to pay for tax cuts for the rich. Number of children punished: 15 million.

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. Mr. Chairman, I appreciate the gentleman yielding me the time.

As we go through this debate, I hope we will have an opportunity to talk about some of these issues and hopefully to respond to some of the things that were said here. I just want to respond to two of them.

The gentleman from Florida spoke about the fact that it does not have the \$500 tax cut. He knows full well what is going on here, the fact that the Contract With America, how the tax cut was passed, the fact that the Senate resolution is somewhat different, there is a haircut or a shave in here to reduce the amount.

The bottom line is, and we have been hearing from the other side, that there is a tax cut in here, that it is all going to the rich. We know there is going to be a tax cut in this bill. There is a tax cut. And it is going to be a tax cut that is going to benefit middle America. That is the second thing I wanted to respond to the gentleman from Florida, talking about this is all going to the wealthy.

Look at this. This chart here demonstrates that the vast majority of that goes to those of the income levels between \$30,000 and \$70,000. That is per family. That is not what, in my definition, is the wealthiest Americans.

Those at the very low end get less, yes, because they pay less, considerably less taxes. In fact, in terms of the tax burden, if you are to put this on the basis of where the tax burden goes, the vast majority of this tax relief, percentagewise, goes to those who are paying the least amount of taxes. So it is distributed over income groups by giving more of it to those at the lower end of the scale.

In fact, the top 1 percent of income earners in this country pays 27.5 per-

cent of all the taxes. They do not get anywhere near that amount of the tax relief. The top 10 percent pay 57.5 percent of the tax. They do not get anywhere near that amount of the tax relief.

I hope as we go through this debate we will have the opportunity to realize that what we are talking about is a tax cut that is going to benefit families. It is saying we are not going to take that money out of your pocket, we are going to leave it in your pocket, and maybe the American family can figure out how to spend the money better than we in Washington can. Maybe they can decide what is best for their education, health care, clothing and feeding and housing their families. That is what this tax cut is all about, benefiting the American family.

Mr. GIBBONS. Mr. Chairman, I yield 2½ minutes to the gentleman from Michigan [Mr. LEVIN].

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

Mr. LEVIN. Mr. Chairman, I have heard the gentleman from Ohio talk about keeping promises. Keeping promises is important. So is looking at the content of those promises. If the content is harmful, there is no great honor in keeping misguided promises. That is what is true here today.

Yesterday, this was said on the floor of the Senate:

As much as I want to reduce the size of government, I question spending cuts directed so disproportionately against the elderly, the young, and the infirm.

That did not come from a Democratic Senator. It came from a Republican Senator, ARLEN SPECTER.

There is a great unease in this country about this Republican package. I think it is the source of the low popularity ratings of the Speaker. It is because I think people in this country feel this budget is not so much courageous as it is callous, reducing by \$23 billion the earned income tax credit for working families, having a tax cut. Two-thirds of the tax cut go to those with incomes above \$75,000. That is what the Treasury Department says.

But I want to go beyond those figures, and I want to talk, for example, about SSI for handicapped kids. These are kids with serious handicaps in families that are low, middle and low income, earning \$28,000 and less. Mr. Chairman, this budget eliminates the cash payment for 700,000 families with seriously handicapped kids.

We have to get the budget under control. We have to eliminate this deficit. But I plead, how we do it is also important.

This is a budget that is a callous budget. It deserves to be rejected. I am sure it will be vetoed by the President, and then we will get down to a bipartisan negotiation as to how to turn around the budget deficit in America.

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from New York [Ms. MOLINARI].

Ms. MOLINARI. I am proud, Mr. Chairman, to stand here with my colleagues on one of the most historic days in the last 30 years. We have today begun the process of shifting the very fabric of government from reckless spending and huge deficits toward responsible fiscal policy.

The last time Congress exhibited fiscal responsibility Sam Rayburn was Speaker. He told us something that some have forgotten. He said, "You'll never get mixed up if you simply tell the truth."

In November of 1994 and over the past 10 months, Republicans have been completely honest with the American people. We have told them the truth. The truth is, the Federal Government taxes too much. The truth is, the Government spends too much.

The national debt is nearing \$5 trillion, and if we continue on the course that the Democrats have proposed, the number will reach over \$8 trillion by 2010.

The truth is, the Republicans have the only certified plan to balance the budget. If you want to talk about caring about children, how much can you care about children if you are not willing to change a pattern of spending that will give to each baby born in 1995 over \$187,000 in taxes in their lifetime just for the interest on the debt?

The truth is, the President sent not just one but two budgets to the Hill; and he requested that Congress spend \$200 billion more than it takes in every year.

The truth is, a balanced budget means a lot to Americans and our children, not only because it is the right thing to do but because it sets us on the road to prosperity. Federal Reserve Chairman Alan Greenspan said that a balanced budget will lower interest rates by 2 percent.

On Election Day, we promised we would present a plan to balance the budget; and now we are delivering on that promise. Unlike the President, ladies and gentlemen, we will have no regrets a year from now. By telling the truth to the American people, we are making history, and we are keeping our commitment. We will deliver hope to a Nation that believed it never could happen again.

Mr. GIBBONS. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. STARK].

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

Mr. STARK. Mr. Chairman, the reconciliation bill before us today is an affront to American standards of fairness and decency. Of course the American people want to see the deficit reduced, but they do not want to do it by gutting Medicare, Medicaid, the earned income tax credit, child nutrition, student loans, and a host of other valuable Government programs; and they especially do not want to do it while giving huge tax cuts to those who do not need it.

The Democratic staff of the Joint Economic Committee looked into who is likely to get the tax cuts and who is likely to suffer from the presumed cuts the Republicans are proposing. The results are stunning.

The poorest 20 percent of American families, those making \$13,000 a year or less, those whose income represent only 3.5 percent of the total income in this country, will bear one-half the cuts in programs that help people directly. The poorest 20 percent get half the cuts of benefits, and they are going to get no tax cut whatsoever. Instead, they will see their taxes go up because of the change in the earned income tax credit.

Most middle-income American families get a bad deal as well. Some will get a tax cut, but many will lose benefits worth much more. What is going to be left is they are going to be holding the bag when the Medicaid money is no longer available. They get a net cut, if there is a tax cut, in their gross benefits of \$500 a year.

But under the Republican plan for deficit reduction, the richest 20 percent of American families come out way ahead. They are slated to get two-thirds of the tax cuts, and their tax breaks exceed their losses in program benefits. They get fewer program benefit cuts and more of the tax cuts.

Mr. Chairman, the shared sacrifice in reducing the deficit would look very different if we had a Democratic plan. I urge Members to oppose the obscene reconciliation package.

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Maine [Mr. LONGLEY].

Mr. LONGLEY. Mr. Chairman, it is a pleasure to stand here in behalf of my own leadership and the gentleman from Ohio [Mr. KASICH], chairman of the Committee on the Budget, to compliment them for their yeoman work.

I want to share a little bit of a personal vignette that relates to this entire experience. My father served as Governor of Maine, but my father was also a former Democrat. In 1974, he left the Democratic Party because he was sick of the tax-and-spend philosophy and the attitude that there was no limit to what this Government can do.

There is an irony also because in 1976 he was the first national cochairman of the National Committee for a Balanced Budget Amendment. The irony was this: When his son was sworn in as a Member of this Congress, his two grandchildren, my son, Matthew, age 11, and my daughter, age 7, Sarah, were on the floor with me. It made me sick to think that after 20 years my two children were at a point where they are looking at paying hundreds of thousands of dollars in taxes on interest alone on the Federal debt without a single reduction of principal. That is what this is all about.

We have a plan today. There is no plan on the Democratic side. In fact, any plan that has been offered barely gets past any plan that has been of-

fered by our own leadership, barely passes the muster of your own caucus.

I have got another little secret to share with you today. Last November, the Republicans took control of the Congress by 13 seats. In that freshman class we have 14 former Democrats, myself included, who are sick of the tax-and-spend attitude that has been pushed.

The issue is, are we going to do it or not? Are we finally going to bite the bullet and pass a plan that gets us on a track to a balanced budget or are we going to continue the game, the charades, and the lack of honesty about an issue that is fundamental to the future of this country, including the future of my two children?

□ 1600

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

Mr. Chairman, I love all of this ethereal talk about the wonder-land that is being created by our Republican colleagues.

But when are we going to get down to business? When are we going to talk about what is in this monstrous bill they have got here? Let me just ask the gentleman on the other side if they can explain any of the language on pages 1296 and 1297? Just pick it up and read it, and if you can explain it, take your time and try to do it.

But, you know, that is what this debate is about. It is not about dreams. It is about reality. It is what is contained in here, and this is a bill that is going to be vetoed. It deserves to be vetoed. Then perhaps we can talk some common sense around here.

Mr. Chairman, I yield 2 minutes to the gentleman from Connecticut [Mrs. KENNELLY].

Mrs. KENNELLY. Mr. Chairman, the former speaker, I say, yes, we know you are going to do it, pass this bill. But it is the way you do it that we have the problem with.

I stand here in opposition to the part of this bill, the earned income tax credit, which is under attack. This is the one feature of the Tax Code generally designed to help working families. The majority side's runaway growth is justification for taking away \$23 billion from the earned income tax credit. This claim conveniently ignores the fact that this is the way the law was written on purpose.

President Reagan supported the earned income tax credit. President Bush expanded it, and then President Clinton embraced it, and that is where we are today: Working people get a tax credit.

The majority goes on to great lengths to point out that families with too much income are receiving this credit and uses this as the primary justification for phasing out the credit. However, the majority well knows the very structure of the credit results in families with incomes above the poverty line receiving the credit. Destruction of the credit so a family would

lose the entire working credit for earning 1 additional dollar above the base amount would destroy the work incentive.

Therefore, to phase out the credit faster, the majority raises the marginal rate on every family. This change is nothing less than \$8.7 billion tax relief on the 9.4 million families with children, earning between \$11,000 and \$28,000.

This is really beyond the beyond, and I do not see how anybody can defend it. This is an egregious example of paying for tax breaks by raising taxes on some of America's most hard-working families.

The tax credit was the first effort of bipartisanship to keep working families working, and then it was the first step in welfare reform, and now to attack it and say it does not work, it works. You need the \$23 billion, but it should not be taken from the tax credit.

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

Mr. FRANKS of New Jersey. Mr. Chairman, ladies and gentlemen, I think something is important to put into perspective. If we choose to allow this Government to run on the course it is currently taking, in 17 short years every single dollar that every individual taxpayer sends to this town, every tax dollar paid by every corporation in America will all be consumed by just five programs: Social Security, Medicare, Medicaid, Federal Employee Retirement Benefits, and the interest payment on the national debt. In just 17 short years we will not be talking about possible reductions in student financial assistance that will allow a child to help get to college. There will simply be no money available to help send children to college, because all of our tax revenues will be consumed by those five mandatory entitlement spending programs.

If we need to help put police on the streets in our neighborhoods that are high-crime areas, the Federal Government will be unable to help any of those communities, because all of our available revenue will be consumed by just those five programs.

If you are concerned about the quality of our air and our water, there will not be any Environmental Protection Agency, because all of the money will have been consumed by just those five mandatory entitlement spending programs; no money for infrastructure, for our roads, our bridges, our highways, our mass transit systems.

The bottom line is that the next generation will inherit an America with far fewer opportunities because the Government will have taken all of its available revenue, yet still be able to meet some compelling needs of our citizens.

For 30 years, we have been deficit spending. We have lost sight of our fundamental responsibilities to make certain that we measure our commitment

to compassion with our ability to sustain programs financially.

It has gotten out of balance. Ladies and gentlemen, this is the hour to balance the budget.

Mr. GIBBONS. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. RANGEL].

Mr. RANGEL. Mr. Chairman, let me congratulate my Republican friends for making a promise and keeping it. People did not understand the contract. I did. I have known you for along time.

You said you were going to reduce the deficit. You said you were going to balance the budget. I knew darn well what you meant. You meant you were going to give back some taxes, tax cuts, because I understand what you were talking about.

If you give more money to the rich, they are smart enough to know what to do with it. They are going to invest it. Right? That is why most of it goes to rich people. They invest it, create jobs, and sooner or later, 10 or 15 years, it trickles down, the poor get something. I understand what you are talking about.

You say you want to help people with health care. The best way to help old folks with health care is take away what they have got, so you take away \$270 billion, give them a voucher, and tell them, "You are sick. Go out and find yourself a health maintenance program."

The previous speaker said we would not have money to fight crime. That is the cruelest thing of all, because you cut education, you cut job training, you cut the little cushion we have in the earned income tax credit to keep people working instead of having to go on welfare. And so what do we have in our cities that really cost us, not just in losing deficit but in losing lives, is that instead of giving job opportunities, you give us jails, instead of talking about having schools and educators and going into partnership, you allow drugs to come and provide the hope.

Let me say this, yes, you balanced the budget. Yes, you give the tax cut. But when you said you were reforming these programs, believe me, the American people can read the fine print in that contract.

You may have fulfilled the goal as you read it, but if you go to Catholic Charities, if you go to the Jewish Council Against Poverty, if you go to the Protestant Council, those people who provide the health care and try to help the poor among us, they will tell you you breached that contract with the American people and sooner or later when they come back you will soon know that America would not tolerate what you are doing to them today. They will pay you back tomorrow.

Mr. KASICH. Mr. chairman, I yield myself 2½ minutes.

Mr. Chairman, again to the total Federal spending, it is going from \$9.5 trillion to \$12.2 trillion. We want it to go up.

I mean, it is almost absurd to argue this because it shows you how modest we are being. We want it to go from \$9.5 trillion to \$12.1 trillion; total Federal spending will grow like this.

What do the big spenders want? They want to grow at \$13.3 trillion. If we keep doing this, the country is going bankrupt.

You want to talk about kids? They will have no chance. You want to talk about the rich? The rich will get richer and the poor will get poorer.

The fact is our Federal spending goes up.

Let us talk about the rest of the program. Medicare, we are going to go from \$926 billion to \$1.6 trillion. If we grow at \$1.8 trillion, guess what, Medicare goes bankrupt. We had that debate last week, and our senior citizens are going to be in wonderful shape if they want to stay in the current program, and, frankly, they ought to look at the private plans where they are going to get more.

But under any circumstance, Medicare grows from \$926 billion to \$1.6 trillion.

Now Medicaid, to listen to the other side, you would think we are going down. Medicaid is going from \$443 billion, you hear those numbers out there on main street, billion, to \$773 billion. The big spenders want to go to \$955 billion. Of course, the country will go bankrupt.

But it does not make for a good speech to talk about facts.

Welfare reform, in our welfare program, we are going to go from \$492 billion to \$838 billion. Some want it to grow to \$949 billion.

If we do this, you know what will happen. The country will go bankrupt.

The bottom line is, folks, can we, in fact, grow from \$9.5 trillion to \$12.1 trillion? Can we restrain ourselves from that extra trillion dollars? If we restrain ourselves, we will balance the budget. We will give tax relief, and the earned income tax credit is going to go up 40 percent under our plan. I think that is pretty good, a 40-percent increase over the next 7 years, and nobody will get less money in 1996 than they got in 1995.

These are the facts. This is what will save the country. Pass this reconciliation bill.

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

I always love the beautiful dreaming charts of the gentleman from Ohio [Mr. KASICH]. He overlooks two factors. One, the country as a whole grows in total number of people, as does the eligible population, for the types of things he was castigating.

Second, there is the impact of inflation that unfortunately is with us and has been with us for, well, for generations, really. So all of his figures are just make-believe.

Mr. Chairman, I yield 2 minutes to the gentleman from Maryland [Mr. CARDIN].

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

Mr. CARDIN. Mr. Chairman, I rise in strong opposition to a budget reconciliation package that violates every concept of truth in labeling and truth in advertising. If you believe this reconciliation bill is about balancing the budget and keeping promises, you believe Joe Camel was created to teach children about dangers of smoking.

The problems with this bill begin with the numerous horrendous provisions that betray the middle class, working Americans who pull the wagon. The attack on the middle class is broad and bold. This bill opens the door to those who would raid pension funds and put at risk the retirement benefits of working Americans. At the same time, it closes the door to higher education for millions of Americans by restricting access to student loans.

Elderly Americans also face a double-barreled attack. Two hundred seventy billion dollars of Medicare cuts threaten the availability and affordability of basic medical care. Another \$180 billion of cuts in Medicaid will tear at the family budgets of millions of elderly Americans, and their children, who are trying to cope with the costs of nursing care.

The promises broken in this bill are far too many to mention in just a few minutes. But one deserves special attention. The promise of the Contract With America—in the Speaker's term, the crown jewel—was a \$500-per-child tax credit. Under the bill before us today, the crown jewels have been devalued by 27 percent. This bill walks away from that promise and many more. But the bill does preserve the spirit of the contract in one important way—the elderly, the middle class, and the poor bear the burden of paying for tax cuts that overwhelmingly benefit wealthy taxpayers.

There will be an opportunity tomorrow to vote for a plan that will balance the budget in 7 years. We can vote for a plan that will borrow less money than the Republican plan, that will balance the budget without tax increases, and that does not require the harsh and unwise cuts proposed by the Republican budget.

I refer to the coalition budget. That substitute demonstrates you can balance the budget in 7 years without the extreme proposals of the Republicans, with less borrowing, if you only will give up the special-interest tax breaks that are included in the Republican bill.

□ 1615

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Oklahoma [Mr. LARGENT], a member of the Committee on the Budget.

Mr. LARGENT. Mr. Chairman, it was Robert Kennedy who said that progress is a nice word, but change is its motivator, and change has its enemies.

It should come as no surprise to anybody that our plan of change, that represents the most significant change within the Federal Government in the last 60 years, a truly historic vote that will occur on this floor tomorrow, has its enemies. That should come as no surprise.

We have the defenders of the status quo, that have said we need to spend more and more and more, and continue to load the debt on to our children and our grandchildren, arguing against this plan. In fact, I would submit to Members that had our plan come from on high on tablets of stone, that these same people would be voicing their opposition to these extreme measures that the Republican plan puts forth in the reconciliation bill.

Yes, change is difficult, but change is absolutely necessary. We cannot continue to add more and more debt on to the heads of our children and grandchildren. We cannot allow Medicare to go bankrupt. We cannot continue to overtax our families and our businesses. We cannot continue to allow government to grow and grow and grow.

No, Mr. Chairman, it is time to resist the enemies of change, to be courageous, something that has been lacking in Washington, DC for too long; to do the right thing, for our country and for our children.

Mr. GIBBONS. Mr. Chairman, I yield 2 minutes to the gentleman from Washington [Mr. MCDERMOTT].

Mr. MCDERMOTT. Mr. Chairman, I would suggest to the gentleman from Oklahoma that if this bill had come down from on high, our good Lord would not be doing to the poor, sick, and disabled of this country what is in this bill.

We went through a charade here last week to convince the American people that there was no connection between Medicare and the tax cuts. We had speaker after speaker saying no, we are doing one this week, and we are doing one the next week, and there is no connection.

But if you take this bill, 724 pages, go to page 1324, and it says "H.R. 2425 as passed by the House of Representatives is hereby enacted into law." Medicare is mixed in with the tax breaks. Now, that is the essence of what this bill is all about.

There is no question that the Republican revolution is intended to give 1 percent of Americans who make more than \$200,000 annually a tax cut that averages \$12,600. But if you are in the 19 percent of the families in this country earning less than \$10,000, you will have a tax increase of \$25 a year. More than half of the cuts, 52 percent, go to 5.6 percent of the Americans at the top of the schedule.

Now, at the same time, this bill takes \$23 billion and puts it as a tax increase on the low-income families in this country who are trying to stay off welfare. These families will be hit doubly hard, first by the \$23 billion cut in

the earned income tax credit, and second by the complete or partial ineligibility they have for the nonrefundable \$500 tax cut.

We also see in this bill a paltry \$2 billion taken out of corporate welfare in this country. The question is, why are the poor people hit 11 times harder than the corporations of this country?

It is a bad bill. I urge Members to vote against it. It means that we are going to balance the budget on the backs of the poor, and that is wrong. I would say to the gentleman from Oklahoma [Mr. LARGENT], God would not have done that.

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from New York [Mr. LAZIO], a member of the Committee on the Budget.

Mr. LAZIO of New York. Mr. Chairman, do you know what the fastest growing area of the Republican budget is? It is Medicare. We are taking care of older Americans. The rhetoric on the other side is that we are taking care of the rich. Is the family tax credit taking care of the rich? Is giving breaks for working families through an adoption tax credit taking care of the rich? Is giving families the ability to use an IRA for first-time home buying, for health care expenses, to encourage savings, is that taking care of the rich? I think not.

Let us call this what it is. Inherent in this question is the moral question of what type of world we will leave to the children of America.

There can be no serious question as to the two paths before us. We can stay on the path we have been on and deliver a future of unsustainable spending and crushing debt, huge increases in taxes that dash hopes and dreams, and in the end that promise fewer opportunities and a poorer quality of life for the smallest among us, who, incidentally, do not have the ability to vote.

Or we can take another path, a brighter path. It will require courage, but it represents the hopes and the aspirations of every parent for every child in America. It promises an America where our children can have better lives than we. It will make America stronger for our generation, for our children's generation, and for generations to come. It maps out a positive future for our country by beginning the tough task of balancing the Federal budget and beginning to pay off our national debt.

With the national debt approaching \$5 trillion and expected to reach almost \$8 trillion by 2010, and interested payments scheduled to surpass the money we now spend on our national defense, now is not the time for our political needs to buckle. A balanced budget is the surest strategy to increase American productivity and living standards. That is not according to some Republican rhetoric, that is according to Alan Greenspan, the Chairman of the Federal Reserve. A balanced budget

means 6 million new jobs, rising family income, making homes, cars, education, or starting a new business more affordable.

If we cave into 30-second sound bites, Mr. Speaker, if we fail to do the right thing because we do not agree with every single change that has been made in this pivotal package, will fail to do the right thing for our children.

Mr. GIBBONS. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. PAYNE].

Mr. PAYNE of Virginia. Mr. Chairman, I thank the gentleman from Florida for yielding me this time.

Mr. Chairman, well, here we go again. Fifteen years after George Bush warned this Nation about voodoo economics, our friends on the other side of the aisle are up to their old tricks again. They are trying to tell the American people that a 7 year \$245 billion tax cut is an important step along the road to a balanced budget.

This time, the American people know better. They know that to cut taxes by \$245 billion, when you are \$5 trillion in debt and when you are experiencing deficits of more than \$160 billion annually, is not just bad economics, it also runs against simple common sense. It may please some, but it is bad public policy.

There is a better, more fiscally responsible course for us to follow. It will be on the floor tomorrow. This is a budget written by our Conservative Democratic Coalition, which takes this Nation straight to a balanced budget by the year 2002, and it does so without these costly tax cuts. It contains real budget reforms, and it cuts the budget faster and deeper than the Republican plan. Because our bill rejects tax cuts, it provides a more moderate glide path to the balanced budget.

We assure the solvency of the Medicare Program, but we do it fairly. Medicare will receive \$100 billion more than the Republican plan. Medicaid will receive \$100 billion more. The vulnerable rural hospitals in my district and elsewhere so dependent on Medicare and Medicaid will receive fair reimbursements under our program. We reject deep cuts in student loan programs, retain the earned income tax credit, and provide \$80 billion more in discretionary spending in the areas ranging from education to economic development, to agriculture and to conservation.

Mr. Chairman, let us reject this business as usual. We can and we should not cut taxes when we have to borrow this money from our children. Vote tomorrow for the Conservative Democratic Coalition alternative. Vote against the Republican reconciliation bill.

Mr. KASICH. Mr. Chairman, I yield 30 seconds to the gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. Mr. Chairman, I just want to respond to one thing said by the last speaker, and that is the implication of deep cuts in student loans.

That is just simply not true. Mr. Chairman, we are not cutting student loans. Student loans, the Pell grants are going to grow; there are going to be a higher amount of Pell grants than before. The total amount of student loans is going to grow. The only thing we are doing is saying when you graduate in college in the 6 months that the taxpayer, the working Americans, single parents and mothers, are subsidizing that loan, we are saying they are going to pay the interest. They are going to accumulate the interest for that 6 months. That is the only difference. That is the only change we are making.

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the gentleman from New Hampshire [Mr. BASS].

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

Mr. Chairman, I will start with a quote that I would like to bring to your attention: It goes as follows:

We have no right, frankly, to continue to finance a Government budget that is 20 percent debt-financed, and will be more debt-financed in the years ahead, and leave it to our children to figure out how to live with lower incomes than they otherwise would have. And believe me, it isn't just our children. We're going to be living with the consequence in the very near future.

Mr. Chairman, that is not NEWT GINGRICH, our Speaker. That is not DICK ARMEY. That is not our chairman, JOHN KASICH. In fact, it is not even you, Mr. Chairman. That is President Bill Clinton in 1993 talking about the budget.

Well, Mr. Chairman, I have 2 children, Lucy and Jonathan, ages 2 and 4. They owe the Federal Government today over \$18,000. As has been said before, if we do nothing, in their lifetimes they could owe as much as \$180,000. I am not going to leave this country to that kind of a destiny. The future of this country is indeed in our hands today, and indeed, one could say, the world.

Now, this reconciliation package is not perfect. There are problems with it. There are problems with any document that is developed as a result of consensus. But what is at stake today is the very institution of this Government and the country. We have spent beyond our means now for over 30 years, and if we fail to get this country on a path to a balanced budget starting today, I do not know where my children, Jonathan and Lucy, are going to be 20 years, from now.

Mr. Chairman, when all the rhetoric does down, the shrill rhetoric and Chicken Little discussion about how the sky is falling in is over, the American people will remember this Congress for many, many years after the rest of us are gone.

Please join me today in passing this reconciliation package. It is needed.

Mr. GIBBONS. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. MATSUI].

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

Mr. Chairman, the gentleman, the prior speaker, said that this reconciliation proposal is not perfect. The gentleman is correct, and when imperfections are raised, the Members of this body should try to do something about it before Members are going to be asked to vote on it. I will give you one example: It is the pension reversion issue. Many of you know about it. Some do not know about it. You better get to know about it soon, because it is going to hit you in the first 6 months of 1996.

If you recall, in the eighties we had massive withdrawals of pension funds by companies, companies that were basically in trouble, \$20 billion, and the Pension Benefit Guaranty Corporation had to take over a lot of these pension programs. What we did in 1986, 1988, and 1990 under Reagan and Bush, on a bipartisan basis, is clean it up. So there is now an excise tax of 50 percent if you take pension fund moneys out of these pension programs, unless it goes to health care benefits for your retirees.

What the Committee on Ways and Means did, what the majority did, was put a provision in to allow companies to take money out of their pension funds without any restraint. They can use the money not only for health care, but they can use it to buy luxury cars, they can take the money out for bonuses for their executive employees, they can take the money out for leveraged buyouts.

In fact, the Pension Benefit Guaranty Corporation, which is a non-partisan group, says that over \$40 billion will be taken out of this fund over the next couple of years, probably in the first 6 months of 1996, when all of us are going to feel it, mainly because there is an incentive. There is no excise taxes for the first 6 months of 1996.

This is a provision that is going to do major damage to the average American worker, and this is a provision that is strictly special interest. We received reports written by companies that were special interests that basically supported this provision, but all objective outside groups have said this is going to do major damage, major damage, to the average American worker. I would just be aware of this, because we are going to feel this in the first 6 months of 1996.

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Michigan [Mr. SMITH].

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

I think the question is to this side of the aisle, to the American people, do we want to balance this budget, or do we not? The American people are not too concerned about how we keep our books, but let me just make a couple of comments why it is so important to the American family, to our kids, and our grandkids.

If you had a stack of \$1,000 bills pushed tightly together, \$1 million

would be 4 inches high. Our debt in this country is over 300 miles into outer space of tightly stacked \$1,000 bills. Government has got its arm in the pot of available money that can be lent out in this country to the tune of borrowing 40 percent of all of the money lent out last year.

What does that mean as far as demand goes? Alan Greenspan, our top banker, Chairman of the Federal Reserve, says if we could end up with a balanced budget we would see a 1.5 to 2 percent lower interest rate. What do you think that means to somebody that is paying off a college loan?

□ 1630

I will tell Members what it means. It means on the average an individual would save \$2,000 over the payback period of their loan. What does it mean to a family paying off a \$100,000 home that they are buying on that mortgage? It means a \$2,000 savings. It means that we are going to expand jobs and the economy in this country.

The President sent us a budget. CBO says it is never going to balance. And yet right now, in his press conference, the President is announcing that with the growth in the economy we probably would not have to have any spending cuts.

Mr. Chairman, just let me finish by saying back in 1947 the Federal Government operated on 12 percent of the GDP. We used 12 percent of the GDP to operate this place. We know what it is now. It is almost double that. We have expanded this Government, spending 22 percent of our gross domestic product.

If we care about our kids and our grandkids, let us get back in focus, let us balance this budget.

Mr. GIBBONS. Mr. Chairman, I yield 2 minutes to the gentleman from Georgia [Mr. LEWIS].

Mr. LEWIS of Georgia. Mr. Chairman, this bill is really not a reconciliation bill, it is a wrecker ball bill on middle class families.

Mr. Chairman, an ugly spirit has risen in our Nation's Capital. A mean spirit. A cruel spirit. A spirit that gave rise to this Republican bill.

Republicans raise taxes on the working poor—and cut taxes for the idle rich. Republicans raise taxes on 30 million working families.

Republicans spend more on defense, but cut Head Start, school lunches, and student loans. They choose bombers over babies, defense contractors over children, star wars over schools.

Do you really want a welfare bill that would put children in orphanages? Do you want to return to the days when families put the disabled in back rooms. Do you want to send senior citizens to dilapidated hospitals and second rate medical care?

I cannot believe, I truly cannot believe what this bill does to our country. There are Americans who need our help. Children do not choose to go hungry. The elderly do not choose to become sick. The handicapped do not choose to be disabled.

Mr. colleagues—there, but for the grace of God, go I. Each and every Member of this body is blessed. We have a responsibility—a moral obligation—to do right by our children, our seniors, and our working families. This bill fails that test.

Two hundred and forty-five billion dollars can help a lot of families earn a livable wage. It can feed a lot of children. It can help a lot of students get through school. It can provide medical care for hundreds of thousands of seniors. With \$245 billion, you can do a lot of good for a lot of people.

Or you can squander it on a privileged few. You can pay for a tax cut for rich, political friends. That is the choice you make today. I urge you to look within your heart—to do what is right. Vote “no” on this proposal. It is cruel, it is mean, it is downright low-down.

Mr. KASICH. Mr. Chairman, I yield 2 minutes 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 come to the floor with a great deal of pride today. We can and should take pride in the fact that for the first time in a very long time the House of Representatives is going to do what is right for the future of this great Nation—we are balancing the budget.

We will pass this balanced budget and set the country's finances back on the right path for the first time since 1969. It is a vote for the future and a vote for our children and grandchildren.

We are stemming the flow of red ink from the Federal Treasury so that my 28 grandchildren won't be stuck with bills run up by their grandfather's generation.

I am also proud of the fact that we listened to the American people and we are doing what we promised to do. We are delivering on the change that the people want.

The people want welfare reform; and, we are delivering. The people want tax relief; and, we are delivering. The people want us to save Medicare from going bankrupt; and, we are delivering. The people want more power returned to the States; and, we are delivering.

The baby boomers will be retiring soon and that means that they will be looking for Social Security and Medicare benefits. This budget helps to ensure that those benefits will be there when they need them.

This is a good budget. For a change, it shows that we can keep our promises and it shows the American people that we listened to what they want instead of acting like the national nanny.

There are many in this House who do not like the new way of doing things. But, I am willing to bet that the American people like knowing that we are doing things their way, for a change.

My friends, this is the opportunity to fulfill the vision that President Reagan

set forth in his first inaugural address when he said:

It is not my intention to do away with government. It is rather to make it work—work with us, not over us; stand by our side, not ride on our back. Government can and must provide opportunity, not smother it; foster productivity, not stifle it.

This budget meets the Reagan goals. We must pass it. We must show the American people that we can and will deliver the change that they want.

Mr. GIBBONS. Mr. Chairman, I yield 2 minutes and 30 seconds to the gentleman from Wisconsin [Mr. KLECZKA].

Mr. KLECZKA. Mr. Chairman, I want to thank the gentleman from Florida [Mr. GIBBONS] for yielding me the time. We have heard a lot of talk today about deficit reduction and, clearly, this bill is intended to do that. But as we talk about, like the former speaker, about reducing the deficit, very few of my Republican colleagues tell us how they are doing this.

We spent 1 day of debate last week talking about the Medicare cuts that are embodied in this bill. Also embodied in this bill are substantial tax cuts. Now, my friends, if we are trying to resolve a budget deficit and we have no money, where, I ask my colleagues, are the dollars coming from to fund a tax cut, one which, I have to tell Members, is purportedly going to the middle class.

Well, my Republican friends have a new definition of Republican middle class. I will share that with Members. Here is a quote from one of the Republican Members of the House, and he indicates “When I see someone who is making anywhere from \$300,000 a year to \$750,000 a year, that is middle class. When I see anyone above that, that is upper middle class.” I think this indicates to us where the tax cuts are going and where this whole deficit reduction bill is going.

Mr. Chairman, I specifically want to address an issue which I think is very, very important to the working men and women of this country. My friend, the gentleman from California, BOB MATSUI, talked about this before. In this bill there is a provision which will permit corporations to raid their pension plans to the tune of \$40 billion. Corporations under this bill can take out of their pension plans, which is put there by workers, reserved for their workers' pension. This bill says they can take up to about \$40 billion out of that nationwide.

The problem with that policy, Mr. Chairman, is who will pick up the tab if these pension plans cannot meet their obligations? We have an answer. It is called the Pension Guaranty Corporation, a Federal agency ensuring pension plans. But they have their financial problems on their own even without this. So I say, and my other colleagues will say to Members, this will end up another savings and loan bailout. Because if the Pension Guaranty Corporation does not have the money after the corporation is

skimmed \$40 billion, it is the taxpayers who will have to shell out the money.

The CHAIRMAN. The Chair reminds all Members that they should direct their remarks to the Chair and not to the audience or anyone else outside of the Chamber.

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from North Carolina [Mrs. MYRICK].

Mrs. MYRICK. Mr. Chairman, the national debt now stands at \$4.8 trillion, and this means that a child who is born today is going to have to pay \$180,000 just to pay the interest on the debt over their lifetime. That is \$3,500 in taxes every year of their working life. We are literally mortgaging our children's future and straddling them with a mountain of debt.

As a mother of five and grandmother of six, almost seven, I have a moral obligation to balance this budget for them because I want my kids and grandkids to have a better future, to have more opportunity than I have. But, how can that happen if they start out with this great mountain of debt on their backs?

Mr. Chairman, it has been stated if we balance the budget, interest rates will drop 2 percent. Now, that may not sound like a lot, but just consider the fact that that means, on a 30-year mortgage on a \$75,000 house, an individual would save \$37,000. That is enough to put our kids through college. It also means that an individual would save \$900 on a \$15,000 car loan. My goodness, look at what that would mean to a young person starting out or a young couple.

Mr. Chairman, the family is the most important part of society in America today and a balanced budget is good for the American family. On behalf of our children and our children's children we need to vote for a balanced budget and to do that so we will be sure that tomorrow's dream, the American dream, does not turn into tomorrow's nightmare.

Mr. GIBBONS. Mr. Chairman, I yield the balance of my time of the gentleman from Massachusetts [Mr. NEAL].

Mr. NEAL of Massachusetts. Mr. Chairman, I stand here before you today to oppose this budget reconciliation package. We are beginning this historic debate on the future direction of our country. This budget heads the country in the wrong direction. It is a shame that we could not be here today debating a bipartisan budget which has a sole purpose of meaningful deficit reduction.

This budget harms the American people. The Medicare cuts totaling \$270 billion go too far. These extreme cuts are needed in order to pay for \$245 billion in tax cuts to wealthy Americans. We debated this tax cut back in the spring and I still believe it is not needed.

I have been traveling throughout my district and I have heard angry com-

plaints about other aspects of this budget. Seniors are scared about drastic cuts to Medicare. They fear what will happen to them if they are struck with a catastrophic illness.

College students are afraid about the changes to student loans. Will they be able to afford to finish college? Parents are afraid they will not be able to pay for the college tuition of their children.

Individuals who have worked their way off of welfare are angry about changes to the earned income tax credit. The EITC has been an extremely successful incentive for work. Even President Reagan was supportive of the EITC. In 1986, he stated that EITC was "the best anti-poverty, the best pro-family, the best job-creation measure to come out of Congress."

Hard-working Americans do not understand the corporate pension reversion provision. Why should corporations be allowed to raid pension plans? I look at this provision and all I can see is the ghost of the S&L crisis. How do we explain this onerous provision to the American people? We cannot light a match to the pension funds of hard-working individuals.

The Citizens For Tax Justice's analysis of the tax cuts included in this reconciliation package indicates that 52.3 percent of the tax cuts go to 5.6 percent of Americans with incomes greater than \$100,000 a year. Less than 1 percent of these tax cuts would go to the 40 percent of families earning \$20,000 or less per year.

This budget heads the country in the wrong direction. We need to be responsible legislators. This legislation is not responsible. I urge you to vote against budget reconciliation.

We owe the American people more than this budget. It is our obligation to do better.

□ 1645

The CHAIRMAN (Mr. BOEHNER). All time has expired. Under the unanimous-consent agreement previously agreed to, the gentleman from Alabama [Mr. BROWDER] is recognized for 10 minutes.

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Florida [Mr. MILLER].

Mr. MILLER of Florida. Mr. Chairman, this is an historic occasion as we get ready to vote on the budget reconciliation bill tomorrow. For those of us who have worked so hard to get to this point, it really is exciting.

Mr. Chairman, we have made some difficult choices getting to this point today, but I look at this as a moral issue that we are fighting today. Just as our parents and grandparents fought the war against fascism, and we recently had the war against communism, we won those; the moral fight we are having today is about balancing this budget. It is a moral issue. It is obscene what we are doing by overspending in the Federal Government by over \$600 for every man, woman, and child in the United States.

Today, the national debt is \$18,800 for every man, woman, and child in the United States, and is getting larger and larger every year.

We are spending more money on interest on the national debt than we do for the Army, Navy, Air Force, Marines, and the CIA combined. The greatest threat we have to all the good programs in this Government, like Medicare or Head Start, the threat is interest on the national debt. If we do not get that under control, we are going to make the future generations pay dearly.

Mr. Chairman, it only makes sense to balance our budget. I was home this weekend and talked to a city councilman from Venice, FL, and a city commissioner from Sarasota, and county commissioners and State legislators. They have to balance their budget. Everybody understands that. Why do we not understand it in Washington?

All we want to do is balance the Federal budget. It makes sense. No one can argue with that. We argue about all this we are cutting; we are increasing spending and we are doing it for the kids and the future generations.

Mr. Chairman, the cruelest thing we can do is to continue to overspend and leave this horrible debt with our kids and our future generations. We must pass this budget reconciliation tomorrow.

Mr. BROWDER. Mr. Chairman, I think we are going to give our colleagues a break and change the topic of the conversation around here because, frankly, the folks over to my right and my friends on the Republican side are right, and the folks to my left who have been discussing that budget are right.

The fact is, the reconciliation bill that the Republicans have presented does try to balance the budget by 2002. But the folks over here are right too, in that it goes too far.

Mr. Chairman, what we would like to do is take a few minutes and have a few of our colleagues talk about an alternative budget, an alternative reconciliation plan that was prepared by the coalition. We think that our alternative plan is better than what has been offered by the Republicans, because it achieves balance by the year 2002, as the Republicans' plan does, but ours does it in a way that is more responsible. It accumulates less debt for our Nation over that period, and it is fairer to the people such as senior citizens, farmers, and students and other people that we think the plan should be fair to.

What I would like to do is recognize a few of our coalition members, and a few Members of Congress who are not coalition members, to talk about the coalition budget.

Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Oklahoma [Mr. BREWSTER].

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

Mr. BREWSTER. Mr. Chairman, I am proud to be speaking on the House floor today in what I feel is an historic debate. This Congress is finally considering plans to balance our Nation's budget in 7 years, and I think we should all be proud of that.

However, there are two plans that will be considered tomorrow that will achieve a balanced budget and I feel the coalition alternative is the most fair and honest approach to this goal.

The coalition budget reconciliation is a responsible budget alternative that meets all the deficit reduction requirements for a balanced budget by 2002.

In order to balance the budget, we must all support some cuts in valuable programs. However, cutting programs fairly and gutting them are two totally different alternatives. The coalition budget is much kinder on many programs important to all Americans than the Republican budget reconciliation.

First, we make no cuts in guaranteed student loans. The coalition understands the importance of education and will not make it more expensive for middle- and low-income families to obtain college loans like the Republican bill.

The coalition budget cuts \$80 billion less from education, Head Start, rural health care, and economic development than the Republican bill. And, we cut \$10 billion less from agriculture programs, preserving agriculture subsidies in a way that doesn't unilaterally disarm American farmers in a global marketplace.

We cut \$100 billion less from Medicare coverage for our Nation's seniors than the Republican budget. We cut \$100 billion less from Medicaid than the Republican bill. And, in addition to that, we accumulate much less debt than the Republican plan over 7 years, because we set a more responsible glidepath.

Mr. Chairman, this substitute reaches the same goal as the Republican budget—a balanced budget by 2002. And, yet the coalition substitute provides more money for those in need.

Mr. Chairman, whether or not you support tax cuts is not the issue today. Many of us in the coalition support tax cuts, however, we firmly believe you ought to cut spending first before you give the money out for tax cuts.

The coalition alternative also rewards work with a welfare plan that, according to the CBO, will put more people to work than the Republican plan. We preserve the earned income tax credit to reward those who are working to stay off welfare rolls. The Republican plan would cut drastically from this valuable work program.

Mr. Chairman, this alternative is the only reasonable solution to putting our Nation's fiscal house in order. The people of this country have asked us to do this, and I think this plan achieves that goal more quickly, and less painfully than the Republican plan. I urge my colleagues to take a long, hard, look at the coalition's alternative and

vote for the coalition budget reconciliation substitute tomorrow.

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the very distinguished gentleman from Texas [Mr. ARCHER], chairman of the Committee on Ways and Means.

Mr. ARCHER. Mr. Chairman, there has been a great deal of scare tactics here on the floor today about the pension reversion issue that is a part of this bill. Let me tell my colleagues that we should be interested in strengthening pension plans in this country.

Over the last 5 years, there have been no new defined benefit plans created in the United States of America. Many have been frozen or terminated. It is because of the very unwise policy that this country has conducted toward pension plans over the last 10 to 12 years.

Mr. Chairman, this bill turns that around. It includes pension simplification, and, yes, it includes the ability of employers to withdraw excess funding above 125 percent, of liability.

ERISA only requires that employers keep 100 percent of liability in the fund to qualify. But if they get 125 percent, they still cannot withdraw any of those funds. As a result, employers are not going to fund extra above the 100 percent, because they know they can never get their money back if they get above 125 percent.

Mr. Chairman, our bill encourages employers to fund more in the marginal plans, and that is what we should be doing. If ERISA was inadequate in having plans qualify with only 100 percent of accrued liability, ERISA needs to be changed. The plans that are vulnerable in the event of a decline in the market are the plans that are 90 to 100 percent, but which qualify under ERISA, not the plans that are funded above 125 percent of liability.

So, Mr. Chairman, we constructively and proudly move forward with this bill to encourage more defined benefit plans, adequately funded.

Mr. BROWDER. Mr. Chairman, I yield 1 minute to the gentleman from Tennessee [Mr. TANNER].

Mr. TANNER. Mr. Chairman, I want to talk about the coalition's alternative budget for a minute, because on the floor earlier today there was a statement made that the Republicans had the only budget reconciliation plan that got to a balance in 2002. That simply is not the case.

Mr. Chairman, the coalition plan cuts spending first. We get to a balanced budget in 2002, borrowing about \$50 billion less than the Republican plan will borrow between now and then.

Mr. Chairman, we do something else that is responsible, fair, and wise. We send a signal to the military veterans of our country that we are going to keep their commitment. Our values are to keep the commitment from a grateful country to our Nation's veterans and we have military retiree substitution, so that they can use their

Medicare at military hospitals or any other facilities they so desire.

The important point to come out of this debate over the next 2 days, Mr. Chairman, is that our coalition budget gets to balance in 2002, in a more responsible, fair, and wise manner than does the Republican plan.

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from California [Mr. HERGER], a member of both the Committee on Ways and Means and the Committee on the Budget, and the great catcher for the Republican baseball team.

Mr. HERGER. Mr. Chairman, today we have embarked on a truly historic debate that will ultimately culminate in the passage of the first balanced budget in over a quarter of a century.

Mr. Chairman, the American voters sent Members of this Congress here to Washington to change business as usual and put our national fiscal house in order. Mr. Chairman, the American people understand how to balance a budget. They do it every day. Unlike Washington, small business owners have to meet budgets and payrolls or they will go out of business.

Local governments have to live within their means. Mr. Chairman, families across this Nation sit around their kitchen tables every month to figure out how to provide shelter, food, and clothing for their families with only the money they currently have. Indeed, the American people know how to balance a budget and, Mr. Chairman, it is time that Washington does the same.

Yet, ironically, the Americans that will benefit the most from this balanced budget are not even old enough to vote: our children.

Mr. Chairman, it is morally wrong to ask future generations to pay for the current excessive expenditures. For example, past spending has left a \$5 trillion legacy for a child born today, which faces \$187,000 in taxes just to pay their inherited share of interest on the national debt.

Mr. Chairman, the budget before us today is a fair one. It puts an end to frivolous expenditures by finally prioritizing spending and making the tough choices that previous Congresses refused to make.

Mr. Chairman, it is our moral obligation to pass this historic balanced budget.

Mr. BROWDER. Mr. Chairman, I yield 1 minute to the gentlewoman from Arkansas [Mrs. LINCOLN], an outstanding coalition member.

(Mrs. LINCOLN asked and was given permission to revise and extend her remarks.)

Mrs. LINCOLN. Mr. Chairman, there is a saying: Be careful what you wish for, because you may get it. I think as the Republicans embarked on this idea of balancing the budget, and under the auspices of balancing the budget presented this package, they thought there would not be any Democrats that actually honestly wanted to balance the budget.

Well, Mr. Chairman, there are. We have worked hard at coming up with a responsible, fair package that will actually do that. There is an old southern saying that, there is more than one way to skin a cat, and I think that is exactly what we have done.

Mr. Chairman, we have addressed agriculture here. We do not unilaterally disarm American farmers in a global agricultural marketplace where other nations are subsidizing far more than we are, and we are working hard to balance the budget on behalf of our children and our children's children. But, we also recognize that they need educational opportunities to be competitive in a global marketplace. We not only balance the budget for our children, but we give them the capability and the resources they need to be able to be independent and productive for themselves in years to come.

□ 1700

This is a fair, reasonable, and wise approach to making sure that we do balance the budget. We look at all aspects of it and do it in a fair way.

Mr. KASICH. Mr. Chairman, I yield 3 minutes to the very distinguished gentleman from the State of Louisiana [Mr. TAUZIN].

Mr. TAUZIN. Mr. Chairman, let me first pay my respects to my blue dog Democratic friends and acknowledge the effort they have made in presenting an alternative budget for us today. The fact that there is a second budget, which does promise us a balanced budget in 7 years, is encouraging.

Let me also congratulate the President for saying that he, too, believes that we can do this thing in 7 years and end this terrible debt we are creating for our children by balancing our budget over 7 years. Let me also acknowledge the fact that the President admitted that maybe he did raise taxes too much last Congress.

For all of my colleagues who believe that in this choice between the Republican balanced budget, which includes the capacity to reduce the tax burdens on Americans and the balanced budget proposed by my friends, the blue dog Democrats, let me suggest to them something: If my colleagues oppose those tax increases the President now regrets, if Members opposed that bill last year, then they ought to be for the Republican budget which promises that we are at least going to repeal about two-thirds of those awful tax increases that my colleague opposed last Congress.

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

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

Mr. KASICH. Mr. Chairman, would the gentleman say that again?

Mr. TAUZIN. Mr. Chairman, I will be happy to say it again. If anyone in this House voted against that tax increase bill that President Clinton gave us last Congress, if Members opposed it, they ought to this year be for repealing two-

thirds of it, which is what the Republican budget reconciliation bill promises. It promises both the balanced budget in 7 years, and it promises to repeal at least two-thirds of that awful tax increase in the last Congress.

Let me make one final pitch to my colleagues. I am going to try to put this in terms I think families understand. I was raised, I think most of my colleagues were raised, to believe that we ought to leave something good to our children. We ought to leave them some patrimony, something of an inheritance out of what we earn and do not spend.

If we were raised to believe that we ought to leave something to our children that they can build their future on, then I think members will understand what I am about to say. We talk about crime in America. If we take all the crime that is committed on the streets of America and lump them all together, they are a misdemeanor compared to the crime we commit here in Washington when we budget not only the income we make this year but the income or children have not yet earned. When we spend every year the unearned income of our children and grandchildren to satisfy whatever we think is important for our life this year, we violate the most sacred pledge I think we make as parents to our children.

We ought to be giving them something good to build on. Instead, we are giving them debt and mortgage. We are giving them a promise that they will spend 80 percent of their income in Federal taxes to pay this debt.

Can we not agree to end it now? Can we not agree to pass a balanced budget amendment, and can we not agree to repeal some of that awful tax increase of the last Congress?

Mr. BROWDER. Mr. Chairman, I am tempted to take time to remind the gentleman that I voted against that bill 2 years ago and ask him how he voted. But I do not think I will take that time.

Mr. Chairman, I yield 2 minutes and 30 seconds to the gentleman from Minnesota [Mr. MINGE].

Mr. MINGE. Mr. Chairman, I, too, am a member of the coalition and proud of the work that our group has done. I appreciate the opportunity to address the question of how do we balance the budget in the United States in the mid-1990's.

I specifically would like to address the topic of the tax cuts. All politicians support efforts to cut taxes. The question is, when can it be done responsibly? the people of this country recognize that it is not prudent to cut taxes at this time. It is not prudent. In fact, it is pandering.

I have talked to a number of county commissioners throughout my congressional district, and there are 27 counties in my district; there are many county commissioners. These are gentlemen and women that appreciate the value of the dollar in obtaining maxi-

mum value from that dollar in the operation of Government. They have said to me, if you cut programs as deeply as you must in order to offset the loss of tax revenue in Washington, these are programs that will be picked up in rural America. As these programs are picked up in rural America, you will be increasing the property taxes on farmers in order to pay for tax cuts for affluent people in urban areas.

This is a shift of taxes. It is not a cut in taxes. This is shift No. 1.

The previous speaker eloquently reminded us of our obligations to our children. In fact, by cutting taxes at this point in time, what we are doing is enjoying the opportunity to spend more, to have more, at the expense of our children. This is shift No. 2. We are not cutting taxes, we are shifting taxes to our children.

Third, we are cutting other taxes and we are cutting other benefits. We are cutting an earned income tax credit in order to offset the loss of revenue. Shift No. 3.

We, indeed, have a bloated spending policy in this country. We must correct it. But the coalition believes that we need a diet. We do not need a dessert at this point in time. That is what the Republicans are dishing up, a dessert of a tax cut.

The CHAIRMAN. The gentleman from Alabama [Mr. BROWDER] has 1 minute remaining.

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Kansas [Mr. BROWNBAC], a member of the Committee on the Budget.

Mr. BROWNBAC. Mr. Chairman, today I can say I am proud to be a Member of this Congress. Since 1969, this body has rejected its responsibility to balance the Federal budget. Today we vote to accept that responsibility, and I am proud that we are accepting that responsibility.

We were elected to this Congress to balance the budget, and this bill does that. We were elected to Congress for another reason, too. That was to make the Federal Government smaller, more efficient and more focused. This bill starts that process as well.

For instance, it eliminates the Department of Commerce, an agency that leads the list of those providing corporate welfare. This will be the first time in the history of the Republic that we have actually eliminated a Cabinet-level agency. That is in this bill to do it. We save \$6 billion in the process of doing that.

This budget reconciliation bill balances the budget, makes the Federal Government smaller, more efficient, more focused. This makes it a proud day for me, a good day for this country and a great day for my children and your children.

Mr. BROWDER. Mr. Chairman, I yield 30 seconds to the gentleman from Indiana [Mr. VISCLOSKEY].

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

Mr. VISCLOSKY. Mr. Chairman, I rise in strong support of the coalition budget for four reasons. First of all, it looks towards the future first, not the past. Second, it does the heavy lifting first. Third, it borrows less money, leaves us with a surplus at the end of 2002 and again proves the prudence of doing the heavy lifting first. Finally, it is enforceable. It will do what it says it will do. It is not engaged in subverting other social policy goals such as robbing workers' pensions.

Mr. Chairman, I rise today in opposition to the Republican budget reconciliation bill and in support of the coalition alternative plan.

I believe the time has come to balance the budget. This is what my constituents want because they know that the economic futures of their children and grandchildren depend on it. They want us to balance the budget in a way that is both fair and effective, and this is what the coalition substitute would do.

While I do not endorse each of its provisions, the coalition substitute is fair because it asks everyone, regardless of age or circumstance in life, to share the sacrifice for the benefit of the common good. Unlike the Republican plan, it does not transfer funding for social programs, that benefit the old and poor, to subsidize tax cuts for the rich.

The coalition substitute would balance the budget in 7 years. It places deficit reduction first and does not borrow money to pay for up-front tax cuts, like the Republican plan. Further, the coalition substitute will work, and it takes a rational and responsible approach to balancing the budget. Not only would it restore sane spending priorities by adding back funding for education, health, and economic development programs, it also achieves a budget surplus in 2002.

Less pain with more gain—Why? Because this alternative reconciliation bill reaffirms the logic of achieving a balanced budget one step at a time. The coalition plan would provide about \$42 billion more in deficit reduction—and less total debt—than envisioned in the budget resolution conference report. This means holding off on enacting expensive tax cuts, which require slashing vital programs, until we are well on our way to ensuring a health national economy that can be enjoyed by generations to come.

In contrast, the Republican budget backloads deficit reduction until after the year 2000, when the spending cuts kick in and interest rates decline. In fact, nearly two-thirds of the deficit reduction in the Republican plan occurs in the final 3 years. This is an approach that was tested in the early 1980's under President Reagan and failed. When it came time to make the difficult cuts, they did not materialize. Remember, the 1980s was the decade when the debt tripled under Republican control of the White House. Therefore, as far as the effectiveness of the approach to deficit reduction is concerned, I would say, "Been there, done that, let's not do it again."

Further, I have grave concerns about the approach taken in the Republican budget reconciliation bill. One of the most egregious parts of the Republican plan is a misguided proposal to raid workers' pensions that could jeopardize up to \$100 billion in pension assets and the retirement security of almost 15 million American families. Specifically, this bad proposal would gut pension rules so that com-

panies would be able to remove the so-called excess money—defined as 125 percent of current liabilities—from their pension funds. Currently, if a company takes excess funds out of a pension plan, a 20 percent to 50 percent excise tax is levied on the withdrawal. In addition, the company must pay income tax on the amount removed. To raise revenue, the Republican proposal would eliminate the excise tax entirely, giving companies a strong incentive to dip into pension funds.

Pension plan assets represent deferred compensation for plan participants. As such, workers and retirees should benefit from the profitable investment of these funds. I believe that any surplus assets should be used to insure the soundness of workers' pensions, or to fund benefit increases for plan participants, rather than going into unrelated management ventures.

I am adamantly opposed to this proposal because it would leave workers' pensions vulnerable in the event of an economic downturn. It could create a pension raid similar to the 1980's when the Federal Government was forced to take over underfunded pension plans, paying out billions of dollars in the process.

It seems the new Republican majority has forgotten the old Republican rallying cry—"Cut Spending First!" Balancing the budget is like curing a cold, the longer you put off swallowing bad-tasting medicine, the longer it takes to return to good health.

Finally, I am pleased that the coalition substitute includes enforcement language similar to what is contained in legislation I introduced earlier this year, along with our colleagues, Representatives STENHOLM, DOOLEY, BARRETT, MINGE, and POSHARD. Like my bill, H.R. 1516, the coalition substitute would enact tough, new measures to reform the budget process and eliminate the Federal budget deficit by the year 2002. It would do so by setting spending caps and using across-the-board cuts if the targets, set and evaluated by a nonpartisan board of estimates, are not met.

In January, I supported a constitutional amendment to balance the budget for the first time because I finally lost faith that the President and the Congress have the resolve to balance the budget without a constitutional mandate. While this initiative failed, I still believe that we need to hold our feet to the fire and enforce our budgetary decisions.

In closing, Mr. Chairman, I believe that balancing the budget is our responsibility as Members of Congress. I have always supported a balanced budget, and the responsibility to achieve this is not one that I take lightly. Over the years, I have frequently taken the political road less traveled in the name of deficit reduction. When I am in northwest Indiana, I tell my constituents that I am opposed to cutting their taxes because it would undermine serious efforts to reduce the deficit. In March, I was one of only six Democrats to support the rescissions bill, H.R. 1158, because I believe we need to start making tough spending decisions now.

It is time to get serious about balancing the budget. I urge the adoption of the coalition substitute and the rejection of the Republican budget reconciliation bill.

Mr. KASICH. Mr. Chairman, I yield 2 minutes and 30 seconds to the distinguished gentleman from Ohio [Mr. HOBSON], a member of the Committee on

the Budget and the Committee on Appropriations.

Mr. HOBSON. Mr. Chairman, I turned 59 years old last week, and in an effort to remind me of the advanced age I'm reaching, one of my friends sent me a birthday card which displayed the prices of common household items in the year I was born. A gallon of gas was a dime, a new car was \$600, and a new home was \$6,000.

My second grandchild was born recently, and I think of these prices when I consider what kind of future he will face. How much will Jameson, David, my most recent grandchild, and Katie Marie, see prices rise during their lifetime? Will the country still be a place of opportunity? Will there still be a thriving economy to support their generation? When I think about the answers to these questions, it becomes increasingly clear to me that the best thing I can do for my new grandchild is to vote "yes" on the reconciliation package.

When they look back on this day, our own children and grandchildren will judge us—and judge us harshly—if we fail to do our duty, if we continue to rob future generations because we do not have enough backbone to control our spending in this Chamber. Every time we deficit-spend we are refusing to take responsibility for our actions. We know what needs to be done, we should follow through with what we know is right.

Many constituents I've talked to have had concerns about specific programs they benefit from, but without fail, they also remind me to follow through with the promise to balance the budget. People are willing to accept the changes necessary to preserve our country's fiscal security, but they want us to make sure that what we do is fair, and that we follow through on our commitment to balance the budget.

What we do in this bill impacts the full scope of Federal spending. It engages everyone in the task of balancing the budget. I know there are many here today whose parochial interests lead them to declare this plan unfair. To those people I ask them to consider this: Is it fair to take the money, future, and opportunity from generations of Americans who aren't even born yet, who don't have representation yet? That's what we do when we deficit-spend and run up the debt. Someone pays and it isn't those of us in this room, it is our children and grandchildren who trust us to look out for them.

Protect our children's and grandchildren's future, ensure a future of opportunity, hold Government to the same balanced budget standards of families and businesses: pass reconciliation.

Mr. BROWDER. Mr. Chairman, I yield the sum total of 30 seconds to the gentleman from Indiana [Mr. ROEMER] to conclude the discussion of the coalition reconciliation bill.

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

Mr. ROEMER. Mr. Chairman, balancing the budget is like trying to turn a blimp around in an alley. It is a tough task. Our coalition budget proposal balances the budget by the year 2002, and it is preferable to the Republican budget for two reasons:

First, because it has tough choices with fair outcomes. We keep children in Head Start. We do not buy B-2 bombers that the Defense Department does not even want.

Second, we say we should not pander to the electorate for tax cuts. Let us require shared sacrifice from all Americans to achieve a balanced budget. We do that. I encourage my colleagues to vote for the coalition budget.

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona [Mr. SHADEGG], a member of the Committee on the Budget.

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

Mr. SHADEGG. Mr. Chairman, we are here engaged in a debate, and a central issue of that debate is the question of tax cuts. I hear my colleagues on the other side say we should not be doing tax cuts for the wealthy. Yet at the heart of our tax cut is a tax cut for every American who pays taxes and has children. I do not think that is the definition of the wealthy.

But I take the issue of whether or not we ought to be doing tax cuts as a serious one. I have a theory. The theory is that those of us here in this Congress all too often go home and talk to people who attend our townhalls or Rotary clubs or Kiwanis clubs. We do not talk to real Americans. So this last weekend, I went home and spent 2 hours talking to real Americans in front of drug stores and grocery stores and discount stores. I had a staffer do it, too. The results will shock my colleagues, and I urge them to do the same thing.

□ 1715

I talked to 55 different real Americans in my district, women who walked up with one child in their arms and a second following along behind them, and I asked them, I said, The Congress is engaged in a debate about whether we need deficit reduction or tax cuts or both. Do my colleagues know how they responded? I will tell my colleagues how they responded. Eighty-two percent said they need real tax cuts in their lives. Of the 55 people I talked to, 8 said we ought to be focused on deficit reduction, just 8 of 55. Thirty-two of the fifty-five said they want to see us both do deficit reduction and tax cuts because they do feel overburdened by today's taxes. Thirteen said they wanted tax cuts only. The burden of Federal taxes in their lives is oppressive.

By the way, in 1950 it was 1 dollar out of 50. Today it is 1 dollar out of every 4 that an American family earns.

So a total of 45 of the 55 said they needed tax cuts in their families. That

is not wealthy Americans. That is not rich Americans. I was not standing in front of ritzy stores. I was standing in front of the grocery stores and the discount markets, the Kmart, in my district talking to real Americans.

This is not a tax cut for the wealthy. It is a tax cut for every single American, and why are we going to do it? Mr. Chairman, it is their money, and they can spend it better than we can.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. SABO], who, under a previous unanimous-consent agreement, has 50 minutes remaining.

Mr. SABO. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Connecticut [Mr. GEJDENSON].

Mr. GEJDENSON. Mr. Chairman, what is most troubling about this reconciliation proposal is tens of thousands of dollars of tax cuts will go to people who make \$300,000 and more. Working men and women will be hurt in numerous ways. Even Jack Kemp says that there is an increase in this proposal that the Republicans are offering on poor working families and the impact of dismantling the Commerce Department will leave them not just without a tax cut, a tax increase for these working families, it will leave them without a job.

Mr. Chairman, the Commerce Department over the last year and a half has been responsible for 300,000 new jobs in this country. Doing away with a Cabinet position of Commerce and replacing it with an agency head would be akin to taking the Secretary of Defense in the midst of the cold war and removing him from the Cabinet. As other countries increase their efforts at export promotion to make sure there are jobs for working Americans, this proposal from the Republican majority will undercut our country's ability to compete internationally, and it is, again, skewed illogically. While three-quarters of our exports are non-agricultural, three-quarters of the money in support of exports goes to agriculture and 25 percent, a cut of 25 percent, occurs on the manufactured side of exports, hurting our ability to compete further with Japan, with France, and other countries who take this competition very seriously.

One of the Republicans earlier called the middle-class people who make \$300,000 to \$700,000 a year. I only wish that was the middle class in America, but one thing the middle class wants more than anything is to make sure that their parents are safe with Medicare, if they need nursing home care, that is provided, and that they and their children have jobs and have the ability to work so that they can feed and pay for their family needs. That is central among what Americans want. Doing away with the Cabinet position of Secretary of Commerce saves no money and will cripple the Cabinet Secretary's ability to deal with Japan,

and France, and Germany and our other economic competitors.

Anyone who proposed after Pearl Harbor to do away with the Defense Department, to do away with the Secretary of Defense in the Cabinet, would have been run out of town. Today, as we have tens of billions of dollars of trade deficit with China and Japan, people who propose to diminish our ability to compete economically also ought to be run out of town.

Mr. Chairman, tax cuts do not do any good for working men and women who lose their jobs. This proposal will not only leave our mothers and fathers without adequate health care, it will leave them without jobs.

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from South Carolina [Mr. INGLIS], a member of the Committee on the Budget.

Mr. INGLIS of South Carolina. Mr. Chairman, I thank the gentleman from Ohio for yielding this time to me, and I think everyone knows here, Mr. Chairman, that we have a problem. The problem is we spend more money than we have got. The American people know that, too, and they want a solution.

Now the one or two ways to do it. One of the ways that was tried here in 1993, and that is the President's approach, is to raise taxes. But, as we have all discovered, the American people are paying about 50 cents out of every dollar they make in taxes. Federal, State, and local; we add it all up, and it is 50 cents out of every dollar they make. Therefore on this side we have concluded that is an unacceptable approach. We cannot raise taxes. In fact, in order to lessen that crushing burden we need to reduce taxes and allow people to keep more of what they have got.

So, the only solution is the other one, and that is to cut spending. That is why I am excited about this reconciliation bill. It gives us the best opportunity we have had, in my time here surely, to get a handle on this problem and to deal with the fact that we are spending more money than we have got.

Mr. Chairman, this bill has the welfare reform proposals that we so desperately need, it has Medicare proposals that will keep the system from going broke, it has the appropriations bills that are on budget target. The result of all that is that we will be on the path to balancing the budget in the year 2002, something the American people desperately want us to do.

The only thing that I would urge my colleagues to avoid in all this process though is the danger of demagoguery, and there is a tremendous danger, we are all guilty of it at times on our side, maybe when we are talking about President Clinton's tax increase. They engage in a little bit of that on their side in this debate. There is a lot of demagoguery that scares a lot of people to death. There is only one difference: We did not scare many people

that were well-to-do with a fear about a tax increase. But if my colleagues continue the demagoguery on Medicare, they are going to scare a whole lot of people to death out there in America that are very worried about how they are going to make it. We intend to save the program so that they can make it.

Mr. SABO. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from California [Mr. BROWN].

(Mr. BROWN of California asked and was given permission to revise and extend his remarks.)

Mr. BROWN of California. Mr. Chairman, before I yield briefly to the distinguished gentleman from Alabama [Mr. CRAMER], let me set the scene. The Committee on Science has referred to this as the Commerce Dismantling Act because we have either full or partial jurisdiction over about two-thirds of the Commerce budget, particularly NOAA and NIST, and we considered that and took certain actions which basically were taken unanimously in the committee which would have protected to some degree the programs of NOAA and NIST, which includes some very important functions critical to the safety of the country. The amendments that we adopted unanimously in committee and reported out to the floor mysteriously disappeared on their way to the reconciliation bill, and therefore they do not appear, and we want to point some of these things out, and this chart shows what happened.

First of all, the programs under our jurisdiction were faced with an arbitrary cut of 25 percent. A considerable number of programs were transferred to other jurisdictions, and some of them were specifically cut or eliminated, particularly in NIST, where the Advanced Technology Program and the Manufacturing Extension Program were emasculated.

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

Mr. BROWN of California. I yield briefly to the gentleman from Alabama [Mr. CRAMER] for some comments about the subject that he spent a lot of time on, the weather programs.

Mr. CRAMER. Mr. Chairman, I thank the ranking member for yielding to me, and I want to make a point, perhaps with the gentleman's help, about our Weather Service programs carried under the umbrella of NOAA, the National Weather Service.

Two weeks ago in the debate on the omnibus science bill, Mr. Chairman, we came to the floor with an issue that relates to the certification of the Weather Service offices, and a lot of us from both sides of the aisle were very concerned that unless this amendment, the amendment that I offered in the Cramer amendment, passed, that we could see the offices shut by a bureaucrat rather than going through the certification process that the existing law preserved.

I would ask the ranking member of the Committee on Science, if we passed

the Republican reconciliation plan today, the Cramer amendment that passed that preserved the certification process, that would be done away with; is that correct?

Mr. BROWN of California. Yes, that is correct, and that would be a serious blow to the efficacy of our weather system throughout the United States because we are going through a major transition. The law requires, and the gentleman's amendment required, that we do not close stations unless it is certified by appropriate authority, that this does not decrease the availability of service, and that is not a part of the language that is contained in this bill.

Mr. CRAMER. If the ranking member would continue to yield, that is a very important public safety issue that we would be giving up if we passed the Republican plan today.

Mr. BROWN of California. That is absolutely correct.

Now in the brief time that I have I am just going to make a couple of points, and I hope my colleagues can see this chart. What we were faced with, what we have in this bill, is the 25-percent mandatory reduction plus the elimination of the ATP program, the Manufacturing Extension Program, the NOAA Ocean Environmental Program. These have to be a part of the 25-percent cut, but they are not sufficient to make it all up. After we make all of these cuts which in effect destroy these technology programs, there is still a gap of \$203 million which has to be made up in order to meet the 25-percent requirement.

Mr. Chairman, I do not want to scare people by saying that we will utterly destroy the Nation's weather system or anything like that. On the other hand I want to rebut the statement that this does no harm to the weather system. We cannot take \$203 million, which is the amount that NOAA will have to absorb in a program which is largely weather-related, without doing severe damage to our existing weather reporting system which is undergoing a major transition at that time. We will undoubtedly have to close more stations and close them more rapidly than we would otherwise.

This is not what the committee voted to do when we had this bill before us, the Commerce Reorganization Act or dismantling act. We do not think it should be in this bill, and we suggest that this is another good reason to vote no on this reconciliation bill.

Mr. Chairman, I rise in opposition to H.R. 2517 and the process that has prevented Members on both sides of the aisle from making this a workable reconciliation process.

When the Rules Committee met, I offered two amendments relating to title XVII of the bill which abolishes the Department of Commerce. These, in fact, were similar to amendments successfully adopted when the Science Committee marked up this bill.

The first of these would delete the arbitrary funding cap which, we have found, would heavily impact the Government's ability to provide basic weather services for the protection of the public.

Section 17207(g) of the bill aims to reduce the funding for the remnants of the National Oceanic and Atmospheric Administration and the National Institute of Standards by 25 percent below fiscal year 1995 spending levels. The intent, I believe, was to eliminate administrative overhead. The problem here is that both agencies have depended heavily on departmental level administrative support since they have been a part of the Department of Commerce. Less than 10 percent of each agency's 1995 budget is related to program management at all, and only a fraction of that could be considered administrative overhead.

The chart before you shows how this arbitrary budget cap would affect the functions of the two agencies. For NOAA, over 70 percent of the agency funding is directly related or supports weather forecasting. This involves the weather offices around the country, the Doppler radars that are being installed to provide better severe weather tracking, and the satellites that have revolutionized hurricane tracking and overall weather predictions. The remainder of NOAA is related to coastal and fishery programs and supports a multibillion dollar industry.

The NIST supports the setting of standards, basic research, and of course, technology programs which the Republicans have found ideologically objectionable.

The formula contained in the bill requires a 25-percent reduction to these programs. The right-hand bar shows how these reductions will play out.

First, the bill would target investment programs such as the Advanced Technology Program and the Manufacturing Extension Program, which incidentally the House has voted on several occasions to support.

Next, the bill targets certain coastal and fishery programs and environmental programs which have been carried out by NOAA.

After all is said and done, the formula still requires over \$200 million in arbitrary reductions to ongoing programs which will have to come out of weather services within NOAA and basic research within NIST.

In advance of consideration of this bill today, I conducted a survey of State Governors to determine how they would cope with the possibility of a diminished level of services, especially for weather and fishery programs. In particular, I wanted to address the issue of how the States would pick up the slack and supplement any shortfall as a result of this provision. I would like to include in the record at the appropriate time a sample of the responses that I have received. I will also include a more detailed analysis of how this overall budget cap will affect the two agencies.

When the Chrysler bill was brought before the Science Committee, an amendment was offered to delete a similar budgetary provision. This amendment was strongly supported by both sides of the aisle and easily adopted. I want to acknowledge, however, that there is a technical difference in the base text compared to that we deleted in committee.

Rather than forcing an across-the-board reduction as the original Chrysler bill did, this bill makes a general reduction. The effect is the same, however. Both legislative forms mask the true impact of such budgetary reductions. Both seek to convey the impression that it is easy to make cuts—just pick a number. The reality is that when authorizing or appropriating committees look at the substance of these

programs, such cuts do not come so easily. This top down, arbitrary approach to budget cutting avoids our basic responsibility as an institution to conduct oversight and set priorities.

The details of how the cuts would be implemented are still lacking because of the magnitude of the changes that would have to be made. In a recent hearing before the Science Committee, Dr. Elbert Friday, Director of the National Weather Service, testified that such cuts would force a fundamental restructuring of the modernized weather forecasting system we are now more than half way through. There is no question that some and perhaps many weather offices would have to be closed. I am cognizant that the Republican leadership does not want to hear such talk and they have branded it as a scare tactic. I believe that we will find that it is the reality.

I would now like to speak briefly on another amendment I offered before the Rules Committee. That amendment would delete the provision in this bill that repeals the organic legislation establishing NIST's Manufacturing Extension Program. This is a back-door attempt to kill a program which has received bipartisan support every time it has come up for a vote this year for authorizations or appropriations.

The MEP is a proven program which has breathed new life into thousands of small businesses around the country, and in no small

measure, has contributed to the resurgence of American manufacturers. MEP often has been the only place that traditional small businesses, faced with extinction unless they learned how to become a just-in-time, high tech supplier for their traditional customers, could go for help in making the transition. MEP also is cost-effective; one independent review documented \$8 of direct benefit to small businesses for every Federal dollar going into the program. It clearly would be penny-wise, pound-foolish to use this bill to override the reasoned judgment about MEP of the committees of jurisdiction.

There are many matters in this bill that deserve far greater attention than has been given them in this process. I hope that my colleagues will join me in voting against this misguided bill.

IMPACT OF RECONCILIATION BILL ON SCIENCE AGENCIES

The Chrysler bill does three things: (a) it transfers certain functions to other agencies, (b) mandates the termination of certain functions, and (c) places a cap of 75% of F.Y. 95 spending for the sum of NOAA and NIST programs excluding the transferred programs.

All program transfers are related to NOAA and account for \$55 million. Thus the adjusted base for the combined total is:

NOAA F.Y. 95 level 1972 (-55)	1,917
NIST F.Y. 95 level	700
Total	2,617

The 75% limitation would allow a total spending of 1963.

The resulting reduction of \$654 million would, to some extent, be offset by mandated terminations which account for \$36 million in NOAA and \$415 million in NIST. This would leave \$203 million in net reductions that would need to be allocated to the remaining NOAA/NIST programs. The agencies would allocate this on a pro rated basis proportional to the remaining budget requirements.

NOAA 95—1972 less transfers/terminations equals 1881.

NIST 95—700 less transfers/terminations equals 285.

Total—2672 less transfers/terminations equals 2166.

Thus, of the remaining combined budgetary requirements, 87% are related to NOAA and 13% are related to NIST. Applying these to the \$203 million cut, assume that NOAA is cut by 177 and assume that NIST is cut by 26.

This will result in a NOAA budget of \$1,704 million and a NIST budget of \$259 million. The following table shows how this compares to other budgetary actions.

Agency	Fiscal year 1995	Fiscal year 1996				Budget re-quirement ¹	H.R. 2517
		Re-quest	Author-ization	House appro-pria-tion	Senate appro-pria-tion		
NOAA	1,972	2,094	1,725	1,817	1,993	1,881	1,704
NIST	701	1,023	338	404	351	285	259
Total	2,673	3,117	2,063	2,221	2,344	2,166	1,963

¹The "Budgetary Requirements" is defined in this context as the 1995 spending level minus program transfers and terminations. That is, this is the remaining funding needed for NOAA and NIST from which the general reduction of \$203 million must be made.

Thus, NOAA would be cut by 11% below the F.Y. 95 baseline adjusted for program transfers and 9% below the baseline remaining after both transfers and terminations are subtracted from the base.

NIST would be cut by 63% below the F.Y. 95 baseline and 9% if terminations are subtracted from the base.

For the resulting NOAA/NIST conglomerate, the spending cap will cut below the House appropriations level by 11% and the Senate appropriations level by over 16%.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS, DEPARTMENT OF ENVIRONMENTAL MANAGEMENT,

Providence, RI, October 10, 1995.

Rep. GEORGE E. BROWN, JR.,
House of Representatives,
Washington, DC.

HON. GEORGE E. BROWN, JR., Thank you for your timely warning with regards to H.R. 1756, which would dismantle the Department of Commerce and terminate or severely reduce state fisheries and estuary research grant programs. The impacts on Rhode Island's programs of such actions would be devastating.

Our Division of Fish and Wildlife currently receives \$126,320 from NOAA, National Marine Fisheries Service via the Inter-jurisdictional Fisheries Act P.L. 99-659. Funding from this Act is used for support of the Rhode Island Marine Fisheries Council (\$37,500) and the Rhode Island Lobster Research and Management Program (\$88,740). Loss of funds would require that we terminate two biologists and reallocate funds to cover staff activities which support the Marine Fisheries Council, our state's lead fisheries management organization.

The Division also receives \$118,800 from the federal Atlantic Coastal Fisheries Cooperative Management Act. No state match is required. Currently the funding is utilized to provide support to the Atlantic States Marine Fisheries Council fisheries management process. It allows staff to provide input to ASMFC management boards and to collect field data in support of the ASMFC process. Half of the appropriation has been awarded to the Division of Enforcement to support species management plan mandates.

As you know, the ACFMCA gives the Secretary of Commerce the authority, through the ASMFC, to close fisheries in Atlantic Coast states if they fail to comply with fisheries management plans implemented under its authorization. This action would have a devastating impact on the Rhode Island fishing industry and its ability to participate in the management process. Our inability to provide timely fisheries regulations could further jeopardize the fishing industry's ability to survive during this era of depressed stock abundance and availability.

Reduction of the Narragansett Bay National Estuarine Reserve Grant by 25% or \$28,000 would require either eliminating the entire monitoring program or the entire education program, or reducing both by one half which would effectively be the same as elimination of both.

A final possible reduction would be to lay off the Reserve's part-time manager, which would render the Reserve non-operational and deprive the monitoring program of his substantial volunteer efforts. Any alternative would functionally shut down the Reserve.

If I can be of any assistance to you or your committee in defending NOAA's marine fish-

eries assistance programs as the valuable and cost-effective programs that they are, I would be most happy to do so.

Sincerely,

TIMOTHY R.E. KEENEY,

Director,

Department of Environmental Management.

STATE OF LOUISIANA, DEPARTMENT OF WILDLIFE AND FISHERIES

Baton Rouge, LA, October 11, 1995.

Hon. GEORGE E. BROWN, JR.,

House of Representative, Committee on Science, Rayburn House Office Building, Washington, DC.

DEAR CONGRESSMAN BROWN: This is in response to your letter of September 26, 1995 to Governor Edwin W. Edwards relative to proposed legislation, HR 1756 by Congressman Dick Chrysler, which intends to dismantle the Department of Commerce. It is our understanding that in its current form the bill would transfer many programs within the National Oceanic and Atmospheric Administration (NOAA) to other agencies, terminate state fisheries grants and promotions programs, terminate basic research programs, and severely reduce the budget for remaining NOAA programs. Our agency strongly supports the National Marine Fisheries Service (NMFS) and its parent, NOAA, and feel that these agencies should continue their mission unchanged. We have worked closely with the NMFS over the years on a wide variety of issues and have found this group to be effective in bringing together diverse interests to develop mid-ground solutions and create a fair balance among conflicting positions.

Repeal of NMFS' authority to provide fisheries related grants and substantial reductions in NMFS' research and management capabilities, would severely impede important Federal activities including the rebuilding of fish stocks, expansion of the economic benefits of the nation's marine fisheries, and the enhancement of the U.S.'s position in global trade. From a state's perspective it would also severely curtail our research and management activities for our important renewable marine resources.

While we agree with the overall goal of eliminating unnecessary programs and increasing governmental efficiency, we feel that NOAA and NMFS' have proven their effectiveness and respectively suggest that any reduction or dismembering of these important agencies would not be in our best interest.

Thanks for the opportunity to comment on this proposed legislation.

Sincerely,

JOE L. HERRING,
Secretary.

□ 1730

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from New Mexico [Mr. SCHIFF].

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

Mr. Chairman, I rise in support of the Budget Reconciliation Act. I support it because this is a true blueprint to reach a balanced budget for the Federal Government. Reaching a balance budget is not going to be easy. There are a number of decisions that were made in the Budget Reconciliation Act with which I do not agree. I hope they will be changed as this bill goes through the system to the other body, and then the conference.

Further, I want to acknowledge that some good programs are going to feel a pinch under this budget, but the fact is that we have to stop deficit spending. For 25 years in a row our Government has spent more than it has taken in. The first result of that is we have a national debt of almost \$5 trillion. That is an immoral legacy to leave to our children.

The problem with deficit spending is not just in the national debt that will have to be paid off some day by future generations. It affects us in today's budget. The interest on the national debt, and when the Federal Government borrows the Federal Government pays interest, like anyone else, any individual or business would do, the interest on the national debt for the last fiscal year that just ended September 30 will come in about at about \$235 billion. That is the third highest line item in Federal spending today, after Social Security and the military, but not by much.

The point is that \$235 billion is money that the taxpayers already send to Washington, but we throw it out the window in the sense that we take the taxpayers' money, write a check to pay interest on the national debt, and get nothing back in return, because interest buys nothing.

I think those that are emphasizing the effect of balancing the budget on various programs, and they may be

correct, should ask themselves, how much could we do for health care, how much could we do for other programs, for science, for example, if we had the use of \$235 billion that is lost in interest?

That is why I urge adoption of the Budget Reconciliation Act.

Mr. SABO. Mr. Chairman, I am pleased to yield 5 minutes to the distinguished gentleman from Illinois [Mrs. COLLINS].

(Mrs. COLLINS of Illinois asked and was given permission to revise and extend her remarks.)

Mrs. COLLINS of Illinois. Mr. Chairman, the majority once again bypassed the normal committee process by asking the Rules Committee to include in the reconciliation bill a package of civil service provisions which have never been approved by the Government Reform and Oversight Committee.

The majority proposes to make changes in the civil service retirement system, some of which have not even received the benefit of a hearing. They would delay retiree COLA's, increase agency and employee contributions into the retirement fund, and then, incredible as it may seem, establish a commission to study the retirement system and report recommendations for reforms, 7 months after the so-called reforms in this bill have already been made.

Both the General Accounting Office and the Congressional Research Service have said, contrary to what Republican leadership claims that there is no crisis affecting the solvency of the retirement system which necessitates passage of these reforms to resolve. Therefore, there is absolutely no need to require agencies and employees to pay more into the retirement trust fund to make it financially secure. Clearly, this is not an attempt at serious reform. There is another purpose.

With tax cuts for the rich being packaged into the reconciliation bill in a second attempt to get them enacted, the civil service pension system is once again being used by the Republican leadership as a source of offsetting revenue to pay for them. That's what this package is all about. I am opposed to it. For those rich folks who are not middle class, who earn more than \$100,000 a year, that is what this package is about. I am opposed to the manner in which it was brought forward. Our committee's work should not be done by the Rules Committee, but through the normal, open, and deliberative legislative process.

In addition, Mr. Chairman, the Rules Committee is also expected to include the Debt Collection Improvement Act in the reconciliation bill. While the bill had a number of good features, it also has many important flaws, which we Democrats has hoped to resolve when the bill would be marked up in the committee. It now appears that we will not have that chance.

Let me describe three of the worst features of the debt collection bill. The

first provision would allow private debt collection companies to collect debts owed to the Internal Revenue Service. While the Ways and Means Committee is working on a taxpayer bill of rights, this bill allows the IRS to give confidential tax information to private bill collectors, who could use all sorts of harassment to get the money.

The second provision would require our constituents who get Federal benefits, such as Social Security or veterans benefits, to receive their benefits through electronic funds transfers to a bank. Not everybody has a bank account. Not everybody has a checking account. I believe that particularly senior citizens and others who are disabled ought to be able to have the option to choose whether or not they want the check to go through an electronic process.

The third provision would allow the Federal Government to garnish Social Security checks to collect debts owed to the Government, and make deductions from Social Security checks even for individuals making just \$10,000 a year. If we want to improve debt collection, we shouldn't focus on people who need every nickel just to pay the rent, heat, and grocery bills.

Putting the debt collection bill on the reconciliation bill without committee consideration is an example of the sloppy, unthinking approach that has gone into this terrible reconciliation bill.

Mr. KASICH. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from the great State of Texas [Mr. SAM JOHNSON], a member of the Committee on Ways and Means.

Mr. SAM JOHNSON of Texas. Mr. Chairman, for 40 years the Democrats have tried to tax this Nation out of debt. Everyone knows you can't tax and spend your way out of debt, it's a failed policy, and it's time for change. Today, Republicans have a plan not only to balance the budget, but to return to our families, our workers, our seniors, and our businesses their hard-earned money by enacting much-needed tax relief.

Democrats must learn that taxes do nothing for our economy except slow its growth and stifle job creation. Just last week, in my home State of Texas, the President finally admitted that the Democrat policies of the past have failed, by admitting that his \$258 billion tax increase was a mistake. He was right.

We must end the Government thirst for taking America's tax dollars and spending it on more Government programs, more Government bureaucrats, and more Government waste. We must remember that it's the people and businesses of this country that produce the capital, the goods, and the jobs that make this country the most powerful economic Nation in the world.

If we keep the Democrat plan of higher taxes and higher Government spending we will finally collapse under the

weight of a tremendous debt. Our children will pay over \$187,000 in taxes just to pay the interest on that debt.

That is why it is so important for the Senate and the House to pass this balanced budget plan. And the President should sign it in the best interest of the American people. Unlike the President's unbalanced budget, this bill will balance the Nation's budget by the year 2002.

We must remember history. Every time this body has cut taxes in the past, we have experienced more growth, created more jobs, and brought more revenue into the Federal Government.

Each time we let the American people keep more of their money for investment and savings—we have induced a healthier, more robust economy. That's a fact.

Mr. Chairman, Republicans believe in the American people, not the Federal Government. A vote against this budget is a vote for more debt, more Government, and more taxes.

A vote for this balanced budget is a vote for a better, a freer Nation, vote for America's future. Put your faith in this Nation and vote for this bill.

Mr. SABO. Mr. Chairman, for accuracy in history, I yield 1 minute and 30 seconds to my friend, the gentleman from Texas [Mr. STENHOLM].

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

Mr. Chairman, it is important as we make the various statements, and my good friend, the gentleman from Texas, has just made an excellent statement regarding the political rhetoric to which I agree, but when we look back at the actual facts and go back to 1981, there is one thing that he conveniently leaves out. That is that we increased our national debt \$3.9 trillion during the 10-year period that followed the decisions of 1981.

Spending, and this is something we have been talking about today, spending, and spending in the 1993 budget agreement, there was one thing about the 1993 budget agreement that I would think most of us on both sides of the aisle would agree with. That is, when we look at spending. The 1993-based discretionary spending was \$542 billion. In 1997, it was \$553 billion that is a 2-percent increase since 1993 assumptions, baseline. In 1981, the base was \$308 billion. In 1985, 4 years later, \$416 billion, a 35-percent increase.

Mr. Chairman, our point is the Coalition budget that we submit is better than, better than the majority's budget. It gets to balance in 2002. We do not quarrel about the spending. We agree. However, we say do the spending first. Let us not repeat the mistakes of 1981, when we did the tax cuts first and the deficit exploded. Let us do the spending cuts, and do not be as critical of the 1993 budget as many of the people are if they are concerned about spending, because it has done much better than we were able to do in the early 1980's.

Mr. KASICH. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. WALKER], a member of the Committee on the Budget.

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

Mr. Chairman, I just want to make the point that the reason why Democrats are going to offer a budget on the floor tomorrow that they claim cuts the deficit is because they are increasing taxes again. Sure, we can continue to talk about all these things if we are willing to increase taxes, but the fact is what their budget does is increase taxes in 1996 for the average taxpayer by \$188, and in 1997, by about \$150 more. They do it by simply keeping in place what they passed back in 1993 in the President's proposal that raises taxes out through infinity. What they do is, instead of doing what we are trying to do, cut taxes for the American people, what they do is increase taxes. They continue to increase taxes indefinitely, and that is the reason why they have argued.

Democrats love taxes. They love to increase them, they love to spend them, and that is exactly what they are going to do here. They are going to increase taxes over the next couple of years by about \$300 or more on each individual taxpayer, and then tell us that we should not cut taxes and try to give those people a break.

The fact is that the budget they are going to bring on the floor is a tax increase budget.

Mr. SABO. Mr. Chairman, I yield 30 seconds to my friend, the gentleman from Utah [Mr. ORTON].

Mr. ORTON. Mr. Chairman, that argument we just heard is so ludicrous, to suggest that our budget is increasing taxes by failing to repeal taxes in existence. Under the same argument, the Republican budget is increasing taxes by failing to repeal many of the provisions of the 1993 tax increase, which they do not repeal in their budget. I voted against that, just as many of them voted against that. But to suggest that we are increasing taxes by failing to repeal taxes is ludicrous beyond belief.

Mr. KASICH. Mr. Chairman, I yield 5 minutes to the very distinguished gentleman from the great State of Texas [Mr. ARCHER], chairman of the Committee on Ways and Means.

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

Mr. Chairman, I am privileged to rise today and join a great debate at a turning point in this country's history. This debate is not only about balancing the budget to save our children. The debate is about ushering out the era of tax and spend and beginning a new era of smaller Government, less taxes, and less spending.

Mr. Chairman, when this bill is passed, the years of tax and spend will be buried on the ash heap of an unsuccessful history, and a new, more prosperous era marked by economic prosperity for all Americans will begin.

For too many years, Congress' first and last solution to every problem was to raise taxes. I am here to say that those days are over, and we are here to bring tax relief to the American people, especially to middle-income Americans who have paid the price and seen their taxes go up and up to support big Government solutions that fail to achieve their intended results. Our tax relief package has two goals. One is tax relief to strengthen the American family. The second is tax relief to create jobs and economic growth for all Americans.

Our centerpiece is a \$500 per child tax credit that will mainly benefit lower- and middle-income Americans. Twenty-seven million families with 51 million children will benefit from this credit. If you are a family with two children and you make \$30,000 a year, this credit will wipe out more than one-half of your income tax liability. It will give you a 15 percent total tax cut, including payroll taxes. You will get \$1,000 more in your pocket for you to use as you see fit, not for the Government to use on your behalf.

If you make \$50,000, your tax cut with two children will be 8 percent, including payroll taxes.

□ 1745

As a result of this credit, 2 million lower-income families will no longer pay any income tax. They will be removed from the income tax rolls.

Mr. Chairman, our bill provides relief from the marriage penalty; it provides a credit to help families adopt children; it provides help for those who care for their ailing parents in the loving environment of their own home. We provide a new American dream savings account; and yes, with a spousal IRA to go with it for the woman who stays in the home, to help families at the most important moment in their lives, the first time they purchase a home, or when they need to tap into their savings for medical expenses and for their educational needs. All of these provisions will help strengthen the heart and soul of the Nation: The American family.

Mr. Chairman, our second goal is to create an economic climate that includes good jobs for all of our workers. That is why we include a capital gains tax cut that fortifies America's private sector job-crating machine.

This week I realized two new studies indicating that more than 200,000 jobs will be created every year as a result of the Contract With America capital gains tax cut. Revenues to the Treasury will be increased, and GDP will increase by 1.7 percent. Mr. Chairman, cutting capital gains taxes is a winner for every American. We must also remember that 59 percent of the returns that declare capital gains are with Americans whose income is \$50,000 or less.

As we move ahead to balance the budget, it is appropriate that the middle-income taxpayers of this country,

who have worked so hard and paid so much, receive their share of the dividend that a balanced budget brings.

This is not our balanced budget bill, Mr. Chairman. This balanced budget belongs to the people of the United States, and it is high time that they get the tax relief they so rightfully deserve.

Ms. SLAUGHTER. Mr. Chairman, I yield 3 minutes to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Mr. Chairman, I thank the gentlewoman for yielding me this time.

Mr. Chairman, it was good to hear the distinguished chairman of the Committee on Ways and Means. The only problem is that 85 percent of the people in West Virginia, those earning under \$50,000 a year, will see significant benefit cuts, program cuts like student loans and other programs, so that 1.5 percent, those earning over \$100,000 a year, can get \$2,400 back in their envelope, which is not a very good deal by any means.

Mr. Chairman, I want to talk about the Economic Development Administration, and particularly, what the Kasich substitute does to that. Because what would happen with the EDA, it would be transferred to the Small Business Administration where it would be a block grant program administered by 25 employees.

Now, conversely, the bipartisan Committee on Transportation and Infrastructure-reported EDA bill provides meaningful reform for the same amount of money to the existing EDA program without jeopardizing the local, State, and Federal partnership critical to building distressed communities.

Our bill would launch the Nation's economic development programs on a new effort. It would remove much of the bureaucracy. It would remove archaic eligibility requirements. Gone would be the time-consuming and cumbersome approval process. This is not pie in the sky. It has been reported from the Committee on Transportation and Infrastructure by a unanimous vote, and yet the Kasich substitute would gut the EDA.

This bill saves every penny that the Kasich substitute saves. It authorizes, as the Kasich bill does, EDA programs at \$340 million per year, saving \$1.5 billion over 5 years. It has, as I mentioned, both unanimous support, and certainly the bipartisan support of the gentleman from Pennsylvania [Mr. SHUSTER], the gentleman from Maryland [Mr. GILCREST], former ranking member of the subcommittee from California, Mr. Mineta, myself as ranking member of the subcommittee, and the Republican freshman class president.

This committee has repeatedly supported the EDA, despite what is in the Kasich substitute. It was unanimously reported the first time and readopted when the Commerce Department Dismantling Act included in the Kasich substitute was before the committee.

Indeed, on the floor of this House, by a 310 to 115 vote, this House supported, with the majority of Democrats, a majority of Republicans and a majority of the new Members, supported keeping the EDA.

Members know that the EDA works. In its 30-year history, EDA has created or retained 2.8 million jobs, invested \$15.6 billion in our distressed communities, and generated \$3 of private investment for every EDA dollar spent.

Just recently I was at a groundbreaking where I calculated that for the \$2 million to \$3 million of EDA funds that went into a water system that leveraged \$130 million of private investment, the Federal taxpayer would get back every penny that was invested in a 3.5-year period, and the result would be 800 new jobs. That is investment. That is growth, and that is how you really get about balancing the budget.

Mr. Chairman, I urge Members to help me strip this EDA-killer from this bill.

Mr. KASHICH. Mr. Chairman, I yield 3 minutes to the gentlewoman from Washington [Ms. DUNN], a very distinguished member of the Committee on Ways and Means.

Ms. DUNN of Washington. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I have been listening to debate on this reconciliation bill that we will be voting on here in the House tomorrow, and I am astounded at the lack of understanding that the other side continues to give to the idea of cutting taxes for American citizens. They still are telling us that cutting taxes is a dirty word. Mr. Chairman, I would like to know, what is so wrong with leaving money in the pockets of the American citizens?

Let us take a look at what we are really talking about here in the Budget Reconciliation Act. Twenty-five percent of the tax cuts that we are talking about are going to businesses, especially to small business. Seventy-five percent of the tax cuts focus specifically on building and strengthening and restoring the American family. We do not just give tax cuts to the rich. We give tax cuts to everybody, to individuals, to families, rich, poor, middle class. That is the strength of this plan. We give tax cuts to all Americans.

A couple of facts, Mr. Chairman. In 1950, the average American family with children paid 2 percent of its income in taxes to the Federal Government. Today, 45 years later, that very same family pays 24.5 percent, and adding State and local taxes, the total percentage adds up to 37.6 percent of their income in taxes to all levels of government. That means, Mr. Chairman, in families where both of the parents work, a very common situation today, two-thirds of the wife's earnings go to pay increased Federal taxes.

In fact, Mr. Chairman, the average American family literally spends more on total taxes than on food, clothing,

and housing combined. Shouldering heavy burdensome taxes is no way for an American family to achieve the American dream. We want to make it easier. We want to keep these dollars in the pockets of the American citizens.

Let us talk about some of the tax cuts that we believe make our bill unique that we are really getting done for the American people.

First of all, a \$500-per-child tax credit. This is the centerpiece of our efforts to give American families a little bit of a breakthrough tax relief, \$500 for each child under age 18.

The current tax systems penalized families with children because it does not properly reflect the very expensive cost of rearing children. According to the Census Bureau data, the cost of raising a child averages more than \$5,000 per year. By allowing families to keep a little bit more of what they earn, the family tax credit increases the resources available to parents to properly raise their children.

Second, the American dream savings account. Mr. Chairman, the American dream savings account is a unique, innovative use of the IRA concept to stimulate additional savings. The new proposal allows distributions to be made penalty-free and tax-free for worthwhile purposes like first-time home purchase, college or educational expenses, and medical expenses.

Lastly, the spousal IRA. This permits \$2,000 for the stay-at-home, just as a working spouse. I urge all of my colleagues to support reconciliation.

Ms. SLAUGHTER. Mr. Chairman, I yield 2½ minutes to the gentleman from Illinois [Mr. GUTIERREZ], a member of the Committee on Veterans' Affairs.

Mr. GUTIERREZ. Mr. Chairman, I hear my friends on the other side of the aisle say that they are making history. I see them patting each other on the back for devising a budget scam that protects the wealth of the powerful and the privileged. I hear them say that they are doing this because it takes a lot of courage on their part.

Well, I would like to ask them to put their own self-congratulations on hold for a moment and to think about the people who truly made history, who truly protected our Nation, and those who truly demonstrated courage. Who has the answer to that question? America's veterans.

With all of the grand rhetoric you hear, the Republicans would have you believe that they would never harm the men and women who have served our Nation. Well, let us listen to some of the facts instead. Let us start with the cuts proposed over the next 7 years to the VA.

One result, increased copayments for veterans who need a prescription. It might sound like a good example of self-sacrifice to some. Well, Members of this House have that luxury. We are not living on an income of \$12,000 or \$10,000 a year, but many veterans do.

Members of this House talk about how hard a job this is to be a Member of the U.S. Congress. Well, most of us do not have to sacrifice our health for the sake of serving our country, but many veterans did sacrifice their health. Yet this House will force the VA to care for 1 million fewer veterans by the year 2002. By the year 2002, it is estimated that over 175,000 veterans will lose coverage under Medicaid, one-third of whom are severely disabled, with crippling diseases or mental illnesses.

About 20,000 veterans a year depend on Medicaid, not the VA, not Medicare, but Medicaid, for their nursing home care. What do they have to look forward to during the next 7 years? The possibility that their spouses will have to give up their homes in order to retain eligibility for long-term care. The threat that a widow's VA pension gets counted against her in determining her edibility for Medicare. The likelihood that in States like California, Florida, New York, and Illinois, thousands of veterans will have no alternatives for health care.

Let us keep in mind that just a few short years ago, one State, Tennessee, proposed denying health care to veterans.

More importantly, it is not the job of the States to take care of this issue. When I speak to veterans back in Chicago, they did not fight for the great State of Illinois, they fought for our Nation, our country. Veterans in the district of the gentleman from Ohio [Mr. KASICH], they did not fight for Ohio, they fought for our country, the United States of America.

If you are a Republican and you have not found a reason to oppose this budget, please make sure you have thought this through. This budget is antiveteran. Your tax cuts for millionaires are being paid for by millions of veterans. Instead of veterans' health, you have chosen to protect someone else's wealth. It is wrong. Vote against this proposal.

Mr. KASICH. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Florida [Mr. SHAW], one of the leading experts in the Nation on welfare reform.

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

Mr. Chairman, after expanding the welfare state for 60 years, President Clinton and the Democrat Party failed to deliver on the Clinton campaign promise to end welfare as we know it. Yet, while every lever of power was controlled by the Democrats, no one acted to save the millions of children that today remain trapped on welfare as we know it.

In the Democratic Congress, no Democrat welfare reform bill was approved in committee, none was advanced to the House and Senate floor, and none came to the President's desk for signature. Republican and bipartisan efforts to reform welfare were stymied.

In contrast, House Republicans today are taking another huge step to deliver

on our pledge to the American people to replace the failed welfare system. We promised to bring real welfare reform to the House floor for a vote, and we kept our word. We pledged to cut programs, to cut redtape, and to slow exploding welfare spending, and we did just that.

In the next few weeks, we will send a bill to President Clinton that will forever change welfare from a way of life into a way to help America's poor get work and free themselves from government handouts.

Mr. Chairman, everyone agrees that reforming welfare is necessary. Candidates in both parties have campaigned on the need to reform welfare and have won a lot of votes talking about change. But there is a big difference in this town between talk and action.

To Republicans, the options have been clear: Whether to save the failed welfare system or save the children it traps in poverty forever. We chose to save the children. That is why Members who want to reform the failed welfare system will vote for this reconciliation bill, because they know it is right for our children and it is particularly right for our children's future.

□ 1800

Ms. SLAUGHTER. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Texas [Ms. JACKSON-LEE].

(Ms. JACKSON-LEE asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE. Mr. Chairman, I rise to oppose the Budget Reconciliation Act due to the fact that it opposes the dreams and aspirations of all Americans and wrecks health care for all Americans.

Mr. Chairman, I spoke last night about the devastation Republican budget cuts would inflict on children throughout the United States. Tonight, I rise to speak about the impact these cuts would have on children in my home State of Texas.

The Republican plan to balance the budget would eliminate Medicaid coverage for as many as 206,641 children in Texas and 4.4 million children nationwide in 2002. The Republican budget cuts Medicaid funding to Texas by \$7 billion over 7 years and by 20 percent in 2002 alone.

Currently, 20 percent of children in Texas rely on Medicaid for their basic health needs. Medicaid pays for immunizations, regular checkups, and intensive care in case of emergencies for about 1,407,000 children in Texas. Even if Texas could absorb half of the cuts by reducing services and provider payments, it would still have to eliminate coverage for 360,097 people, including 206,641 children in 2002.

Many of the children in Texas who would be denied coverage are disabled. Medicaid provides valuable services for many disabled children, often making the difference that allows them to live at home with their parents. Medicaid provides for items such as wheelchairs, communication devices, in-home therapy, respite care and home modifications. Without

these services, parents may be forced to give up their jobs or seek institutional placement for children. The cuts would also deny as many as 44,070 disabled children in Texas SSI cash benefits in 2002.

Republican cuts are terribly short-sighted. Cutting the debt today, Republicans argue, will save children from paying unbearable taxes in the future. But this only benefits those children who grow up to be job holders and taxpayers. Budget cuts would fall heavily on poor and lower-middle class children, leaving them less able to hold jobs in the years to come. Hungry, malnourished, nonimmunized children cannot be expected to concentrate in school. These children will prove less able to compete for good jobs with children from affluent families.

For example, Republican cuts would deny Head Start to 12,512 children in Texas and 180,000 children nationwide in 2002. The Republican budget repeals the Vaccines for Children Program, putting at risk at least \$1.5 billion over 7 years that would otherwise provide vaccinations for children in Texas and across the Nation. The Republicans would cut food stamp benefits for families with children in Texas by \$3,107 over 7 years. These cuts would jeopardize child nutrition programs on which 2,743 children in Texas depend. The House Republican budget block grants funding for the school lunch and WIC Program. Nationally, their budget reduces funding for child nutrition programs by more than \$10 billion over 7 years and 11 percent in 2002, compared with current law.

The Republican cuts in educational programs would have a devastating, long term effect on our Nation's youth. For example, Republicans would cut the Safe and Drug Free Schools Program, which 1,043 out of 1,053 school districts in Texas use to keep crime, violence, and drugs away from their children, schools, and communities. They would eliminate Goals 2000, denying improved teaching and learning for as many as 413,400, denying improved teaching and learning for as many as 413,400 school children in Texas in 1996, and 949,800 children in 2002. And they would eliminate both the AmeriCorps National Service Program, denying 3,171 young people in Texas the opportunity to serve their communities in 1996; and the summer jobs program for 42,491 youths in Texas in 1996 and 297,437 youths over 7 years.

The Republicans would scale back environmental protections which keep our children healthy and strong. The Republican budget would allow sewage to flow into waters where Texan children live and play. Texas will lose \$16.7 million used to treat water pollution and protect public health.

The Republican budget halts the President's effort to protect the health and safety of children living near the 32 oil refineries in Texas. These refineries emitted more than 27,141,998 pounds of toxic air pollution in 1993, putting children in surrounding communities at risk of serious health problems including cancer and respiratory illnesses such as asthma.

The Republican budget cuts spending on toxic waste cleanups by 36 percent. There are at least 4 toxic waste sites in Texas. The Republican cuts will stop, or slow the clean-up, of sites near Jasper, Texarkana, Arlington, and my district of Houston.

The Republican's proposed \$500-a-child tax credit would do little to help children in low-income households. Families that have no Federal income tax liability after other exemptions and deductions would not be eligible for refunds. In Texas, 2,466,000 children in working families would have their taxes raised by an average of \$430 in 2002. Families with two or more children in Texas will face an average tax increase of \$500.

Too many children in my district of Houston are in poverty, and too many are at risk of poverty. I find it hard to believe that this Congress would further cut the safety net for these children. But that is exactly what the Republican budget would do.

Cuts in the safety net would deny 30,540 children in Texas child care assistance in 2002 and would cut foster care and adoption for vulnerable Texas children by \$359.5 million over 7 years. The House welfare bill would erode the safety net further, cutting child protection for abused and neglected children in Texas by 24 percent in 2002. The Republican budget eliminates \$29.1 million that helps low-income families—and 22,325 children—in Texas with their home heating and cooling bills, and forces families of 204,700 children in Texas to pay more rent. The budget would also eliminate protection for 4,744 children in Texas from drugs and drug-related crimes in public housing and deny 5,092 children the opportunity to move from public housing to renting their own home. Finally, the Republican budget denies assistance to 1,143 homeless children in Texas. The budget cuts homeless assistance by 40 percent in 1996, cutting funding for the homeless in Texas by \$30.3 million in 1996.

Mr. Chairman, I stand here today in disbelief. Disbelief over the fact that Members of this Congress would deny assistance to homeless children, medical care to the disabled, and food to the hungry child. How can they look their children in the eyes, knowing what they are going to do to children like them across the Nation? I fear for the future and I can only hope that my Republican colleagues will come to their senses before it is too late for the children involved. Let there be no uncertainty: the damage they would inflict upon the children of this Nation will last a lifetime and its legacy will last even longer. Therefore, I oppose the Budget Reconciliation Act and will encourage the President to veto it.

Ms. SLAUGHTER. Mr. Chairman, I yield 2½ minutes to the gentlewoman from Colorado [Mrs. SCHROEDER], a member of the Committee on the Judiciary.

Mrs. SCHROEDER. Mr. Chairman, I thank the gentlewoman for yielding me the time.

Let me start off by just answering one of the charges made on the other side and that was that we Democrats did not know what was in here and that we really were all pro-taxes.

Let me just point out this chart that I borrowed from someone else—68.4 percent of middle-income families are going to get a tax increase if that bill passes, or they are going to pay the same. And 64.3 percent of the wealthy people are going to get a tax cut.

Yes, we know what is in it. And that is why we are upset. But let me go to my next chart which is what I planned,

to talk about representing the Committee on the Judiciary. That is, why we ought to call this WRECKconciliation with a "W."

Let me tell Members why. We are doing something to our economy in this bill that I find unconscionable. We are putting a tax on innovation. Innovation is as American as apple pie. What we have done, there was an agreement many years ago that we have really been abiding by and that was the patent and trademark office ought to run on its own fees, that the fees that come in from the inventors should pay for the services and that is it.

Well, guess what we are doing today? WRECKconciliation is tapping into those fees and pulling them out of the patent and trademark office. What that means is obviously the fees are either going to go up or the service is going to go down.

I happen to think that innovation is the basis of the growth of this economy. If we look at the Japanese, they spend \$1,500 for patents and they do not have as many as we do. We now have a fee of \$7,500. Heaven knows what it will be when we get done with WRECKconciliation because every little inventor is going to have to pay more or it is going to take them much longer to get that essential protection out there that they need, and both are wrong.

This is a hidden fee that those of us who sit on Judiciary on the Subcommittee on Courts and Intellectual Property on both sides of the aisle really resent. This is one of the many things that are in there.

I also resent the fact that people on the other side of the aisle stand up and say, we do not know what is in it. Does the other side of the aisle know this is in it? Do you know what you are doing here? Do you really want to choke off innovation and patents and the efficient service that we have been seeing? Is it really fair to raise their fees to pay for the debt that came out of general revenues? I do not think so. I hope that we talk about this some more.

Mr. KOLBE. Mr. Chairman, I yield 2 minutes to the gentlewoman from Connecticut [Mrs. JOHNSON], a very distinguished member of the Committee on Ways and Means, an individual who has been very instrumental in drafting many provisions of the Medicare and Medicaid part of this legislation.

Mrs. JOHNSON of Connecticut. Mr. Chairman, some of my colleagues believe we should be discussing here today merely a budget bill. I believe that would be inadequate to meet today's demands or our Nation's needs over the next 7 years. I am proud that we are offering here today a budget plan that includes numerous tax reforms that together will help our companies compete in an intensely competitive international market and so assure the millions of jobs these companies provide. It will help small companies grow by providing them better

expensing rights, restore the home office deduction, and make it easier for them to provide pension plans for their employees. The tax provisions in this bill will help middle-class families and put in place the only solution through which we can guarantee our seniors, ourselves, and our children freedom from the fear of the catastrophic costs of long-term care.

This bill expands people's opportunity to gain the education they need to increase their economic power. We extend the right of employers to subsidize the education of their employees. We create the right to develop American dream saving accounts with its flexible rules allowing the use of these savings for education, tax-free. And we create a new research and development tax credit that will help start-up companies, collaborative research efforts, and old-line defense companies create the products of the future. These tax provisions are pro-education, pro-technology, pro-economic growth, pro-family, pro-health care reform.

These tax provisions are just as essential to the well-being of the Nation over the next 7 years as the specific budget provisions of our proposals. Together they plan a path for our Nation to reach a balanced budget by the year 2002 with a healthy economy, strong families and enlightened health and education policy.

Ms. SLAUGHTER. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. BENTSEN].

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

Mr. BENTSEN. Mr. Chairman, I rise in opposition to the Republican budget bill. We have heard a lot about the consequences of the \$270 billion in Medicare cuts, but the impact on our States and communities may be even more severe because of the \$182 billion cuts in Medicaid.

Our Nation already faces the challenge of providing health care to 40 million Americans who are uninsured. This Congress should be working on that problem. Instead, we are voting on a repeal of Medicaid that would add 8.8 million people to the list of the uninsured.

Texas will be one of the hardest hit States, and this bill makes matters worse because of a funding formula that does not adequately account for population growth and poverty levels. Altogether, Texas would lose \$11 billion over the next 7 years under this Medicaid repeal, a 29 percent reduction in 2002 alone. Even if Texas could absorb half the cuts by reducing services, it would still have to eliminate coverage for 687,000 people by the year 2002.

No formula will correct the inequity of the repeal of the individual entitlement of Medicaid. It is mathematically impossible.

This Republican plan would force Texas to eliminate coverage for about 43,000 elderly people needing long-term

care. Without Medicaid, families of the elderly and disabled could not afford nursing home care that costs an average of \$38,000 a year.

The Republican Medicaid repeal would force Texas to eliminate coverage for 394,000 children in the year 2002. Currently, 20 percent of children in Texas rely on Medicaid for their basic health needs, including immunizations, regular checkups and intensive care in case of emergencies. They get top-quality care at such facilities as Hermann Hospital and Texas Children's Hospital at the Texas Medical Center in my district. But this guarantee of care would be gone under the Republican plan.

Texas could avoid these difficulties but only by increasing its own spending on Medicaid by 48 percent by raising taxes and cutting other critical programs such as education.

Hospitals in my district would also be hard hit by this Medicaid repeal. The Harris County Hospital District, the Nation's sixth largest, will lose between \$350 million and \$422 million over the next 7 years. Hermann Hospital will lose \$112 million, and Texas Children's Hospital will lose \$100 million.

This plan is wrong. It is wrong to cut this plan to pay to tax cuts for the rich.

Mr. KOLBE. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota [Mr. RAMSTAD], another distinguished member of the Committee on Ways and Means.

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

Mr. Chairman, President Kennedy said it best back in 1961. "Our true choice is not between tax reductions on the one hand and the avoidance of large Federal deficits on the other. It is clear that an economy hampered by restrictive tax rates will never produce enough revenues to balance the budget, just as it will never produce enough jobs or profits."

Mr. Chairman, President Kennedy was right. The bill before us today is about two things: one, eliminating the deficit and balancing the budget for our children and grandchildren; and two, providing jobs and opportunities for all Americans with the tax stimulus provisions of the bill.

Economist after economist came to our Committee on Ways and Means testifying about job creation. One economist testified 1.4 million new jobs will be created over the next 5 years from the capital gains tax cut. As he put it, the capital gains tax reductions will stimulate economic activity, increase jobs, capital spending and capital formation, improve national savings, increase entrepreneurship and raise economic output.

Mr. Chairman, we are hearing a lot from the other side about capital gains tax cuts being a tax break for the rich. Let us talk about the facts. An IRS analysis of 1993 tax returns found 77

percent of the tax returns reporting capital gains were filed by taxpayers with adjusted gross incomes of less than \$75,000, 77 percent; and 60 percent had adjusted gross incomes of less than \$50,000, hardly the rich in America.

But even more impressive than any of these statistics was a young man in my district. When I talked to a high school assembly, a 17-year-old young man from the least affluent part of my district came up to me afterward, and he said, "Ramstad, I liked what you said about capital gains."

I was not accustomed to such feedback from 17-year-old high school students. I asked him, "Young man, do you have any capital gains?" He looked back at me and his eyes got about this big and he said, "No, not now, Ramstad, but someday I hope to."

Mr. Chairman, that is the kind of incentive we have to restore to the Tax Code in this country.

All Americans, Mr. Chairman, will benefit from this bill. Let us keep faith with the American people. Let us balance the Federal budget. Let us pass budget reconciliation because the taxpayers of America deserve nothing less.

Ms. SLAUGHTER. Mr. Chairman, I yield 2 minutes to the gentlewoman from California [Ms. WOOLSEY].

Ms. WOOLSEY. I thank the gentlewoman from New York for yielding me the time.

Mr. Chairman, I am going to spend my brief time in talking about an area of this immense and devastating bill that I know firsthand, Medicaid. My ideas about Medicaid did not come from theory or books. I know it. I lived it.

Twenty-eight years ago, I went from being a married woman with complete health care coverage for my children to being a single mother with three small children receiving no child support and working at a job that initially provided no health care coverage for my three kids. Overnight, a simple checkup became an impossible luxury in our household. I will never, never forget what it was like, Mr. Chairman, to lie awake at night worried to death that one of my children would get sick.

Thankfully, I was able to turn to Medicaid and other forms of public assistance to add to my salary so I could provide my children with the health care, child care, and food they needed.

Mr. Chairman, that safety net is what helped my family get back on their feet. But I will never, not for 1 minute, think that just because my family made it, so can the millions of families who are in similar or worse situations than we were today.

That is why I am so outraged by Speaker GINGRICH's assault on Medicaid. The Speaker and his allies are taking health care from our children. In fact, they are cutting \$182 billion to help pay for \$245 billion in tax breaks to the wealthiest special interests.

In my home State of California alone, almost 470,000 children on Medicaid will lose their health care coverage

under this plan. Twenty-eight years ago, Mr. Chairman, that would have been my three children.

Mr. KOLBE. Mr. Chairman, I yield 3 minutes to the gentleman from Missouri [Mr. HANCOCK].

Mr. HANCOCK. I thank the gentleman from Arizona for yielding me the time.

Mr. Chairman, for 40 years, the Republicans in the House have been trying to demonstrate how they differ from Democrats on the role of government in the lives of the American people. The true difference between Republicans and the Democrats is that the Republicans want less government and for Americans to keep what they earn. Democrats want more government and as much tax money as they can get so they can run a social engineering experiment from Washington, DC.

Now, for the first time in many, many years, we have the opportunity to give back to the American people some of the hard-earned dollars they have been sending to the bureaucrats in Washington. That is exactly what the tax cuts in this reconciliation bill does, give something back to the taxpayers so that they can decide for themselves how best to spend and invest their hard-earned dollars.

The Democrats are not going to agree with me, but the vast majority of the American people agree that our Government taxes too much and spends too much.

□ 1815

Even the President recently said, after he pushed through the largest tax increase in history, it was too much. Now, with this bill, we have the chance to help the President by rolling back two-thirds of the tax revenues and the tax increase he started and started to put through on the American people in 1993, with the largest tax increase in history.

The main thing wrong with this bill is we should be rolling back President Clinton's 1993 tax increase in its entirety. Unlike the President, we are keeping our word by providing tax cuts for all Americans while the Democrats will proclaim their worn-out class warfare chant that these are tax cuts for the rich. The truth is the biggest individual tax income tax cuts as a percentage of taxes paid go to taxpayers earning \$30,000 to \$75,000 annually.

So when you hear the Democrats whine and complain about our tax cut and budget balancing bill, remember they are really opposed to our efforts to shift power from the Federal Government to individual Americans.

The American people should be proud of what we are about to do.

Ms. SLAUGHTER. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. TORRES].

Mr. TORRES. Mr. Chairman, I am reminded of the words of the late Justice Hugo Black: "Great nations, like great men, should keep their word." A provision in the bill before us today makes

a mockery of this noble guiding principle.

The proposed tax on tribal gaming income breaks innumerable promises. It violates U.S. treaty obligations, ignores the U.S. Constitution, circumvents the new Republican rules of House procedure—and, it flies in the face of common sense.

Indian tribes are sovereign entities with the power to govern themselves. They have the right to engage in and regulate their own economic activity, and as such, are immune from Federal income tax. From the first days of this country's existence, Congress has recognized the sovereign status of Indian tribes. The U.S. Constitution recognizes tribal sovereignty. And the U.S. Government, in over 500 treaties, has recognized Indian tribes as sovereign entities.

How can the Ways and Means Committee presume to overturn 200 years of Federal law and policy by treating tribes, not as nations, but as corporations?

Further, how dare they do this without a single hearing, a single notice, or a single opportunity for public, administration, legislative, or tribal comment? This is not due process. This is not the democratic way. In fact, it's not even the Republican way. The new majority promised not to institute new taxes without careful study. They even passed a rule requiring a supermajority, three-fifths vote, to raise taxes. Is this new rule to be abandoned so soon? Mr. Chairman, this body's historical memory seems to be getting shorter by the day.

There is another reason Republicans should reject this proposed new tax. The provision will defeat the ability of tribes to become economically self-sufficient. Tribal gaming presents a singularly viable opportunity to eliminate the horrendous poverty on Indian lands. All profits from tribal gaming must go to meet the needs of tribal people. In other words, revenues can only be used for governmental or charitable purposes, such as: education, housing, health care, police, fire departments, child care, roadbuilding, and sanitation. Greater tribal self-sufficiency means less cost to the Federal Government. Indian gaming represents an opportunity to get tribal members off of welfare rolls. The proposed Republican tax is just plain bad economics.

Let me take this chance to correct a myth. The economic success of the Pequot Tribe's gaming operations in Connecticut is the exception, not the rule. The perception that all Indians are gaining great personal wealth from gaming could not be further from the truth. In fact, across the entire country, only one other tribe besides the Pequots are paying significant per capita payments to their members. These members already pay Federal income tax on every cent distributed.

To a degree, gaming has helped alleviate the long-term problems faced by

Indian nations. But most Indian people and children in the United States still live below the poverty line. This Congress has recommended serious reductions in appropriations for Federal programs for Indians. Imposing an illegal, reckless, and suffocating tax on top of these cuts is cruel. It is also self-defeating. We are obliged to treat tribes with due respect. We are obliged to meet our treaty and trust responsibilities. We ought to be helping tribes that help themselves. We must keep our promises. My colleagues, reject this bogus tax.

Mr. KOLBE. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Missouri [Mr. TALENT].

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

Mr. Chairman, we have heard a lot of comments tonight about how we cannot balance the budget while providing tax relief to the American people. You know, I think we cannot balance the budget without providing tax relief to the American people, because it is not just balancing the budget, it is reorienting the way the Federal Government relates to the rest of American society, lightening the burden of Government on people.

As we disempower the Federal Government to some extent, we have got to reempower the private institutions of society, families, so that they can raise their children, individuals, so that they can invest in their own future, small businesses, so that they can create jobs. But we hear tonight, well, we cannot, because that means we are going to have to cut the Federal budget.

Mr. Chairman, we are not cutting the Federal budget. It is growing under our plan over 7 years at 2.8 percent a year, at the rate of inflation. What people are saying who do not want the tax relief is we have to deny tax relief to the American people so that the Federal Government can grow faster than the rate of inflation over the next 7 years, as if the American people were undertaxed.

Mr. Chairman, in 1952, the average American family paid 2.5 percent of its income in Federal taxes of all kinds. That same average family today pays 25 percent, or 10 times as much, of its income in Federal taxes, and people are saying they do not need tax relief so the Federal Government can grow faster than the rate of inflation.

If people paid taxes at 1970 levels, they would have \$4,000; the average family earning in the \$40,000 range would have \$4,000 a year more in disposable income.

Mr. Chairman, the reconciliation bill which is before the House today is a good bill. It balances the budget in 7 years. It is the least that we ought to do, and we need tax relief for the American people so that they can do what they do so well for themselves, for their families, for their communities, and for this country.

Ms. SLAUGHTER. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. OLVER].

Mr. OLVER. Mr. Chairman, I thank the gentlewoman for yielding me this time.

Mr. Chairman, the budget debate today is or really should be about people, and the whole purpose of government should be to help people.

So what does the Republican reconciliation bill do to people? First, children get hurt. Three million children will lose their health care coverage through Medicaid, 2 million children will have their school lunches cut, 1 million babies and their mothers lose Healthy Start, a prenatal health care, 700,000 disabled children will be denied SSI benefits, 180,000 preschool children will not get Head Start. That is for starters. Teenagers and students trying to get an education so they can be part of the American dream are hurt, too. Four million high school and college-age Americans will lose summer jobs; 50,000 young people will lose the opportunity to earn money for college through AmeriCorp's national service. Two million students will be denied Pell grants, and about 30 million students will have their college loans cut.

Finally, working families get hurt as well. Fourteen million working families will have their taxes raised directly, all of those families having \$25,000 a year or less of income, many of them working at minimum wage, many of them trying to raise their children on those kinds of incomes. And a real sleeper, an estimated 13 million workers will have their pensions raided by their employers, money that they paid out of their salaries to provide for their retirement.

So why are we then voting on such extreme and vicious legislation? Well, basically because all of those cuts taken together, all of them taken together allow the Republicans to provide more than \$100 billion of tax cuts for fewer than 5 percent of Americans, those people making more than \$100,000 per year. That is who the Republicans care about.

Well, the distinguished chairman of the Committee on Ways and Means, the gentleman from Texas [Mr. ARCHER], said earlier 59 percent of the people who report capital gains have income under \$50,000. What he did not bother to say was that that almost two-thirds of all Americans who are in families whose incomes are less than \$50,000 per year, that they get less than 10 percent of all the capital gains. That is typical of this bill. That is who the Republicans care about.

Mr. KOLBE. Mr. Chairman, I yield 2 minutes to the very distinguished gentleman from Michigan [Mr. CAMP].

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

Mr. CAMP. Mr. Chairman, when the earned income tax credit was enacted in 1975, its concept was to help families move from welfare to the work force by

increasing their after-tax earnings and providing relief from the burden of payroll taxes.

Since then, three legislative revisions have expanded the program's cost tenfold to almost \$25 billion a year and rising. The Democrat's philosophy, as usual, was if a little is good, than a whole lot must be better. As a result, the EITC is the fastest growing cash assistance program in the Federal budget. The current spending trends simply aren't sustainable.

If we are to preserve the EITC for working poor families who most need its benefits, we must reform it to slow down the program's fantastic growth rate. Even the Clinton administration knows this. In the budget President Clinton submitted to Congress this year, he proposed denying the EITC to families with more than \$2,500 in dividend and interest income. Why? because the EITC eligibility criteria excludes many sources of income that families now receive. As a result, some families with incomes as high as \$70,000 a year are eligible for the credit.

Also, we should not give the EITC to childless workers. For 18 of the EITC's 19-year existence, both Republicans and Democrats agreed its benefits should go to working families with dependent children, because the whole purpose of the EITC was to help working families with young children stay off the welfare rolls.

Under our proposal, low-income working parents who support their children will see their tax credit rise substantially. This increase, coupled with our \$500 per child tax credit, will go a long way to helping American families get back on their feet and provide for their children.

Even the Clinton administration agrees that in order to preserve and protect this program for the working families who need its benefits, we must reform it to slow down the rate of growth. I urge my fellow Members to help us preserve and protect the earned income tax credit for American families.

Ms. SLAUGHTER. Mr. Chairman, I yield the balance of my time on our side this evening to the gentleman from California [Mr. MILLER], who is the ranking Democrat member on the Committee on Resources, and I ask unanimous consent that he be permitted to manage that time and yield time to other Members.

The CHAIRMAN. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mr. MILLER of California. Mr. Chairman, I yield myself 5 minutes.

(Mr. MILLER of California asked and was given permission to revise and extend his remarks.)

Mr. MILLER of California. Mr. Chairman, already this evening Americans have begun to learn the tragic manner in which this legislation treats the elderly and treats our students and treats our children and the poor of this

country, and that is a shame, and it is tragic. It is embarrassing for the Congress to do that to its citizens.

But there is much more in this legislation, because this legislation is being used to hide a whole series of decisions by the Republicans in the Committee on Resources to just be lavish and to lard on taxpayer subsidies to a whole series of industries that cannot justify them, do not need them, and that this Congress has voted against extending those subsidies time and again.

So what have the Republicans chosen to do? They chose to fold them into the reconciliation bill so they will not be visible to the public, so the public will not be aware of the fact that the decision has been made by the Republicans to continue to give away public lands at essentially no cost to mining companies, to foreign-owned mining companies, and let them extract billions of dollars of gold, silver, and platinum from the public lands owned by the taxpayers.

The House of Representatives has voted time and again against that provision. It has voted twice this year not to allow that to happen. But that is in this reconciliation bill because the Republicans cannot tear themselves away from that type of corporate welfare.

We see that they do the same thing with the grazers, people using the public lands to graze cattle. In this legislation we are giving reduced fees when, in fact, the recommendation by GAO and others is that they should be increasing those fees for the use of those public lands, that they do not pay what people pay on private land, but this bill continues the subsidies to those individuals.

This bill sells off the forest lands of some of the largest ski resorts in this country, and it does not guarantee that the American public will continue to have access to areas like Aspen and Vail and other areas of recreation. No, it turns them into a private domain. That is what this bill does.

Why does it do it in this legislation? Because that legislation cannot win a majority of the vote on this House standing alone, just as the deepwater royalty subsidies that have been inserted into this legislation in the Senate were turned down in this House, turned down in the Senate. In this legislation, you cannot amend them out, take them out.

So they lavish hundreds of millions of dollars, hundreds of millions of dollars in subsidies to the largest and richest oil companies in the world.

Who pays for those subsidies? The children that you heard about earlier, the poor people in this country, the elderly with their health care. That is who pays for those subsidies.

We continue to see the Committee on Resources just go after and continue to lavish taxpayer subsidies on industry after industry where there is no demonstrated financial need for that subsidy but simply doing it because they did it.

□ 1830

We could not even tear ourselves away from providing double subsidies, where we provide water subsidies to irrigators in the West, and they grow subsidized crops with the subsidized water. We tried to say pick one subsidy. Do not double dip us.

No, that was not good enough. Again, this House has voted numerous times to end that practice, but it is in this reconciliation bill, because they know that if it was brought to the House floor by itself, it in fact would be turned down by this Congress and by this House, because the water subsidies have been turned down, the grazing subsidies have been turned down, the royalty provisions have been turned down, on a bipartisan basis in the last several months in this House. So they put them all together, and then they put them into the bill, and there is no amendments allowed, it is up or down tomorrow.

Corporate welfare for the western extractive industries worth billions of dollars is maintained in this legislation, and it will be reported off of the House floor tomorrow.

Of course, then there is the granddaddy, and that is giving away the Arctic Wildlife Refuge in this legislation. Once again, that provision cannot pass on the floor of the House of Representatives as a freestanding bill. They say it is an emergency; that we must open up the Arctic Wildlife Refuge for oil drilling because America imports half of its oil.

Well, they also have legislation here to make sure that we allow the export of Alaskan oil to Japan and to other countries on the Pacific rim, so it is not for America, it is for their corporate clients.

It is for the opening up of these kinds of areas, and they cannot only do it in a reconciliation bill. They cannot do this in a freestanding bill, because these provisions, these provisions, cannot stand the light of day, they cannot stand the scrutiny of the taxpayers, they cannot stand the scrutiny of our constituents, and that is why they are in this legislation.

This legislation is an absolute Christmas tree. This is absolutely a Christmas tree of gifts to special interests in the form of corporate welfare. The tragedy is that every dollar that is given away to mining companies and to irrigators and to grazers and timber companies, is paid for by Mr. and Mrs. America. It is paid for by people paying the payroll taxes, paid for in reduced Medicare benefits, paid for in reduced Head Start and reduced education. That is the tragedy of this legislation.

Mr. Chairman, this legislation is supposed to reduce the deficit, cut the cost of Government, and protect taxpayers from waste.

But the resources portion of this bill is truly Christmas in October—a legislative rummage sale of valuable Federal assets at bargain basement prices that runs rampant over the environmental laws of our country.

Many of those who implore us to run Government like a business are leading the fight to give away these public resources.

The bill breaks with over 30 years of law and policy and opens the Arctic National Wildlife Refuge to oil development. And we may not even get the money. This bill breaks a legal agreement with Alaska that could reduce revenues to one-tenth the amount projected. And why are we doing this in reconciliation? Surely not because of the need for energy independence: this House just passed—at the urging of ANWR proponents—legislation to allow the export of Alaska oil.

This bill's phony mining reform package would make the Mineral Kings blush. Not 2 years ago, this House voted for real mining reform that would impose a real royalty for the first time, raising \$540 million over 7 years and initiating the cleanup of contaminated abandoned mine sites. This phony reform raises a total of \$76 million over 7 years, virtually none of it from a royalty, which is so laden with deductions and exemptions that any mining company that pays it should fire its accountant. The House voted three times this year to maintain the moratorium on giving away public mining lands to multinational mining conglomerates. This bill ignores those votes and instead charges the mining company the surface value only, which is like selling Fort Knox for the value of the roof.

This bill contains an absolute sham reform of national parks concessions, an irresponsible plan that makes a mockery of the true bipartisan concessions reform that was approved by the House of Representatives by a vote of 386–30 just last year. This sham reform locks in the current concessionaires—who have enjoyed bargain basement contracts.

This bill orders the Government to sell national forest lands used as ski resorts—places like Vail and Aspen—to monopoly bidders, promoting the intensive development of these lands and potentially closing access to millions of Americans. Why is this in reconciliation? It violates PAYGO by increasing direct spending and locks in place the ski industry's fee schedule that GAO says fails to provide a fair return to taxpayers.

This bill has a phony reform of Federal grazing policy that lets cattle graze for discount rates on public lands—far cheaper than on adjacent State or private lands. Antireform leaders pretend this has something to do with family ranching, but they know that just 25 percent of the permittees control 75 percent of the forage, including “wingtip cowboys” like J.R. Simplot, a national brewery, a Japanese land and livestock company, and a national oil company. The House has voted 5 times since 1990 to substantially raise the grazing fee, most recently, in 1993 by a vote of 317 to 106. This bill gives the victory—and the subsidies—to the ranchers.

This is a disgrace, and a very costly disgrace for the American taxpayer. The majority is using tiny so-called savings to qualify for the reconciliation process gigantic changes in resource and environmental law. On ANWR, on mining, on grazing, on concessions—they not only fail to pass stronger provisions, they undermine and repeal vast areas of existing public law before they turn the miners and the grazers and the drillers loose on the public lands.

Now, there is another way to do this: We can reform resource management, protect the

environment, strengthen competition and the free market—and raise serious money. But the majority would rather shill for the exploiters than vote for the taxpayers.

The majority failed to accept Democratic proposals to end below-cost timber sales by the Forest Service that would save \$315 million over 7 years.

The majority voted against ending double subsidies to farmers who receive Federal subsidized water, although the House has voted for this reform time after time. So, we will continue to pay farmers to grow crops we are paying other farmers not to grow—and cost the taxpayers a half billion dollars over 7 years.

Now, why are all these destructive, wasteful policies loaded into a budget reconciliation bill, especially when many of them do not really raise money? Why have the Republicans insisted on including phony reforms when it is readily apparent that, given a fair vote on the floor, the House would be willing—and has been anxious—to vote for real reform? After all, the House has voted against mining patents, against deep water royalty holidays—not under Democratic control, but this year.

I will tell you why this is all loaded into reconciliation.

It is to protect these outrageous, expensive giveaways to corporate interests from real debate and real review. These capitulations to corporate welfare are unacceptable to the American taxpayer and unacceptable to this House: But they can get loaded into a great big reconciliation bill, hidden away from scrutiny and amendment, and then strongarmed through without amendment.

These proposals are in this reconciliation bill because they could not survive on their own on this floor. They cannot stand taxpayer scrutiny. They cannot survive the light of day.

Giveaways to the mining corporations, the ranching corporations, the irrigation conglomerates, the recreation industry. Billions of dollars, our dollars, dollars that belong to the American people, given away without real scrutiny. And the environment gets devastated to boot.

This is a cynical and deceptive act of legislative sleight-of-hand. They are raising pennies, but giving away billions. These provisions alone more than justify a vote against corporate welfare, against the destruction of the environment, and against this bill.

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

Mr. KOLBE. Mr. Chairman, for purposes of a colloquy, I yield 2 minutes to the gentleman from Arkansas [Mr. HUTCHINSON].

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

Mr. Chairman, I would like to ask the gentleman from Connecticut [Mrs. JOHNSON] and the gentleman from California [Mr. RIGGS] to join me in a colloquy on the earned income tax credit.

Mr. Chairman, first I would like to commend you and the members of the Committee on Ways and Means for your outstanding work on reforming the EITC. It is a program that has grown way beyond its original scope and intent, and is in dire need of review.

Having said that, I am very concerned that we have inadvertently devised a formula that could result in a number of low-income working families actually being a net loser compared to current law, even after the enactment of the \$500 per child tax credit.

I know that the gentlewoman from Connecticut [Mrs. JOHNSON] is strongly committed to helping the working poor in our country. The gentlewoman has labored diligently for some time now in welfare reform legislation, and I believe that reform of the EITC program goes hand in hand with this work. I believe this EITC problem can be fixed with a very slight modification of a technical change, and I would like to work with the gentlewoman and members of the committee to accomplish that.

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

Mr. HUTCHINSON. I yield to the gentleman from California, who has worked very diligently on this problem.

Mr. RIGGS. Mr. Chairman, I thank my colleague for yielding and for his fine work in this area. I want to associate myself with his comments.

Mr. Chairman, I, too, want to express my concern over the potential negative effects that our much needed and long overdue efforts to reform the earned income tax credit could have on a small number of very low-income working families, and I want to let the gentlewoman from Connecticut [Mrs. JOHNSON] and her colleagues on the Committee on Ways and Means know we would very much like to work with them on correcting this problem when the budget reconciliation bill goes to conference.

Mrs. JOHNSON of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. HUTCHINSON. I yield to the gentleman from Connecticut.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I thank my colleagues for their support of our reforms of the earned income tax credit, reforms that are reasonable, that are fair, and that are needed; but also to their pointing to a problem that exists in that reform, in that it does actually disadvantage a small group of people who need that earned income tax credit. We are working on that problem. We are delighted to have the gentlemen work with us. We will have some of that problem before this becomes law. I thank the gentlemen for their interest, concern and leadership.

Mr. MILLER of California. Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota [Mr. VENTO].

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

Mr. VENTO. Mr. Chairman, I rise in opposition to the 1996 budget reconciliation bill. Someone said “wreckonciliation” is really what it is. But today I wanted to especially highlight the impact on the environment and the natural resource area.

This gives rise to a new era of robber barons that were in the 19th century. Now we have the robber barons in the 1990's. They act as if the only good tree is a horizontal tree, and that the creator endowed our Nation with a vast and wonderful resource so the special interests could make a profit.

This legislation sets in motion the wholesale exploitation, the subsidization and degradation of America's natural resource legacy, our children's heritage. We see the imprint of the special interests, including mining, timber, oil, and gas industries, throughout the Republican budget measure.

The decision totally destroyed the Arctic Natural Wildlife Refuge [ANWR], by permitting oil and gas exploration and drilling, stands out as the spirit in which this law is being written. This last great piece of arctic wilderness, the arctic plain, is the home to the 160,000 member porcupine caribou herd, where the calves are born, right on the Arctic plain. Beyond that, of course, the grizzlies, the polar bears, the arctic foxes, the conspicuous and inconspicuous fauna and flora abound in this area, an area that has been untouched since the ice age.

But that is not stopping the robber barons in 1995. The majority of the American people, both on CNN and other polls, two to one oppose this action. But that does not have any impact. We disregard the polls. We disregard the people when you take a policy like this forward. You disregard the scientific information. Everything is shunted aside. No consideration, no deliberation. The Republican policy makers know best, push instant gratification for oil development and speculative leasing.

That is what we need, a few more leases sitting, they are not doing anything with, but do not let that bother you. This does not stop with Alaska. It goes on to grazing, it goes on to timber. It lets the park concessionaires take over the park.

What we have here is a great new mountain, a mountain of special interest benefits, a new national monument to the greed and special interest is being built today.

Let us name it what it is, Mount GINGRICH, brought to you by the contract scheme in conjunction with the 1990 robber barons, who ride high in the saddle of the Republican Congress. That is what they are giving to you, the destruction of your legacy.

They are going to worry about the deficit. They are worried about the deficit? They are giving away the resources. They are selling the assets and then score it as if it is money in the bank. They are selling the future of this country, they are selling our natural resources, they are destroying the things that have been built and that have made this country what it is today. But the fact is that everything goes in the name of reconciliation. Well, reconciliation is named right, especially when you spell it w-r-e-c-k,

"wreckconciliation," wrecking the country and destroying our natural resource legacy.

Mr. Chairman, the 1996 budget reconciliation bill environmental provisions continue the tradition of 19th century robber barons who exploited our Nation natural resources and lands. From the bill, one would think the only good tree is a horizontal tree and that the Creator endowed our Nation with vast and wonderful resources so that the special few could make a profit. This legislation sets in motion the wholesale exploitation, subsidization, and degradation of America's natural resource legacy our children's heritage. We see the imprint of special interests, including the mining, timber, oil and gas industries, throughout the Republican budget measure.

The decision to destroy the Arctic National Wildlife Refuge [ANWR] by permitting oil and gas exploration and drilling stands out as the spirit in which this law is being written. The last great piece of American Arctic wilderness, the Arctic plain is home to the 160,000 Porcupine Caribou herd, where the calves are born. Beyond the caribou the grizzly and polar bears, arctic foxes, and numerous other species conspicuous and inconspicuous flora and fauna abound. Opening this refuge area to drilling will guarantee destruction of this Arctic desert wilderness.

The majority of the American people oppose drilling for oil in ANWR. A CNN poll conducted in September showed two-thirds of the respondents opposed opening up ANWR for exploration. A more recent poll conducted by Deardourff/The Media Group in mid-October confirmed the CNN findings. Those polled strongly believe ANWR is a unique area that must be protected and they opposed drilling in the Arctic Refuge by a margin of almost 4 to 1. Despite the overwhelming public support for protecting ANWR, the Republican leadership has refused to pull this specific provision from the reconciliation bill or permit a vote. The polls are disregarded. The scientific information is shunted aside no consideration—no deliberation. The GOP policy makers who know best push instant gratification for oil development, and speculative leasing takes priority over common sense.

The egregious provisions of this legislation do not end at the Alaska border. The bill gives private park concessionaires in our National Parks control over the National Park itself and the NPS stewards. Grazing permit fees on public lands are reduced below the already scandalously low prices. The so-called mining reform provisions are nothing but a sham. Selling the land at fair market value for the surface without consideration of the value of the minerals enshrines into law for the mining industry yet another subsidy at American taxpayer expense at the cost of our natural heritage. While the Republican majority leadership has determined to slash education, health care, and other social spending for the children, the poor and the elderly, they have piled on the corporate welfare in the natural resources provisions of this budget reconciliation bill into a new mountain of special interest benefits—a new national monument to greed and the special interests is being built today. Let's name it what it is, Mount GINGRICH, brought to you by the contract scheme in conjunction with the new 1990's robber barons who ride high in the saddle of this good Congress.

Mr. KOLBE. Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio [Mr. OXLEY].

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

Mr. OXLEY. Mr. Chairman, I rise in support of the reconciliation package.

Mr. Chairman, I rise today in strong support for the 7-year Balanced Budget Reconciliation Act of 1995. As the name implies, this package of reforms outlines a clear path to a balanced budget in the year 2002. We promised the American people that we would bring the budget to balance in 7 years and tomorrow we plan to deliver on that promise. While balancing the budget in itself is an admirable goal, our bill does much more, including: reforming our broken welfare system, providing needed tax relief for American families, saving Medicare from certain bankruptcy, restructuring Medicaid so States can meet their own specific needs, and many other reforms that ensure that the legacy we leave our children is debt free and full of opportunity, rather an ever increasing Federal deficit and a bloated, more intrusive Federal Government. Mr. Chairman, I would like to commend the various committee's that worked diligently to complete this package of long needed reforms. I look forward to a productive debate that will show the American people that their elected representatives can act in a responsible manner for the future of our country.

Mr. KOLBE. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Georgia [Mr. COLLINS].

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

Mr. Chairman, the greatest challenge to this Congress is its deficit and the greatest threat to this Nation is its national debt. I believe it was Mr. Jefferson, one of our Founding Fathers, that said a democracy is indefinite because those who are governed under a democracy will learn of the benefits it can reap from its treasury and it will vote for people who will enhance those benefits.

Well, our democracy is in jeopardy. We are spending some \$500 million a day now more than we take in to help pay for benefits that have been enhanced by this Congress. The reconciliation bill will change this. It will end the deficit spending by balancing the people's books. It will change welfare from the current welfare system, a system which is out of control, a system which has spent \$5 trillion over the last 30 years creating a dependency of benefits on the people's treasury, a welfare system that is anti-family and is anti-work.

The budget reconciliation bill will reduce welfare dependency. It will limit cash, cash for having children out of wedlock, cash for misbehavioral children, cash for drug addicts and alcoholics. Yes, Mr. Chairman, it limits cash to able-bodied, irresponsible parents. But it does one other thing; it still provides health care, nutrition and child care for unfortunate children.

Mr. Chairman, I urge the Members of this body, support ending the addiction

that we have created to the public's budget, the people's Treasury. Support balancing the people's books. Vote for the Budget Reconciliation Act.

Mr. MILLER of California. Mr. Chairman, I yield 2 minutes to the gentleman from Hawaii [Mr. ABERCROMBIE].

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

Mr. ABERCROMBIE. Mr. Chairman, I rise in vehement opposition to the reconciliation bill before us tonight, and in particular to the provisions of title IX as reported by the Resources Committee. As I am the ranking Democrat on the Mining Subcommittee, I will restrict my comments to the energy and mineral resources portions of the bill.

Let me start by saying that Jesse James never had it so good. The sham mining law reform package included in this bill will make it easier to steal gold—and oil and gas—from the American taxpayer than even Jesse, Butch Cassidy, and the Sundance Kid could have ever possibly hoped for or imagined.

Under the Mining Law of 1872, signed by President Ulysses S. Grant, gold miners can gain fee simple title to Federal gold, silver, and other minerals and the land containing them upon payment of a nominal sum: \$2.50 or \$5 an acre. Supporters of the bill before us will profess that their bill will change this situation. But instead it merely replaces a bad system with 1 which is no better.

The Republicans will boast that their proposal will require that mineral-rich lands be priced at fair market value. But, what they won't tell you is that, under their bill, the land will be sold for the value of the surface without consideration for mineral values. It makes no sense to sell our minerals for a pittance of their intrinsic value—it would be like selling a bottle of Dom Perignon for the price of the cork.

Under the Kasich substitute, the Department will be forced to fast track approval of the 233 patent applications in the pipeline, and give away as much as 15.5 billion dollars' worth of gold and silver and reserve no royalty whatsoever.

To be fair, we should note that the Republican bill would reserve a royalty on hard rock minerals mined on Federal lands for the first time in this Nation's history. Unfortunately, due to the way the Republican majority drafted the bill, it will not raise any money.

And, it didn't have to be that way. In the February 1995 budget estimates, CBO scored the 8-percent net smelter return royalty, previously passed by the House with a 3 to 1 margin, as raising \$90 million per year; over 7 years, that equals \$540 million—with one year for transition.

The Republicans will try to tell you that their royalty is the same as the Nevada net proceeds severance tax which raises a lot of money for the State—so their royalty will eventually raise revenues. But, the royalty in their bill is not the same as the Nevada sever-

ance tax. The Republican proposal would allow additional deductions to be made from gross revenues; such as engineering costs, costs of support services and support personnel, environmental compliance, permitting and other administrative costs. Obviously, by decreasing the gross, the royalty will be levied on a far smaller net and thus we will collect far less than is fair.

The Republicans will try to tell you that their royalty will raise revenues in the long term—that after everybody gets their patents and new claims are being staked on Federal lands, that their royalty will be in place and will raise money. But, they won't tell you that all other Federal royalties are charged on gross revenues because net royalties are notoriously difficult to administer and just don't raise all that much money in return. And they won't tell you that according to a review of the Nevada net proceeds tax report for 1992–1993, royalties paid by the Nevada mining industry to private interests averaged 3 percent of gross revenues and 11 percent of net proceeds. In the bill before you, the American taxpayer is getting the short end of the deal—combining the lowest rate with the least value—3.5 percent of net proceeds.

The bill would also change the current \$100 rental fee to a sliding scale fee starting at \$100 for the first years and ending with \$500 for years the claim is held beyond 20 years. But it also allows deduction of up to 75 percent of the costs of developing the claim for mining. In addition, the bill would give away the first year's rental fee. According to CBO, the Republican royalty and holding fee would raise about \$14 million over 5 years. By simply extending the \$100 holding fee, as the Democrats proposed, we would have raised \$33 million in each year—or twice as much in one year as the 5-year total in the Republican proposal.

CBO scores the Republican mining proposal—both royalties and holding fees at a meager \$14 million over 5-years—that averages out at less than \$3 million per year—that's less over 5 years than the royalty we proposed would raise in one year.

The mining reform bill passed by the House in 1993 would have raised real money and still protected vested mining rights on those claims that could not qualify for a patent. The Republican mining proposal before you today enables all 300,000 existing claims to get a patent. All claims that are able to qualify for a patent get out of paying any royalty to the taxpayer in the future.

It's evident to me that their intent is not to raise funds to meet reconciliation or deficit reduction goals, but rather to pass a sham mining law in order to quell the momentum for responsible reform.

FEDERAL OIL AND GAS ROYALTIES

The Republican bill also includes a giveaway for big oil. The Santa Fe Reporter said in its October 11 issue:

The result—of the Oil and Gas Royalty Fairness proposal—could be a slashing of untold millions of dollars the state normally uses for schools, highways, and social programs.

The Western States Land Commissioners and the conservative Republican Governor of Wyoming have come out against the proposal.

It doesn't even raise all that much money—in fact it was a money loser when it came out of the Resources Committee. So why include

it? Maybe it has something to do with a fact the bill's sponsors freely admit—that the oil and gas industry had a big hand in writing the bill.

The Republican oil and gas proposal is seriously defective. It would drastically modify the existing statute of limitations on the collection of royalties due taxpayers, and would create dangerous precedents that will diminish the government's ability to collect royalties.

The bill would limit Federal oversight of the lands companies lease for oil and gas. One section would allow marginal leases to operate without paying any royalties.

Also, the bill would change longstanding Federal policy and require the payment of interest to lessees who make overpayments. This change will cost, according to CBO, \$60 million over 7 years, hardly a suitable provision for a reconciliation bill intended to reduce, not expand, Federal deficits.

HELIUM PRIVATIZATION

Finally, the helium privatization section adopted by the committee would terminate the Federal helium program. While the ending of the archaic helium program is generally supported, the committee rejected an important amendment I offered to provide assistance to Federal helium employees such as extending life and health insurance, allowing the use of local employment agencies to help place employees, relocation assistance, and governmentwide priority rather than just departmentwide preference in hiring.

CBO advised the committee that the amendment would have had no budgetary effect. Even so, the committee refused to provide this additional assistance to the 200-plus employees and their families who will lose their jobs in Amarillo, TX in the next year. Although there is general agreement that we need to reduce unnecessary functions of government like the helium program, it is unfortunate that the majority was unwilling to provide this assistance to the employees, and their families, who have served their government and taxpayers for many years.

In conclusion, I would reiterate that this is a bad bill because it is abusive to the environment, because it deprives the taxpayers of the value of the resources that belong to them, and because it makes a mockery of the reconciliation and legislative processes. These provisions are illustrative of the willingness of the majority to bow to the special interests represented by lobbyist for resource consumptive corporations at the expense of the national interest and the taxpayers. Severe and in many cases irreparable damage will be done to our Treasury, to our Nation's legacy of natural resources, to our fish and wildlife resources, and to our public lands by passage of this legislation.

I urge my colleagues to vote "no" on H.R. 2517, the budget reconciliation bill.

Mr. KOLBE. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Alaska [Mr. YOUNG] chairman of the Committee on Resources.

(Mr. YOUNG of Alaska asked and was given permission to revise and extend his remarks.)

Mr. YOUNG of Alaska. Mr. Chairman, I would like to address some of the things that have been said on this floor in the recent moments of this debate.

First, I want to stress one thing, in the reconciliation package that came

out of our committee, the Committee on Resources, we addressed the grazing provisions that were mentioned by the gentleman from California. We in fact raised the fees for grazing. I do not see that in their substitute.

The second thing, with what we call the hard rock mining provisions, for the first time we created a royalty provision for the taking of minerals from the so-called public lands. So we have addressed that. We just do not speak out in anger or frustration. We have really tried to do what we think is correct to help balance the budget. We are not giving anything away in this provision which came out of our bill that came to the Reconciliation Act.

I would also like to suggest that there has been more misinformation, more flat out dishonesty, about the Alaskan Oil Reserve in the past, I would say, 6 to 8 months than I have ever experienced in my 22 years here.

We have to keep a little bit of history in mind. In 1980 we set aside 147 million acres of land for single use purpose in the State of Alaska. But the Congress at that time said that we ought to look at the coastal plain, where the oil possibly could be, and then there would be a recommendation by the President whether we should drill. That recommendation came down after a period of time, a period of time, that said yes, the Congress should have leasing for oil on the oil reserve, the so-called ANWR area. There has been 40 days of hearings held since 1978 after the recommendation came down. It is estimated that there is between 3 billion and 30 billion barrels of oil 74 miles away from the existing pipeline.

□ 1845

This area is strongly supported to be leased by the native people of Alaska. Many Members might have had a chance to visit with them. These are people that had little or nothing before the development of oil and now have what they think is their right due off of their land. They have water and sewage and schools and health, which they did not have before.

But more than that, Mr. Chairman, we are now importing \$1 billion a week of foreign oils—\$1 billion per week. It is important that the truth of this matter comes forth. Do not look at the ads and the misinformation that has been conveyed to this body and to the general public. Let us look at this Reconciliation Act as a responsible resource development and protection of the environment.

Mr. MILLER of California. Mr. Chairman, if I might inquire of the Chair, am I correct that I have 10 minutes remaining?

The CHAIRMAN. The gentleman from California [Mr. MILLER] has 9½ minutes remaining, and the gentleman from Arizona [Mr. KOLBE] has 10 minutes remaining.

Mr. MILLER of California. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. FARR].

Mr. FARR. Mr. Chairman, I thank the gentleman from California [Mr. MILLER] for yielding me time.

Mr. Chairman, I hear from my constituents that those of us serving in Congress should give the three-way test to all bills. The three-way test that my district holds me accountable for is the three E's, which stand for education, economy, and the environment. This bill fails on all three accounts.

First, it hurts education. It eliminates the 6-month interest subsidy on student loans for new college graduates which will cost students \$3.5 billion. It also caps spending for school lunch and child nutrition programs which help students meet the basic nutritional need.

Second, it hurts the economy. It cuts \$13.4 billion from agricultural programs without reinvesting any of those savings into research or trade, threatening our Nation's critical agricultural industry. It cuts the earned income tax credit which gives millions of Americans incentive to be productive members of our work force. Above all, it cuts programs that encourage trade, research, and development which have the serious impact on our economic growth.

Finally, this bill hurts the environment. The Committee on Resources part of this bill are a fire sale on some of our most precious natural resources. It sells the Alaska National Wildlife Refuge to the oil companies. It sells mountains to the ski resorts, and sells the rivers to the water developers. It sells the trees to the timber cutters. It sells the precious minerals to the mining companies. None of the funds that are derived from these sales get reinvested into the environment. It grabs it all and hides it.

Mr. Chairman, this bill also eliminates dozens of programs from the National Oceanographic and Atmospheric Administration, NOAA, including those that study global warming and research on the ocean environment.

This bill does not answer our fiscal problems. Congress has already cut the deficit by \$130 billion and did so without hurting education, without hurting the economy, and without hurting the environment. It also did so without balancing the budget on the backs of the poor and the elderly, yet this bill does exactly that by increasing the cost of Medicare and giving tax relief to the very wealthy.

Mr. KOLBE. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Arkansas [Mr. HUTCHINSON].

Mr. HUTCHINSON. Mr. Chairman, the theme of this reconciliation bill is controlling spending. As Republicans have been saying for years, the Federal deficit is driven not by low tax revenues but by too much spending.

A 1992 study by the Joint Economic Committee demonstrated beautifully and tragically that over the last 30 years, every time Congress raised taxes

\$1 we increased spending \$1.59. That demonstrates the problem. So where is all the spending going? Some will argue that it is coming primarily in the defense area. But guess what? Ten years ago, in 1986, we spent \$273 billion on defense. This year we are spending \$272 billion on defense, a billion dollars less than in 1986. And if we factor in inflation, defense spending has actually declined by \$73 billion, or 27 percent in real terms in the last decade.

Mr. Chairman, if the spending increases are not in defense, where are they? A big part of the answer, as shown on this chart, is in the area of Federal spending on means-tested programs that increased dramatically for more than three decades. In constant dollars it grew from less than \$10 billion in 1950 to the incredible sum of \$262 billion this year. And, ladies and gentlemen, that is an increase of 2,600 percent. That is right, 2,600 percent.

Mr. Chairman, according to the bipartisan Kerrey Commission, in their report, they said unless we do something about entitlement spending, in just a few short years entitlement spending, plus interest from the national debt, will consume the entire Federal budget. That is right, not a penny for the three E's, as the gentlemen said. Not a penny for the environment. Not a penny for education. Not a penny for the economy. Not a penny for school loans. Not a penny for defense. Not a penny for our veterans. Not a penny for any of it in the discretionary area unless we deal with the explosion in entitlement spending.

The conclusion to be drawn from these numbers, Mr. Chairman, is understood by almost everyone in America. There are only a few on the other side of the aisle that still fail to appreciate it. The Nation's budget deficit is caused by wild spending increases. These increases have been going on for three decades and it is time to stop them.

This reconciliation vote and this bill is not about the future of the GOP, it is not about the future of the Democratic Party, it is not about the future of who will control this body, but it is about the future of our children. It is about the future of this country. It is about the future of our grandchildren and what kind of opportunity they are going to have and whether they will be saddled with debt. We have the opportunity in this bill to begin to control spending, to control our destiny once again. We have that opportunity within our grasp, let us not let it slip away.

Mr. MILLER of California. Mr. Chairman, for purposes of debate only, I yield 2 minutes to the gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. Mr. Chairman, let me introduce a concept into this discussion that does not often get heard, and that is the concept of justice. Our Republican friends are right when they talk about the serious problem of the national debt and the interest on the

national debt. They are dead wrong in terms of their reconciliation package.

Mr. Chairman, what sense does it make and how are we moving toward a balanced budget when we give huge tax breaks to the wealthiest people in America? How does that help us move toward a balanced budget? How does it help us move toward a balanced budget when we repeal the alternative minimum corporate tax so that the largest corporations in America will end up paying nothing in taxes? Explain to the American people how that moves us toward a balanced budget.

This morning, Mr. Chairman, the Progressive Caucus held a press conference and we documented that if this Congress had the guts to stand up to the large corporations and the wealthiest people in this country and eliminated the \$125 billion a year in corporate welfare that we currently provide, we could move toward a balanced budget in 7 years, but we would not have to slash Medicare, we would not have to slash Medicaid, student loans, fuel assistance, or children's nutrition programs.

There is a way to move us toward a balanced budget which is fair, Mr. Chairman, which does not come down heavy on the poorest and most vulnerable people in this country. Let us have the guts to stand up to the big money interests and move toward a balanced budget in that way.

Mr. KOLBE. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Missouri [Mr. TALENT].

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

Mr. TALENT. Mr. Chairman, I appreciated my colleague, the gentleman from Vermont, Mr. SANDERS' remarks, and there have been a lot of suggestions in the last few minutes about how we should have balanced the budget, but none of those were incorporated in a plan from the other side when they had a chance to offer them.

Another reason to pass this reconciliation bill is because it incorporates the Personal Responsibility Act, the welfare reform bill this House passed in the spring, a bill designed to replace a failed system that is destroying families and neighborhoods in America with a system of assistance that is based on family, that is based on work, and that is based on responsibility.

Why do we need to do that, Mr. Chairman? Let us look at a couple of historical facts. In 1948 in the United States the poverty rate was about 30 percent. It declined steadily all throughout the postwar era until it reached about 15 percent in 1965. And a seminal event occurred in 1965. The Federal Government declared war on poverty.

In the 30 years since that date, Mr. Chairman, the Federal Government has spent, in means-tested entitlement programs, in Federal spending or Federally mandated State spending, \$5 trillion in transfer of payments from the

middle class to lower income America. And the poverty rate, which was 15 percent in 1965, after 20 years of going down, is 15 percent today. We have bought nothing in terms of a decrease in poverty. What we have bought is a six-fold increase in the out-of-wedlock birthrate.

In 1965, 6 percent of the children born in the United States were born out of wedlock. Today that figure is 32 percent. Why did this happen? Why no poverty decrease but an increase in the out-of-wedlock birthrate? Because, Mr. Chairman, the two most effective anti-poverty programs, proven through generations of experience, through all the scholarship, the two most effective programs are work and family, usually marriage.

The Federal welfare system conditions assistance to poor people on them doing neither of those things. If they work or if they get married, they get no assistance. That is why poverty has not gone down and illegitimacy has gone up. We have taken the dads away from millions of American children and we have given them the Government instead, and we are now living with the result.

Senator MOYNIHAN said, 30 years ago, that a society that does that asks for and gets chaos. And we have chaos in hundreds and hundreds of neighborhoods around the United States where this model predominates.

What do we do in this bill, Mr. Chairman? It is really pretty simple. We take the welfare system and we shift it so that instead of discouraging and penalizing work, we encourage it, and in many cases we require it for able-bodied people because it is good for them and their families. Instead of encouraging illegitimacy, we discourage it by removing the incentives in the welfare package that encourage people to make a decision that is terribly destructive for themselves and for their families. And then we return power over the administrative details of this system to the people, exercised through their State and local authorities.

Mr. Chairman, this is not the last step in welfare reform, it is the first step. We have a long way to go. This lesson has been hard to learn. It has taken us years. We have paid a lot to learn it, and now I hope we learn it. It is important that we pass this bill and the welfare reform in it.

Mr. MILLER of California. Mr. Chairman, I yield 3 minutes to the gentleman from Oregon [Mr. DEFAZIO].

Mr. DEFAZIO. Mr. Chairman, we are past the debate about balancing the budget. Fiscal responsibility has come to Washington, DC. But the question is whose priorities will we use in balancing the budget?

The Republican majority says that we should start out by, first, reducing taxes on the largest most profitable corporations in America, reducing taxes on the wealthy; that we should increase military spending, buy weap-

ons that even the Pentagon does not want, like the B-2 bomber, at \$1.5 billion per copy, a weapon that does not work, has no earthly purpose and the Pentagon does not even want.

Now, Mr. Chairman, if we start there then we have to do what they are doing. That means \$10 billion out of student loans. The Republicans are going to cut \$10 billion out of student loans. Members of that party got student loans like I did to get here. The Speaker of the House got student loans to get here.

□ 1900

Now we are going to pull up the ladder and say, "Sorry, we do not have the money anymore." That is absurd. We have got to balance the budget with the right priorities.

Now, it is pathetic. We cannot even tax foreign corporations operating in America. American corporations operating overseas have to pay taxes, but no, the United States of America cannot levy a minimum tax against foreign corporations operating here. They take all their profits out and pay nothing in taxes to this country. That would raise \$25 billion a year. That would offset the cuts in student loans and in the low-income housing tax credit program.

Mr. Chairman, we have heard a lot about running the government like a business. If we are running the government like a business, look at the subject before us at this moment, the natural resource policy of the United States of America. Mining royalties, no one else gives away their precious natural resources. No other country on earth, no other landowner, no government; just the United States Government at \$2.50 an acre.

Mr. Chairman, we got \$10,000 last year for a \$20 billion gold mining claim, and we gave it away for \$10,000 to a Canadian company that does not pay taxes in the United States. Is that running Government like a business? This bill would not fix that problem. This bill has a phony, sham mining royalty clause that would raise \$14 million over 7 years. Hey, that is pretty stiff.

The Congressional Budget Office, and the gentleman from Ohio [Mr. KASICH], a Republican, says that we could do \$540 million without even drawing a breath, and we would still have plenty of mining activity in the western United States.

New loopholes for the poor and suffering oil and gas industry. You know, they have not been too profitable lately. Actually, they have been quite profitable, but they need new loopholes. Why? Because it is payoff time here. There was an election. There was an expensive election. There is going to be an election. That is going to be an expensive election. Do my colleagues know what? Those PACs, the banking PACs, the mining PACs, the oil and gas PACs, are dumping money into the new majority and they are getting their

payoff right here today. The Republicans are talking about cutting welfare. Cut corporate welfare first.

Mr. KOLBE. Mr. Chairman, I will close the debate on our side, and so I am the last speaker and would ask the gentleman from California [Mr. MILLER] to complete his time.

Mr. MILLER of California. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey [Mr. PALLONE].

Mr. PALLONE. Mr. Chairman, I wanted to just speak briefly in opposition to the reconciliation bill in part because of the opening up of the Arctic National Wildlife Refuge for oil drilling.

Mr. Chairman, this is an example of the corporate handouts that the Republicans on the Committee on Resources included in the reconciliation bill. This bill gives away one of the last most valuable pieces of wilderness that the American taxpayer owns, in order to boost up falling revenues in the oil industry. In return we get nothing more than a few dollars we could get anyway if we reform our mining and grazing laws to guarantee a fair return to the American taxpayer.

Mr. Chairman, energy security is not the issue. I am a member of the Committee on Resources, but also the ranking Democrat on the Committee on Commerce Subcommittee on Energy and Power. I can tell my colleagues that oil consumption is on the rise, but we are not doing the things we need to do to ensure that security. We are not investing in mass transit or renewable fuels research or alternative fuel vehicles. That is the way to ensure our security.

Opening up ANWR will only prolong our addiction to oil. It does nothing to wean the United States of its oil addiction or to wean corporations from the welfare rolls.

Mr. Chairman, at a time when Republican Members are raising Medicare taxes on our seniors to provide a \$270 billion tax break to the wealthiest Americans, I really find it appalling, but not surprising, that the Republicans on the Committee on Resources would include this corporate welfare for the oil, mining, and cattle industries.

Mr. MILLER of California. Mr. Chairman, I yield 1½ minutes to the gentleman from New Mexico [Mr. RICHARDSON].

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

Mr. RICHARDSON. Mr. Chairman this bill is the most obvious example yet of the long parade of far-right anti-environmental bills that we have had to consider in this Congress.

And this bill is probably the most damaging bill that we have yet to consider because it deals with many complex issues that should have been considered by authorizing committees, not rammed through in this giant bill which is being rammed through the House this week.

As I have said, there are many problems with this bill from the perspective of the environment. But, right now, I want to focus on two of the most important: The opening of the Arctic National Wildlife Refuge [ANWR] and the National Park Service concessions provisions.

ANWR—BUDGET BILL ASSUMES SAVINGS FROM ITS DEVELOPMENT

We have been told by the majority party that opening up ANWR is important because the American people support it and industry needs it to create jobs and cut the deficit.

But, this provision is not supported by the American public. As recently as July of this year, a national poll of 1,000 voters found that voters reject the idea of allowing oil drilling in ANWR by more than three to one. In fact, in that poll 57 percent of those surveyed opposed opening up ANWR while only 17 percent favored opening it up.

This same poll also found that when told that revenue from ANWR oil fees would be used to cut the deficit, the numbers went up: Seventy percent said protecting this area should be our first priority and only 20 percent said we should use the fees from oil drilling to reduce the deficit.

The American people do not support opening up the refuge, but it is also important to note that the oil we are told is supposed to be there may not be there after all.

An Interior Department study has found that there is only a 1 in 5 chance of there being any recoverable oil in ANWR at all.

And, even if there is oil there, it has been estimated that full production of this field would likely only provide enough oil to supply the United States for 200 days. How are we going to cut the deficit and create new jobs if there's no oil there? Is the price we'll pay in environmental protection worth that risk?

I ask the House, are we willing to trade away one of the most remarkable natural areas in North America for a few months worth of oil? Are we so desperate for a quick buck that we would sacrifice our natural heritage for a few drops of oil that may or may not be where it's supposed to be? I hope not and I urge a "no" vote on the legislation on these grounds alone.

PARK SERVICE CONCESSIONS GIVEAWAYS IN THE BUDGET RECONCILIATION BILL

The National Park Service concessions policies included in this reconciliation bill constitute a raid on the wallet of the American taxpayer: This bill specifically allows concessionaires to set their own prices and rates unless there is no competition in or near the parks.

This bill gives concessionaires greater protection than current law by severely limiting the ability of the Secretary of Interior from raising fees for concessionaires.

This bill writes a blank check to current Park Service concessionaires by setting the standards for contract re-

newal at such a simple level that competition for concessions will be effectively silenced.

I did not think that the lesson of the 1994 elections was less competition, reduced returns to the Treasury and a bigger backlog of park problems to deal with.

Mr. Chairman, the budget reconciliation bill is a sham for the Treasury, a travesty for the environment and a disaster for the American people. I urge a "no" vote on this dangerous legislation.

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

Mr. Chairman, tomorrow we will come back and we will resume this debate, but perhaps it is a good point, at the midpoint of this debate, to stop and take stock of where we are and ask this basic fundamental question: Why do we do this?

Earlier it was pointed out, it was said in the words of the Contract With America, "Promises made, promises kept." But these were not promises that were made behind some closed door with some special interest group out of view of the American people, which is all too often the way it used to be done. These were promises that were made out there on the west steps of this Capitol; promises that were made in the full light of the American people.

They were promises that were put down on paper. They were promises that were made in a Contract With America that was printed in national publications.

They were promises that were repeated in town halls in stump speeches across the Nation. They were promises that were written down in campaign brochures. All of America could see them. They were there for all the world to see.

Mr. Chairman, there is a more fundamental reason for doing this than promises made, and promises kept. We do this, we do this reconciliation for the young people of America. The young people who have a right to their future, as my generation grew up knowing that we had a bright future for us.

We do it for the working Americans of this country who have a right to be able to provide for their families. And, yes, Mr. Chairman, we do it for the senior citizens of this country who have a right to live out their lives in dignity.

The sad fact is, Mr. Chairman, Washington has been lying to these people all too long. We have lied to senior citizens by telling them we could increase their benefits and their payments and the programs that were available to them without suffering the consequences of inflation.

We lied to working Americans by telling them we cared about their families, but then we denied them the wherewithal to provide for those families. Today, we see the evidence around us, the evidence litters the landscape with broken and shattered families.

We just plain lied to young people. We heaped debt on them and scorned them because by and large they did not vote and now the bill comes due for them.

The sad fact is that more Americans believe in unidentified flying objects and UFO's than believe that Generation X will ever see one dime out of their Social Security.

Mr. Chairman, this is a moral crisis. This is a moral obscenity. We have broken the link of trust between generations in this country. But today, tomorrow, we can begin to restore, to repair that link, to restore that trust.

Mr. Chairman, we can do it with this reconciliation bill, which makes deeper changes to Government than anything we have done on the floor of this House in the last 60 years. But it is not a wrecking ball, it is a mason's trowel, carefully reworking and rebuilding the walls and the floors, the doors and the windows of this edifice.

At the end, what we will see is a castle, a castle that is good to live in for all Americans; a castle built on a sound fiscal foundation; a castle that is lighted with the shining light of compassion and caring by all those who live within it; a castle that is filled with hope, because there is opportunity for all to grow, to have a better life.

This, Mr. Chairman, is what it is about. It is about our future. It is probably, the most important vote in the careers of any of us here, no matter how long we have been here or how many more years we will stay.

We are often accused of casting our votes for today's special interests and for tomorrow's votes, but today we have a historic opportunity to do something different; to cast our vote for the future.

Mr. Chairman, I know we will do the right thing. We will vote for the dignity of senior citizens. We will vote for the opportunity of working Americans. We will vote for our children's future. We will vote to pass this reconciliation bill tomorrow.

Mr. COYNE. Mr. Chairman, I rise today in opposition to this legislation. I do not disagree with the goal of reducing the Federal deficit. I do, however, disagree with the way in which this legislation attempts to achieve that goal.

Some changes in Federal programs are necessary in order to control Federal spending and bring the budget under control, but this legislation makes deep cuts in programs that help average Americans—programs like Medicare, Medicaid, the earned income tax credit, and the low-income housing credit—in order to pay for \$245 billion in tax cuts that will disproportionately benefit the wealthy. I find such a trade-off totally unacceptable.

Last week the House passed legislation cutting \$270 billion from the Medicare Program. This legislation has since been incorporated into the reconciliation bill before us today. This legislation makes cuts that are much deeper than those necessary to keep Medicare viable over the next 10 years. Most Democrats, myself included, supported an alternative Medicare reform package that would have made only \$90 billion in cuts in Medicare, but which

would have kept the program solvent for the same period of time. The reason the Republicans want to make \$180 billion in additional Medicare cuts is that they need the extra savings if they are going to balance the budget and pay for their tax cuts.

For the same reason, they plan to cut Medicaid by \$180 billion over the next 7 years. The Republican plan would block grant Medicaid and transfer control over the program to the States. While the bill before us today does increase spending on Medicaid, it does so at a rate that is not sufficient to keep up with the program's anticipated increases in caseload and health care costs. The net result will most likely be an increase in the number of uninsured people in this country, a lower quality of health care for those who are still covered by Medicaid, and an increase in cost-shifting—transferring the burden of paying for health care for the poor from the Federal Government to other patients with private health insurance.

This legislation also makes \$22 billion in cuts to the earned income tax credit. These cuts will affect 14 million working families—three quarters of all current recipients of the EITC. These people need tax relief more than most families, and yet, they will have less disposable income than under current law if this legislation is adopted in its current form. Marginal tax rates for many of these families will increase by more than 2 percentage points if this legislation is passed. This appears to be the only case where Republicans are unconcerned about the effect of increased marginal tax rates on work decisions; apparently, if you do not make much money, you do not deserve their sympathy.

The impact of the proposed changes in the EITC would be compounded by the welfare reform provisions contained in this legislation. Taken together, these provisions would have a devastating impact on people on the margins of the work force, many of whom are already working full-time at minimum wage and are still unable to make ends meet. The welfare reform bill passed by the House earlier this year would force single mothers off welfare after 2 years without adequate health care or child care assistance in many cases. Thanks to the cuts in the EITC, welfare mothers who eventually manage to find a job—or several jobs—and earn less than \$30,000 would have less disposable income than under current law. Are these policies the mark of a family friendly Congress? I do not think so. The EITC provides a positive alternative to welfare by making work pay. Apparently, now that the Republicans have succeeded in cutting welfare dramatically, they no longer see any need to maintain such a generous work incentive. Social Darwinism has returned with a vengeance.

And, of course, that is not all. The Republican reconciliation bill would phase out the low-income housing credit as well. This credit has helped provide affordable housing for more than 800,000 low-income families. Without the continuation of this credit, less affordable housing will be available for these families, and they will have to spend more of their meager income on housing.

And to make matters even worse, the Republican reconciliation bill contains language that would allow companies to withdraw to \$40 billion from their employees' pension funds over the next 5 years. This action could jeop-

ardize or reduce the pension benefits of millions of working-class families. It looks as if the Republicans want to make certain that if families do work hard, struggle to get ahead, and manage to land a job with a pension, they would not enjoy the fruits of their labors when they retire.

All of the cuts I have mentioned would fall disproportionately on the working poor, the elderly, and poor children. Are these really the groups we want to bear the burden of deficit reduction? Are these folks really failing to hold up their end of our social contract? Are the affluent families that will benefit most from this reconciliation bill's tax cuts the families most in need of assistance?

By all means, Congress should address the deficit, and the Federal Government should provide the most hard-pressed American families with a little tax relief. What amazes me is that the Republican party believes that the 10 or 20 percent of households in this country with the highest incomes are the families most in need of government assistance. It seems as if the Republicans consistently attempt to solve society's problems at the expense of the most vulnerable members of our communities.

I find such actions reprehensible and shortsighted. They certainly undermine Republican professions of concern for children and the family. The policies in this bill will do more to destroy communities and hurt children than all the excesses—real and imagined—of the New Deal and the Great Society combined. I urge my colleagues to oppose this legislation.

The CHAIRMAN. Pursuant to the order of the House of Tuesday, October 24, 1995, all time for general debate has expired.

Pursuant to the order of the House of that day, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. WELDON of Florida) having assumed the chair, Mr. BOEHNER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill, (H.R. 2491), to provide for reconciliation pursuant to section 105 of the concurrent resolution on the budget for fiscal year 1996, had come to no resolution thereon.

GENERAL LEAVE

Mr. KOLBE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material in the RECORD on H.R. 2491, the bill just considered.

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

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. WELDON of Florida). Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.