

simply stating the obvious: Tomorrow is a historic occasion. For the first time in over 200 years, we have a real opportunity to amend the Constitution of the United States to require a Federal balanced budget, and to do so in a way that we would cut spending and not raise taxes by adding a three-fifths requirement for a tax increase.

□ 2240

Thomas Jefferson, one of our founding fathers, the author of the declaration of independence, rued the fact that when the constitution was adopted in 1787, it did not have a requirement that the budget be balanced. In the modern era, it is, I think, factual to state that if we do not amend the constitution to require a balanced budget, we will never have a balanced budget.

When our current President's economic advisors state that there is not even an attempt to get to a balanced budget and that balanced budgets do not count and that under the most rosy scenario, the budget deficit begins to climb next year and climb to infinity after we get to the millennium in the year 2000, it is absolutely imperative that we act now.

This dialog, colloquy that we have had this evening on the House floor is not an exercise in academic opportunism. We are going to vote on the constitutional amendment to require a balanced budget with a tax limitation provision tomorrow morning between 11 and 12 o'clock Eastern Standard Time. And if 290 Members of this body vote in the affirmative, we will have passed it. If less than 290 vote in the affirmative, we will have 4 other amendments that are made in order and whichever of those 4 gets the majority vote will be the vote on final passage for the two-thirds requirement sometime early tomorrow evening.

This colloquy this evening on the House floor has the potential to go down in history as the most important colloquy that has ever been heard in this chamber in terms of fiscal responsibility. It is not of the same significance as declarations of war, which we have had in the early 1940's and some of those types of debates, but in terms of fiscal responsibility and our children's future to have the same type of economic opportunity that we have had, it is important.

If the American people agree with the distinguished Members that have participated with us this evening of its importance and if they take advantage of the opportunity to express their serious demand that we pass the tax limitation balanced budget amendment, we will do so.

I want to thank the gentleman from New York for having the first special order and the gentleman from Indiana and the gentleman from South Carolina and the gentleman from California and all the other distinguished gentlemen and gentlewomen that have participated this evening and simply ask that they really search their consciences and come prepared tomorrow

to exert every effort in a positive way to pass this historic amendment.

THE LINE-ITEM VETO

The SPEAKER pro tempore (Mr. GEKAS). Under the Speaker's announced policy of January 4, 1995, the gentleman from Wisconsin [Mr. BARRETT] is recognized for 15 minutes. (Mr. BARRETT of Wisconsin asked and was given permission to revise and extend his remarks.)

Mr. BARRETT of Wisconsin. Mr. Speaker, I come before the House and I welcome my new colleagues on the other side of aisle who are here tonight and I ask them to stay so perhaps we can listen to some of the comments I want to make on the important issue that we are going to be facing in the next two weeks, which is the line item veto.

I am a supporter, Mr. Speaker, of the line item veto, because I think it is an important tool that the President should have to help us control the runaway spending that we have seen in this country over the last 30 years.

But I am very troubled by what I have seen in the committee that I serve on, the Government Reform Committee, by what is occurring there, because I think that the Government Reform Committee, under the new leadership of the Republican party, is only dealing with half the problem.

The problem that the new leadership is dealing with is the problem of spending, pork barrel spending in appropriations bills that I believe should be taken out.

I think that the President should have the authority with the line item veto to remove pork barrel spending from appropriation items.

I also feel very strongly, though, Mr. Speaker, that the President should, in addition to having the power to remove pork barrel spending, that the President should have the additional power to remove tax expenditures or special tax breaks that are given through our Tax Code as well.

This is not a new concept. In fact, because I am relatively new in the House, I thought it would be smart for me to draw on some expertise of far more learned Members of this House to try to come up with the language to make sure that the people in this body do not use our Tax Code to create what are in essence tax expenditures and lowering the amount of money we have in our treasury and increasing the size of our national deficit and our national debt through the Tax Code.

So the perfect person to call on in order to come up with the exact language is the former minority leader, Mr. Michel, a person who was very well respected throughout this institution, who also was very concerned with this issue.

He raised this issue last year in the expedited rescissions bill that we considered. Actually it was in 1993, as I recall, but he was concerned with this

provision as well, this issue as well. So he created an amendment that he offered to the House that made it possible for the President of the United States to also use his line item authority to get rid of targeted tax breaks.

I would like to spend several minutes, if I could, reading from his testimony or his colloquy on the floor because I think it was very powerful, and unfortunately, I think that the Members of his own party today in our committee ignored his very own advice, even though the Republican Members of this House unanimously supported his amendment when he offered it just a short time ago.

Now I am reading verbatim from Mr. Michel's statements which were given on this floor not long ago.

Mr. Chairman, I rise today to offer my amendment to the real legislative line item veto proposal offered by my colleagues. My amendment adds an additional dimension to the debate. Should the President be allowed to strike special interest tax provisions from tax bills in addition to appropriations from appropriation bills? I believe that the President should be given this additional authority.

I am amazed and obviously very gratified that this issue has gained so much momentum. I began the drumbeat earlier this year after seeing the number of special interest tax provisions contained in last year's tax bill, H.R. 11. That bill was vetoed by President Bush due to the sheer weight that it gained through the legislative process here in Congress.

As you know, that bill initially was the vehicle for the enterprise zone provisions in response to the Los Angeles riots.

By the time it was on the President's desk, it was a huge bill containing over 50 special interest provisions. My understanding is that the cost of the special interest provisions exceeded the cost of the supposed cornerstone of that bill, the enterprise zone provisions that we all thought was the real reason for our having considered that particular tax bill.

Several weeks ago during initial consideration of this matter, a group of freshman Members on the Democratic side of aisle asked that an amendment be made in order to the base bill that included presidential authority to repeal tax expenditures. There was also an effort by members of the Committee on Appropriations to give the President such authority. They, like myself, have been precluded from raising the tax issue in the base bill.

Now, you are going to hear several arguments why you should not vote for this amendment. You will hear that it is uncertain what I mean by the term 'targeted tax benefits.' Well, I can assure you I know one when I see one, and so do you. I am talking about special interest tax items, tax pork, tax loopholes, tax carve-outs, Members' projects, special tax exemptions, et cetera, et cetera.

I am talking about tax goodies, the kind of things that insiders get in abundance and the regular taxpayers get in the neck.

I am talking about a wind and a nod and a nudge and all the other political insider body language that says, give me a break because I am somebody special.

There are big, big bucks associated with these sweetheart tax provisions, believe me. If you agree that the President should not be held hostage to special interests and tax bills as well as appropriation bills, then support

my amendment today. When we see that whopping big tax bill coming down the pike later this year, you better believe that it is going to be loaded with lots of tax goodies, if it is going to get any mileage in either one of the bodies of the Congress.

In order to get the votes to pass it, I can assure you, as I said, that members of the committee, particularly the chairman, are going to be under immense pressure to do just these kind of things that ought not to be done. My amendment would add some accountability in the tax area as is provided in the appropriation area.

The second argument that you will hear against my amendment is that it raises constitutional questions. Well, when these constitutional questions arose during my testimony before the Government Operations Committee, I contacted a well-regarded constitutional expert, Mr. Bruce Fein, for his opinion on the matter.

□ 1050

Mr. Speaker, I would like to quote from a March 16 letter that I have received from him relative to the bill that I introduced. This is what he said:

The purpose of the President's targeted tax authority is unquestionably legitimate, to assist in attacking ballooning budget deficits. The method is plainly adapted to that end, enabling the President to veto only the mischievous portions of a revenue bill that he might otherwise sign because of offsetting attractions.

The authority does not usurp legislative power. Congress may override a targeted veto. Further, at any time it may, by legislation, rescind the President's targeted veto power. Moreover, insofar as the bill delegates legislative revenue power to the President, it contains sufficient standards to guide the exercise of delegation to pass constitutional muster.

Now on these grounds, I believe that I have a legitimate legal and constitutional basis upon which to offer my amendment.

Mr. Speaker, I would like to reiterate once more that I believe the President of either party should have the option to get at special interest provisions in both appropriations and tax bills. It is a good management tool, both on the appropriations side and on the tax side.

It is not one of those issues, quite frankly, that divides along political lines. I have heard Members in the earlier debate mentioning, conservative Members on my side who have an absolute opposition to a line item veto, and I respect them for their feelings on that score.

People ask me, "BOB, why would you give up your legislative authority to an all-powerful Chief Executive?" I will say, "Because we have loused it up here in the Congress. That is why." If 43 Governors have the power to use to good advantage, then why should we not give it to the President of the United States?

When Jimmy Carter was President I said, "If you don't want to give him authority for a complete line item veto, give him at least authority to reduce items by some arbitrary figure—10, 15, 50 percent—if you want to hold on jealously to your power."

But it is a management tool to try and save some bucks around here, and

I am willing to give that to President Clinton, President Carter, as I proposed earlier, and yes, certainly my own President. I do not want to hamstring any President to the degree that they would not have their kind of ability to use a good management tool that 43 of our Governors are currently using to their advantage.

Again, I continue to read from Mr. Michel's statement, and I think the next paragraph is important:

Quite frankly, if you are for special interests, then vote against my amendment. If you are for a more complex tax code, then vote against my amendment. Now, if you believe that the President should not be held hostage to special interests, then I say vote for my amendment today. It will make a better piece of legislation.

Mr. Speaker, I read this to you because I think it is very important as we prepare for the debate on the line item veto that we do not forget the problem of tax expenditures. Quite frankly, the bill that is moving through this House at lightning speed does not deal sufficiently with the issue of tax expenditures.

Let me tell you how the bill deals with it. As originally drafted, it said the President would have the authority to line item a tax expenditure if the number of people who benefitted from it were fewer than five.

That is ridiculous, because many of these tax expenditures apply to corporations, apply to individuals, and with 260-plus million people in this country, you are not going to have a tax provision that is going to only apply to fewer than five people. In committee today we raised that to 100, which I still think is woefully inadequate.

In fact, the gentleman from Pennsylvania [Mr. CLINGER], who is the chairman of our committee, last year testified or spoke on the floor in support of the amendment of the gentleman from Illinois [Mr. Michel], and he said:

I agree with the Minority Leader that it is important that the President be able to single out both excessive and unnecessary spending, and special sweetheart tax provisions, for an individual vote. Often such provisions are buried in large bills and Members may not even be aware of each of these individual provisions when they vote on a nonmiscellaneous bill.

The American people hear of these special tax giveaways only after they take effect, and they are outraged at the arrogance of Congress to give special deals to special friends. A meaningful way to strike these provisions from omnibus tax bills is one way for the government to reclaim the respect of the American people.

That is what he said last session, in support of this very amendment that today was voted down in the Committee on Government Reform and Oversight.

So what is going on here? Why do we have this sudden change in the treatment of tax expenditures, now that the Republicans are in the majority?

I hope I am wrong, Mr. Speaker, I sincerely hope I am wrong, but my fear

is that although the Republicans are quick to say "Let's get rid of the pork barrel spending projects in Members' districts," which I agree with, and that is why I support the line item veto, that they are very hesitant to say, "Let's get rid of special tax breaks for wealthy individuals."

I think if we are going to have a complete bill, an honest bill, a bill that we can all be proud of to take home to our constituents, that it is imperative that we follow what the Members of the now Majority party were pushing two years ago: that we include in this bill real power for the President to get rid of these special tax breaks.

To do so I think is going to require some courage on the part of Members of the other side of the aisle, who thus far this session have not shown any willingness to vote independently from the leadership. However, I think they can do it.

I think if we are serious about the deficit, and we just heard four or five Members talking about the deficit and the debt, that this is another tool that we have to have, so I would ask the Members of this body, and in particular those who look at this issue, to reconsider their assistance.

I will be presenting this, along with other Members, to the Committee on Rules, and ironically, looking at the Committee on Rules, the makeup of the Committee on Rules, 9 of the 12 members on the Committee on Rules voted for this amendment last year. As the gentleman from Illinois [Mr. Michel], indicated, it crossed party lines. This is not a partisan issue, it is a bipartisan issue, and it should have bipartisan support.

RULES OF PROCEDURE FOR THE COMMITTEE ON COMMERCE FOR THE 104TH CONGRESS

(Mr. BLILEY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BLILEY. Mr. Speaker, pursuant to the requirements of clause 2 of rule XI of the Rules of the House of Representatives, I hereby submit for publication in the CONGRESSIONAL RECORD the rules of the Committee on Commerce for the 104th Congress, as adopted by the committee in open session on January 10, 1995.

RULES FOR THE COMMITTEE ON COMMERCE

RULE 1. GENERAL PROVISIONS

(a) Rules of the Committee. The Rules of the House are the rules of the Committee on Commerce (hereinafter "the Committee") and its subcommittees so far as is applicable, except that a motion to recess from day to day, and a motion to dispense with the first reading (in full) of a bill or resolution, if printed copies are available, are nondebatable motions of high privilege in the Committee and its subcommittees.

(b) Rules of the Subcommittees. Each subcommittee of the Committee is part of the Committee and is subject to the authority and direction of the Committee and to its rules so far as applicable. Written rules adopted by the Committee, not inconsistent