

really does. That is why I want to get out the facts.

To those who oppose this plan I say, what is your alternative? Where's the Beef? How would you balance the budget?

The President's plan produces \$200 billion deficits as far as the eye can see. He never balances the budget.

Now, let us talk about this budget. First, as we promised, Social Security is off the table.

Second, we freeze defense, and make clear that defense spending will continue to undergo the kind of scrutiny of other aspects of the budget.

Third, we reduce all discretionary spending, including foreign aid.

We abolish three Cabinet agencies: Commerce, Energy, and Education.

This plan also eliminates 283 programs, 14 agencies, and 68 commissions.

Overall this budget simply slows the growth in spending to just over 2 percent a year. The difference is that under current forecasts we grow over 5 percent a year.

This plan is not perfect. But it is far superior to other options, and far superior to doing nothing. This is the best plan that has been put on the table in years. It produces a balanced budget. It is a budget for our children.

Now let me talk about health care. This is important because it will be the source of much distortion in the coming days.

First, we do not cut Medicare or Medicaid, both grow under our plan. Let us look at this chart. It shows why we have to slow the rate of growth in Medicare and Medicaid. Both programs are growing at over 10 percent a year.

The rest of the Government is growing at much slower rates. This is not sustainable.

In fact, the Medicare Trustees Report, released in April, and signed by three members of the President's Cabinet, says that Medicare will go broke in 7 years if we do nothing. That is why we slow the growth in both programs.

Let me focus on Medicare. We slow the growth to 5 percent a year. This means we will increase Medicare spending over 7 years, from \$4,700 per beneficiary today to \$6,300 per beneficiary in 2002. This preserves the solvency of Medicare.

Now, enough statistics. Why are we doing this? Why is a balanced budget so important for our children and grandchildren?

Alan Greenspan, Chairman of the Federal Reserve, summed it up very well when he testified before the Budget Committee earlier this year.

Let us go down the list on the chart. If we balance the Budget:

One, our children will have a higher standard of living than their parents.

Two, there will be improvement in the purchasing power of incomes.

Three, a rise in productivity.

Four, reduction in inflation.

Five, strengthening of financial markets.

Six, acceleration of long-term economic growth.

And most important, seven, a significant drop in long term interest rates.

Now, what does all this mean to American families. It means a higher standard of living.

It means families will pay less for their home mortgage because of lower interest rates.

It means more families will be able to afford college for their children.

It means lower car payments.

This week's Time magazine has an excellent article on this topic.

It explains how balancing the budget can help revive the American dream.

The article talks about how lower deficits mean lower interest rates, and therefore more job creation by U.S. business. The article provides one very specific example of a young couple who are considering a new home.

Under a mortgage rate of 8 percent, they would pay \$734 a month on a \$100,000 mortgage. If interest rates are 1 percent lower, this payment is cut to \$665.

This would save \$28,000 over the life of the mortgage. This would be enough to put one of their future children through a year of college.

Similarly, I have been using the example of farmers, because there are reductions in agriculture subsidies in this budget.

However, it is estimated that a 1.5-percent reduction in interest rates would save the farm sector over \$10 billion in interest payments on their debt over 5 years. This more than offsets the reduction.

These are examples of what it means to balance the budget. This is not just an exercise in accounting. It really matters. It will make a difference in the lives of every American. It will particularly, make a difference in the lives of our children and grandchildren.

I urge my colleagues to join me in supporting the first balanced budget in 33 years.

#### A CRISIS OF LEADERSHIP

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentlewoman from Texas [Ms. JACKSON-LEE] is recognized during morning business for 5 minutes.

Ms. JACKSON-LEE. Mr. Speaker, good morning. It comes to mind, as I have seen the week's last activities, that there is a crisis of leadership amongst those who would claim themselves bearers of the Constitution and members of the National Rifle Association. Interestingly enough, it is because of this Constitution that we allow those who have certain ideas to gather together.

But yet as we gathered to acknowledge and honor our mothers, on this past Sunday, Mother's Day—nurturers to a one, those who love children, promote peace, and work to comfort their young ones, we are bombarded with newspaper articles evidencing the self-righteousness of an organization who would be so irresponsible to send let-

ters out claiming that Federal law enforcement officers are just "boot-wearing thugs." And, yes, they have the sheer audacity to claim that the former President of the United States of America, George Bush, should reconsider his membership in the NRA.

I simply say to that Texan and my neighbor, George Bush, thank you for having the integrity and leadership to recognize that sometimes we simply have to stand for what is right. How appalled I was to see in the Houston Chronicle a letter to the President from the NRA suggesting that he just wait and see what proposed hearings on Waco might bring about, then he would realize how right the NRA was.

I simply say to the National Rifle Association, the Constitution reigns. I keep it close to me. You have a right to organize and associate. The first amendment protects your free speech. But it does not give you the privilege of crying "fire" in a crowded theater, of fostering hatred and antagonisms against people who are designated to uphold the law.

As an African-American, I know full well the abuses that can come about through excessive government. But I also know how Federal officers went into the deep South and protected those young students going into universities who would foster segregation. I do know that there are heroes and heroines in our law enforcement officers. I support them and they support us everyday. If there is abuse, I simply say to you we do have to stand up against such abuse, and I will tell you that good law enforcement officers likewise do the same.

We have a task force in the House to rid us of the assault weapons ban. How frivolous and ridiculous. Not only are they opposing the assault weapon's ban, but they are going into your neighborhoods and telling you laws to prevent guns in schools are illegal. That is part of the proposed legislation. Not only is the task force saying that, but gun safety and responsible legislation, some of which I passed as a council member, preventing young children from getting guns, the task force will be taking the Federal Government into your homes to intrude by saying those laws to protect your children are illegal. How ridiculous.

Then my Republican colleagues want to come forward and suggest that we have hearings on Waco. I say fair enough. As a member of the Committee on the Judiciary, I am willing to own up and look at issues that affect the American people. At the same time, let me say to you, where are they on the issue of hearings on the militia? For Waco is absolutely no excuse for Oklahoma City. And I will stand here in the well of the House and claim to you that those lives that were lost, over 160 lives, children, hard working individuals, the devastation to Oklahoma City and the State of Oklahoma, the fear

that has been perpetrated on the American people, is absolutely no excuse for Waco.

And I feel for the people of Waco. Friends of mine that I loved were lost at Waco. But this is a crisis of leadership. It is ludicrous. And this fascination with guns is not propelled by the Constitution of the United States. A concealed weapons law being discussed in Texas is not called for.

Oh, yes, we have the right to have a militia to protect the security of this country, and we should not infringe upon your right to safely own guns. But to perpetrate violence, to have children trying to understand why adults are calling law enforcement officers just boot-wearing thugs? And putting it in print is not called for.

I call upon this Congress to be responsible. Vote against the repealing of the assault weapons ban. We have lived freely without the perpetration of mass gun warfare in this Nation. Let us not have a crisis of leadership.

Former President Bush, I thank you, and I ask you, the American people, to keep your voices raised high. President Clinton, I thank you for your opposition to this kind of talk because this is not a political issue. It is a question of security and life and liberty. It is a question of our children. It is a question of responsible speech. It is a question of integrity. And I maintain, have hearings on the militia now. Understand that gun warfare is not called for in this Nation, and let us wrap ourselves in the Constitution, yes, for freedom and liberty, but for safety and the future of this Nation.

#### COMMENTS ON THE BUDGET

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Ohio [Mr. HOKE] is recognized during morning business for 5 minutes.

Mr. HOKE. Mr. Speaker, I have some charts that I wanted to share with you this morning that talk about the budget, because we are going to be talking about the budget all week and are going to be passing for the first time since 1969 a balanced budget resolution. It will show a very important number at the end of the year 2002. It is a small number, it is a round number, it is the zero number, and that is going to be the amount of the deficit in 2002.

I want to show you this chart to begin with because I think it pretty well delineates where the problems are with the budget that we have to get control of. This is essentially the President's budget here. What you see is projections from 1995 to 2002. You will see the two accounts that are increasing or projected to increase twice as fast as any others, and those are Medicare and Medicaid, the medical accounts. Ten percent for Medicare, 10.3 percent for Medicaid. What about Social Security? Five point three percent.

One of the arguments that you are going to hear this week from the other

side repeatedly is that well, we cannot possibly slow the rate of growth of health care spending, Medicare and Medicaid, because of the demographics, more people coming into the system, and because of inflation. Your numbers do not take that into account.

The fact is that Social Security takes that exactly and precisely into account, and, as you can see, the Social Security number increases at 5.3 percent per year. That is in the projected budget. This is our number, this is the President's number, this is current law. This is the way that it is, because we are not touching Social Security in this budget.

Yet, adding the same new seniors, because you qualify for Medicare at the same time you qualify for Social Security, and taking into account a cost of living adjustment, a COLA, and that does not even reflect the small adjustment we are projecting is going to take place in CPI, you can see that clearly Social Security does not run out of control, but Medicare and Medicaid do. So this is where the problem is with the Federal budget. This is where the challenge is in getting it under control.

The other here, which is everything else, is at 4.1 percent. If we move that down to about a 2-percent rate of growth, we win. Winning means winning for our children, it means winning for the future of this country, and winning for the next generation.

Let us look at the trust fund itself. This is the part A trust fund, Medicare. Empty in 2002. You can see, according to the projections, if we do not change things, this is where we will be in 2002. There will not be any money in that trust fund account.

I think better than the graphic illustration of it is exactly what the Medicare trustees concluded on April 3, 1995. This is under the worst case scenario. They said, "The fund is projected to be exhausted in 2001."

Now, who said this? Is this a partisan statement by Republicans who are trying to fearmonger so that senior citizens are worried they will not have Medicare to look forward to? Is that who is saying this? Is this created by Citizens Against Government Waste or the AARP? Has this been created by the Heritage Foundation or Cato Institute? Is it an interest group?

No, it is not. It is the trustees, the President's trustees, the trustees that must be appointed to guard the assets, to safeguard the future of the Medicare trust fund. Robert Rubin, Robert Reich, Donna Shalala, three members of the President's Cabinet. The fund is projected to be exhausted in 2001.

So what do we do? What is our solution? What we say is we are going to increase spending from \$158 billion in 1995 to \$258 billion in 2002. We are going to increase spending at the same rate of growth that Social Security is increasing, is growing. In other words, the same rate of growth that a very similar program that is a Federal program is increasing at, 5 or so percent.

That is what we are increasing Medicare. That is not just on a gross basis, but also on a per capita basis, from \$4,700 to \$6,300 per recipient in the budget we are going to pass this week. It increases about 5 percent per year, the same amount as Social Security.

I bring this to your attention because what you are going to hear from the other side this week is a repeated chorus, a litany, over and over and over again, that we are cutting Medicare and that this is going to hurt seniors. These are the facts. Keep the facts in mind.

#### A SMALLER, LESS-INTRUSIVE GOVERNMENT

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Arkansas [Mr. HUTCHINSON] is recognized during morning business for 5 minutes.

Mr. HUTCHINSON. Mr. Speaker, the House Committee on the Budget under the very capable leadership of JOHN KASICH is to be commended and congratulated for producing for us and for the Nation a credible balanced budget plan. As the budget plan was released last week amid the howls of those who would defend the status quo, one could almost sense a collective nationwide sigh as it sank into the American people that at long last there is a Congress that is dead serious about balancing the budget and confronting our debt problem.

The litany numbers had become all too familiar to millions of Americans: Seventeen percent of Federal revenues for interest on the debt; \$200 billion deficits as far as the eye can see, \$1 trillion of new debt in the next 5 years. We will pay more on interest than on national defense by 1997. The impending bankruptcy of Medicare is spelled out by President Clinton's own trustees; \$18,000 in debt assumed by every new baby born in America.

But there is a glimmer of hope in America this week as we prepare to vote on this budget plan. Oh, it is mixed with a lot of skepticism. Twenty-five years of deficit spending breeds a lot of skepticism.

But there is a feeling that maybe, just maybe, this Congress means business. Under the GOP budget plan there will be a smaller, less intrusive and more efficient Government. It forces us to do what scores of corporations have had to do, and that is downsize and eliminate wasteful spending. It terminates 283 programs. As I talked about the budget in my district this past weekend, it was that line that received the most applause, above all others, 283 programs eliminated. It eliminates 14 agencies and 68 commissions. It makes real cuts in discretionary spending. And the squealing has already begun. We will hear from the "Prince of Walls" over and over this week as the defenders of the past wail "You can't do this."