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House of Representatives

The House met at 9:30 a.m. and was called to order by the Speaker.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

As we naturally look to our own needs, wishes, and petitions, help us to discern, O God, that our faith is not limited only to ourselves and our own concerns, but we are enrolled in the human family and we accept our responsibility in that family. So we should pray for each other, encourage and forgive one another, and live together in a spirit of respect and appreciation. May our prayers bring us a greater awareness of the human family, may our mutual concerns help us grow beyond our own boundaries, and may Your spirit lead us in the paths of peace. Amen.

THE JOURNAL

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

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

PLEDGE OF ALLEGIANCE

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

Mr. TRAFICANT led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LAHOOD). The Chair announces there will be fifteen 1-minute speeches on each side.

WHO IS RUNNING THE GOVERNMENT?

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

Mr. HOKE. Mr. Speaker, we have been in a real quandary here. The President asked for a clean continuing resolution; we gave it to him. The President said he wanted to balance the budget; we gave him a commitment, a 7-year commitment to balancing the budget with exactly the scoring from CBO that he asked for.

So we have to ask the question about who is running things? Well, we found out. ''I am running the country.'' We heard this yesterday. Clearly, that must have been the President. Well, maybe the Vice President. Was it Alexander Haig? Could it have been Socks? No.

It was Dick Morris, the President's guru, the President's consultant.

No wonder we give the President exactly what he wants: Put the Federal workers back to work, end this silliness, and we find out it is Dick Morris all along.

TYPICAL TRICKLE-DOWN ECONOMICS

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

Mr. DURBIN. Mr. Speaker, day four of the Gingrich gridlock; 800,000 Federal workers sent home without pay while Mr. GINGRICH, the Republican leadership, and Members of Congress continue to draw their own paychecks. That is why we need No Budget, No Pay, a proposal which I put on the books in September which says that if the Government shuts down, Members of Congress stop receiving their paychecks.

Now the Gingrich Republicans want us to take the weekend off, leave Saturday evening, be home on Sunday, come back late on Monday, while the Government is shut down. Frankly, this is a terrible idea. We should stay here and do our work and get this Government running.

Today on the floor you are going to hear what this debate is all about. The Gingrich budget comes up with deep cuts in Medicare to pay for a tax break for the wealthiest people in America.

Listen to this. If you happen to make $600,000 in income, pay close attention; Mr. GINGRICH wants to give you a $14,000 tax cut. If you happen to be in the lower 20 percent of Americans making around $6,000, guess what? You are going to pay more. Typical trickle-down economics.

A GIFT FOR VIRGIL

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

Mr. NORWOOD. Mr. Speaker, my good friend Virgil Aryers is in the hospital back home, and I have him on my mind today. He is in my thoughts and in my prayers, but I am excited about today for him, because we are going to be able to give him a little present. I know that Virgil is on Medicare, and I know that he wants us to save that program, and he wants us to improve it and make it better, and today we do just that.

For 2 years Virgil has been asking me to balance the budget. Well, today we are going to do that in a 7-year time period with no gimmicks, no tricks, plain balance this budget.

Mr. Speaker, Virgil wants to do that because of his children. He realizes those children must have a good 21st century in which to live and one in which they do not have $6 trillion worth of debt. I know how hard Virgil's children work, and they are very

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pleased that we are going to allow them to keep some of their own money.

Mr. Speaker, we are going to do what we said and balance this budget over 7 years, for our children.

LET US STOP BUSINESS AS USUAL

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

Mr. LUTHER. Mr. Speaker, I came here to change the way Washington operates, to balance the budget and to do so in a common sense way that invests in America's values and future.

My biggest disappointment is how business as usual seems to continue in Washington, pork barrel spending, partisan speech making, and now the actual shutdown of Government itself. Only in Washington could Congress exempt itself from this situation, with staff staying on and typing more speeches and more press releases.

Fellow Members, I closed my offices and furloughed my entire staff, because that is how the real world operates. In the real world, when you do not do your job, tomorrow is not business as usual. When there is no money in your account, you do not keep your door open and your employees on.

As a new Democrat here, I ask both new Democrats and new Republicans to join me in stopping business as usual in Washington. Let us set down and work together for the good of our country.

AMERICANS SEEING HOPE FOR THE FUTURE

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

Mr. TIAHRT. Mr. Speaker, the Senate joined with the House and 80 percent of Americans and said, let us balance the budget in 7 years; let us get the show on the road.

This balanced budget increases Medicare, goes from $4,800 to $6,700, it increases student loans, it does not repeal one environmental law, and it includes tax breaks for families, for middle-income workers. That allows the President to overcome the mistake he made in 1993 by raising our taxes.

Now the stock market is up; the bond market is up. Why? Because finally Americans are seeing hope for the future in the form of a balanced budget. To quote someone quite important, ''If not now, when? If not us, who?''

Mr. President, let us do it.

TIJUANA HOOTERS?

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

Mr. TRAFICANT. Mr. Speaker, since 1991 4.5 million Americans have lost their livable-wage jobs; 4.5 million. It has gotten so bad that men have filed a complaint with the Equal Employment Opportunity Commission so that they can wear tank tops and panty hose and work at Hooters Restaurant.

Mr. Speaker, do you want to hear what is really crazy? The Government said they are right. I say to my colleagues, something is wrong when men are willing to wear brassieres and panty hose around here to get a job in America. What is next? Tijuana Hooters?

While we are talking about this type of garbage around here, both parties had a 7-year budget plan, and to tell you the truth, neither one of them is going to work. And the Democrats even want a line-item veto. Beam me up, Mr. Speaker. I do not want to be employed by Tijuana Hooters.

BUSYBODY BUREAUCRATS

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

Mr. KINGSTON. Mr. Speaker, I want to follow up on my friend from Ohio's comments. Talk about nonessential employees. The EEOC has come in and told Hooters, as the gentleman said, to hire men who look like that to work in their restaurants and then, among other things, from the crowd who brought you the $435 hammer, they are saying that Hooters needs to teach employees to be more sensitive to men's needs.

They are sensitive to men's needs. That is why they are making millions of dollars. There is nothing that men like more than an abundance of Buffalo wings and breasts. Think about it. That is what Jay Leno said last night.

The Federal Government is $4.9 trillion in debt, Hooters is making millions of dollars, and they are coming in and telling Hooters how to run their business. These busybody bureaucrats are defining what it is to be a nonessential employee, and they are making the case for shutting down the Government.

Let us balance the budget and get rid of the busybody bureaucrats, so that if you go in to have a good meal, you will not have to look at that, Mr. Speaker.

MORE TAX CUTS FOR THE WEALTHY

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

Mr. PALLONE. Mr. Speaker, after several weeks now of secret negotiations with the Republicans in the House and Senate, we finally get the Gingrich budget today, and it is the same thing as what we expected, it hurts seniors to provide tax breaks for the wealthy.

Essentially, seniors are going to be asked to pay more to get less; their part B Medicare premiums are going to double, hospitals and health care providers are squeezed so much that we will see hospitals close and the quality of care they provide reduced, and seniors will lose their choice of doctors because they will be pushed into HMO's where they do not have a choice of doctors.

It is not fair to America; it is not fair to the average American. It means that the quality of health care goes down, all to pay for more tax breaks for the wealthy and for the corporations.

Mr. Speaker, I would urge my colleagues, we have to defeat this budget. The President has to veto it so we can get back to do something that balances the budget and at the same time protects Americans and does not hurt American seniors.

TRIANGULATION BECOMING BIANGULATION

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

Mr. GANSKE. Mr. Speaker, everyone is now familiar with the infamous White House strategy of triangulation.

This describes President Clinton's strategy of distancing himself from the Republicans in Congress and the Democrats in Congress. It was devised by his political guru Dick Morris, the same man who yesterday said, ''I run the government.''

Well, both the Senate and the House have passed a continuing resolution that would keep the Government open and stipulates only one additional thing—that President Clinton agree to negotiate a 7-year balanced budget with honest numbers.

And, I am pleased to say, 49 Democrats voted with the Republicans in the House and 7 Democrats voted with the Republicans in the Senate for the proposal.

It seems that this triangulation strategy is fast becoming a biangulation strategy—those who support a balanced budget against those who do not.

Mr. Speaker, I urge President Clinton to stop with the political games and get down to serious governing. I urge President Clinton to sign the continuing resolution, open up the Government and commit himself to a 7-year balanced budget.

TAX CUTS FOR THE RICH

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

Mr. RANGEL. Mr. Speaker, the whole Nation is waiting for us to settle this dispute. The difficulty is that in order to negotiate, you have to make certain that both sides have an open mind.

The major problem that our Republican friends have is that they decided a long time ago that they had to have this crown jewel of a $245 billion tax cut. Where did the figure come from? Why is it so important? Only God and

NEWT GINGRICH know how they got that.

Another problem they have is that they said, let us talk about it, but they have decided it is 7 years. Well, at least the Speaker is honest enough to say he just made it up; it just sounded good to him.

Mr. Speaker, the third and the most vicious thing I think one of the leading candidates for President from the other body said, and that is that they have been voting against Medicare ever since it has been enacted. The record is abundantly clear that they want to get rid of Medicare and they want to give tax cuts to the rich.

POLITICAL SHOW TRIAL

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

Mr. CHABOT. Mr. Speaker, it read like a bad movie, except it's true. This is the story of a career government employee, Billy Dale, a man now 58 years old who had worked for the last seven Presidents helping with travel reservations. But in 1993, the new President and his wife decided to fire the veterans in that office and replace them with relatives and cronies. Billy Dale was fired and the cronies were hired and the Travelgate scandal was born. It became so serious that it was at the center of the note found after Vince Foster's death.

But that was not the end of it for Billy Dale. Apparently, to justify the firing the White House had him investigated by the FBI for more than 2 years. They poured over every aspect of his life and then prosecuted him for supposed embezzlement. From all appearances, Billy Dale and his family were caught up in a political show trial. Yesterday, it took a jury only 2 hours to find him not guilty. This is not supposed to happen in America. But it did.

NO BALANCE IN BUDGET BILL

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

Ms. DELAURO. Mr. Speaker, today, the Gingrich budget comes to the floor. The Republicans like to call it the balanced budget plan but there is nothing balanced about Speaker GINGRICH'S bill.

There is nothing balanced about raiding Medicare to pay for a tax cut to the wealthy.

There is nothing balanced about slashing education while eliminating the corporate minimum tax.

There is nothing balanced about gutting environmental protection in order to placate corporate polluters.

There is nothing balanced about raising taxes on people making under $30,000 a year while cutting taxes for people making $500,000.

There is nothing balanced about the Gingrich budget, it takes from our most vulnerable citizens to lavish gifts upon the most well to do. to quote an old song, if the Republicans want the President to sign their budget: Try a little tenderness.

□ 0945

WORKING TOGETHER TO PASS A BALANCED BUDGET

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

Mr. BALLENGER. Mr. Speaker, options, options, options. That is all the President is left with these days. We all know he does not have any solutions of his own.

He chose one of those options. He shut down the Government. He chose poorly.

He did not want to talk about it, but let me outline what his other option was. He could have agreed, in principle, to the idea that we should balance the budget in 7 years. He could have sat down and worked with Republicans to pass a balanced budget.

But the President chose a different option. He chose to shut down the Government, because it made him look decisive—something that has not happened during his entire tenure as President.

Mr. Speaker, Republicans are simply trying to do what the American people have asked us to do—balance the budget. I wish the President would join us and end the Democrat legacy of passing the buck on to future generations.

GINGRICH PLAN CUTS SOCIAL PROGRAMS TO GIVE TAX BREAKS TO WEALTHY

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

Mr. BROWN of Ohio. Mr. Speaker, the Speaker says one thing and does another. He said he wants to save Medicare, yet Speaker GINGRICH speaking to a group of insurance executives said he wants to let Medicare wither on the vine. He says he wants a balanced budget yet the Gingrich plan cuts $270 billion from Medicare to give tax breaks to the wealthiest people in this country. The Speaker said he wants opportunity for future generations. Yet the Gingrich plan cuts billions in student loans for working families. He said he wants to give a tax break to the middle class. Yet the Gingrich plan raises taxes on 13 million working families.

Sure, Mr. Speaker, listen to what the Speaker says, but more important pay attention to the Gingrich plan. It cuts Medicare, it cuts student loans to middle-class families, it raises taxes on working families, all to give a tax break to the richest people in this country.

REPUBLICANS COMMITTED TO BALANCED BUDGET

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

Mr. HEFLEY. Day four of the Clinton shutdown of the Government. Why? Because he cannot even agree in principle that we should balance the budget in 7 years. Let me say that again. The President will not even agree in principle that we should balance the budget in 7 years. We are not talking about specifics here. All we want the President to agree to is the concept that we should pass a plan based on independent, honest Congressional Budget Office numbers that balances the budget in 7 years. Period. But the President will not agree to a 7-year plan to balance the budget. Why? Because right now his pollsters and campaign advisers have told him that he needs to appear decisive. So the President is willing to keep the Government shut down.

Mr. Speaker, no more excuses, no more Washington gimmicks. Republicans are committed to a balanced budget. It is time for the President, not Dick Morris who evidently is running the country, to join in that commitment.

DEMOCRATS ASK FOR FAIRNESS

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

Mr. BRYANT of Texas. The last speech, Mr. Speaker, has got to top all of them this morning for turning the facts on their head. The fact of the matter is it is the obligation of the Congress to pass a budget. We are 45 days late. It was supposed to be passed by October 1, and no budget has been sent to the President. That is why the Government is shut down. The President himself of course has not done it.

The fact of the matter is that the Republicans want to send him a budget, although they have not done it yet, that relies upon drastic cuts in the Medicare insurance program for elderly people and big tax breaks for the wealthy to get to what they call a balanced budget.

Everybody wants a balanced budget, but the top 1 percent have an average income of $600,000 a year. They get a tax cut under this Republican plan of $15,000 while the bottom 20 percent with an average income of $6,000 a year either get no tax cut or many of them get a tax increase of $173 a year. That is not air, and until it is fair, Democrats will continue to vote ''no.''

THE BUDGET SHOWDOWN

(Ms. DUNN of Washington asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DUNN of Washington. Mr. Speaker, 5 years ago candidate Clinton promised that he would present and support

a 5-year balanced budget plan. He never followed through. Later he said we could balance the budget in 10 years, and then 9 years and then 7 years. Of the two budgets he did introduce to Congress this year, neither of them brings the deficit down at all. In fact in 2005 under President Clinton's budget, the deficit will be over $200 billion.

Mr. Speaker, this whole budget showdown really goes to the issue of credibility. Does anybody really doubt what would happen if the other side were still in charge? Is there any doubt they would raise our taxes, make government bigger, deficits worse and that they will do it all in the name of compassion? I do not think so.

Mr. Speaker, I challenge the President to break with the past and keep at least one of the promises he made as a candidate. Come to the table, Mr. President. Help us balance this budget.

NOT THIS TURKEY ON THANKSGIVING

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

Mrs. SCHROEDER. Mr. Speaker, Speaker GINGRICH is bringing his budget to serve to America's families at their Thanksgiving table. The Gingrich budget stands family values as we know them on their head. It means if this passes that the wealthiest families at your Thanksgiving table will get more, the working families at your Thanksgiving table will pay more. The poor will have great trouble. They will never get to the table. The elderly will have great trouble with health care. The young will not be able to get their lunches as easily and the students will not be able to get their loans as easily.

This is not about how long it takes to balance the budget. This is who you stick your fork in as you balance the budget. The only thing standing between Speaker GINGRICH's values and America's values is the President. The President must stand firm and say these are not America's traditional values and spare the American family being served this turkey on Thanksgiving.

THE PRESIDENT SHOULD SIGN THIS BILL

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

Mr. GUTKNECHT. Mr. Speaker, here is candidate Bill Clinton live on the ''Larry King Show'' in 1992 and I quote: ''I would present a 5-year plan to balance the budget.''

Here is what the President said on August 1 of this year and I quote: ''I mean, I think that it's wrong to say you're going to do something and not do it.''

Mr. Speaker, this week we passed with bipartisan support a plan that would reopen Government. We had only one stipulation: He had to agree to balance the budget using legitimate numbers in less than 7 years. No specifics, a simple question. Mr. President, do you want to balance the budget?

We want to work with him on this plan to achieve that goal. Unfortunately, the President has said, ''No, I don't want to balance the budget.''

Mr. President, if you meant what you said, then sign this bill. And, Mr. Morris, if you are really running the country, get the President to sign this bill.

DAY LATE AND A DOLLAR SHORT

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

Mr. DOGGETT. Mr. Speaker, a day late and a dollar short. I wish it were only that big a problem. In fact, our Republican colleagues are about 6 weeks late in getting a budget to President Clinton. We will finally take it up for consideration to go to the President today. They are more than a dollar short. In fact, this week NEWT GINGRICH will be paying out millions of dollars eventually, millions of dollars to Federal workers who have now been off work for 4 days and NEWT GINGRICH will pay them for not working. That is the policy of fiscal responsibility that our Republican colleagues are imposing on America. They say they will have a balanced budget today but for seniors who will pay more and get less for Medicare, there is not much balance in it. For working families who will pay more taxes under this budget and get less, there is not much in it. For students who will pay more and get less education, there is not much in it. And for those who care about the environment and who will just get less in this budget, there is not much in it.

CALL FOR BIPARTISANSHIP IN BUDGET BATTLE

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

Mr. JONES. Mr. Speaker, the national debt is over $4.9 trillion. Yesterday Bill Clinton distanced himself from balancing the budget. Is that not sad? We have an almost $5 trillion debt and the President of the United States does not want to address the problem.

Last night Congress acted in good faith to reopen the parts of Government that are shut down. Many Democrats joined with Republicans to say that we want to end the budget crisis and balance the budget. The President says he will veto our efforts.

Bill Clinton would rather make excuses and play word games with the American people. All the while our national debt piles up and our families suffer the burden of our debt.

Mr. Speaker, the President should end the games and help us balance the budget.

A TWO-HEADED TURKEY

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

Ms. JACKSON-LEE. Mr. Speaker, the Republican Party are handing the American people a two-headed turkey for Thanksgiving. On the eve of this Thanksgiving, 3,484,947 people are being hurt by this Government shutdown.

I have in my hand a letter to Speaker NEWT GINGRICH which says I join in with my colleagues to keep this Congress working all through the weekend. I am sorry I have not heard from him and he has not heard us. I am here to work.

It seems that intuition is the only basis upon which we have a budget that will hurt Texans all over the map. Forty-one schools in Texas will be closed out of the direct loan program, approximately 57,000 students will lose access to direct loans in Texas. Thirty-three percent of our children under 18 will get absolutely nothing out of the $245 billion tax cut for the wealthy across this Nation, and $32 billion will be cut out of the earned income tax for 13 million families earning under $30,000. They will get absolutely nothing.

I want a real commonsense budget. I voted for a balanced budget, but this Republican budget as presently proposed is nothing but a two-headed turkey for Americans. Who do you think deserves the honor? Who is a turkey here?

COMMITTING OUR TROOPS IN BOSNIA

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

Mr. METCALF. Mr. Speaker, we all want peace in Bosnia, but there is rumor that there is an agreement based on United States troops in Bosnia that has been arrived at. It is beyond belief that the President would agree to an agreement in defiance of a vote of almost three-quarters of the House specifically saying do not base any agreement on United States troops in Bosnia.

We have all learned through sad experience that it is easy to rush in troops, it is extremely difficult to solve the problems when they are there, and it is even more difficult to get out in a timely and an honorable way.

It is the Presidential constitutional responsibility to deploy troops. It is the duty of Congress to either approve or deny funding the troops once they are there. Congress must not fund United States troops in Bosnia until we know exactly what United States interests are threatened and how the troops will protect those interest.

READ YOUR LIPS

(Mr. GENE GREEN of Texas asked and was given permission to address

the House for 1 minute and to revise and extend his remarks.)

Mr. GENE GREEN of Texas. Mr. Speaker, Members of Congress, I ask my Republican colleagues to read your lips. Balance the budget before you cut $245 billion in taxes, before you cut $270 billion in Medicare, before you cut educational funding.

Let us work bipartisanly on a balanced budget, but not by cutting Medicare and Medicaid, not by cutting and raising premium costs for seniors and limiting seniors' ability to choose their own physician. We can work bipartisanly on a balanced budget but not by cutting Medicare and education.

Read your own lips. Balance the budget without cutting $245 billion in taxes.

WHAT A BALANCED BUDGET WILL MEAN

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

Mr. BAKER of California. Mr. Speaker, Republicans are moving forward with the first balanced budget in a generation. Our Balanced Budget Act will provide the American family with budget bonuses for their own checkbook.

A balanced budget means that interest rates will drop, allowing families to save thousands on home mortgages, car loans, and student loans. A balanced budget means an additional $32.1 billion in real disposable income over the next 7 years. A balanced budget means an additional $88.2 billion in capital investment over the next 7 years. And a balanced budget means a stronger economy and more job opportunities for all.

With all the benefits a balanced budget will bring to the American people, I do not understand why the Clinton Democrats support maintaining the status quo. Balance the budget now. Our children's generation depends on it.

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ARE REPUBLICANS SERIOUS ABOUT BALANCING THE BUDGET?

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

Mr. FORD. Mr. Speaker, I wonder whether the Republicans are serious when they talk about balancing a budget. What we are really talking about today and will be talking about later today, rather, is that $32 billion for low-income working families will be wiped completely out on their taxes, and also student loans will be just cut drastically because of what the Republicans will bring to this House floor today.

The $270 billion out of the Medicare Program, these are drastic cuts that are going to be made today by the Republicans just to give the wealthy and the rich of this country a $245 billion tax cut.

We think that is wrong. We ought to seriously be about the business of the American people today and not try to fool the American people with this balanced budget talk.

THOSE STUBBORN FACTS

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

Mr. WELDON of Pennsylvania. Mr. Speaker, facts are stubborn things.

Bill Clinton was elected with a minority of voters, 43 percent, fewer votes than Michael Dukakis got when he lost to George Bush in a rout.

Bill Clinton had his policies overwhelmingly rejected nationwide 2 years later when both the House and Senate went Republican for the first time in 40 years.

Bill Clinton has been rejected by over 150 elected officials, elected with a minority of 150 of voters, officials, including six Members of Congress who have left his own party since he has taken office.

Bill Clinton has said publicly in a variety of occasions that he would balance the Federal budget in 5, 7, 8, 9, and 10 years.

Bill Clinton, in his first State of the Union Address, pointedly chided House Republicans by saying he would force truth in budgeting by using CBO scoring numbers.

Now he would have us and the people of this country believe and trust him and believe that he represents what the people of America want.

Absolutely amazing.

A SORRY SPECTACLE

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

Mr. WYNN. Mr. Speaker, my constituents who are Federal employees are watching more C–SPAN now than ever, and they are being treated to a sorry spectacle, a bunch of opinionated stuffed shirts sitting around bickering while they are getting paid, while peoples' lives are being disrupted, and while Federal employees are losing their paychecks. Yes, I am in that group.

But it is a sorry spectacle. My colleagues on the right like to say we ought to run this place like a business. Let me tell you, Mr. Speaker, no globally competitively business treats its employees this way. We have broken faith with Federal employees. We have jeopardized their families and undermined their confidence in their employer. That is us.

We have also lost a lot. We have lost their loyalty and willingness to go the extra yard.

We ought to put Federal workers back to work. We ought to pay essential employees on time. We ought to pay all employees retroactively.

On this budget, I will make a deal with my Republican colleagues. I signed on the other night to a 7-year balanced budget. You get rid of the tax break for the rich, and we can work this thing out. But as long as Republicans want to pay off their rich friends, we cannot have a balanced budget.

ALL WE ASK

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

Mr. SMITH of Texas. Mr. Speaker, 1,262 days ago, President Bill Clinton promised a 5-year plan to balance the budget. Two unbalanced budgets later, the President still has presented no balanced budget plan.

Tody, much of the Federal Government is shut down because the President will not keep his promise. He has closed the Government because he opposes any plan to balance the budget over 7 years.

We do not ask the President to adopt our Balanced Budget Act of 1995. We do not ask the President to accept our proposal to save Medicare from bankruptcy. We do not ask the President to support our plan to make regulations more cost-effective.

We do not ask the President to approve our plan to return osme of his huge tax increase to the American families who earned the money in the first place. We do not ask the President to adopt a single provision of our balanced budget plan.

All we ask is that the President kept his word. We ask the President to commit to balance the budget in 7 years using honest numbers. That is all. And that is not too much to ask for the American people.

REPUBLICAN CONFERENCE REPORT ON THE RECONCILIATION BILL

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

Mrs. CLAYTON. Mr. Speaker, today we will consider the Republican conference report of the reconciliation bill, not the conference report but the Republican conference report. I say that purposely to say that the Democratic conferees have had very little input in what now will be presented to the House.

Yes, this is a time we should discuss our values and our priorities. I say the Republicans should understand we will reject this.

Why? Not because we are fiscally irresponsible, but because we are compassionate, because we are responsible to all America, not just a few in America. We understand what it means to have senior citizens not to have health care.

The $200 billion taken away for Medicare will mean senior citizens will suffer. The large amount of moneys that will be cut from student loans will mean a lot of students will not have a future in America. This is wrong.

This budget is the wrong direction to go. The Republicans know it is wrong.

We must reject it because it is wrong for America.

PERMISSION FOR COMMITTEE ON COMMERCE AND ITS SUBCOMMITTEES TO SIT TODAY DURING 5-MINUTE RULE

Mr. DREIER. Mr. Speaker, I ask unanimous consent that the Committee on Commerce and its subcommittees be permitted to sit today while the House is meeting in the Committee of the Whole House under the 5-minute rule.

It is my understanding that the minority has been consulted and that there is no objection to this request.

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

There was no objection.

AUTHORIZING CORRECTION IN CONFERENCE REPORT AND WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 2491, SEVEN-YEAR BALANCED BUDGET RECONCILIATION ACT OF 1995

Mr. DREIER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 272 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 272

Resolved, That the proceedings of the legislative day of November 15, 1995, by which the conference report to accompany the bill (H.R. 2491) to provide for reconciliation pursuant to section 105 of the concurrent resolution on the budget for fiscal year 1996 was presented to the House and ordered printed, are hereby vacated, to the end that the managers on the part of the House may immediately present the conference report in the form actually ordered reported to the House as a product of the meeting and signatures of the committee of conference and actually to be presented in the Senate, in pertinent corrected part as depicted in section 3 of this resolution. The existing signatures of the committee of conference shall remain valid as authorizing the presentation of the conference report to the House in corrected form.

SEC. 2. Upon adoption of this resolution it shall be in order to consider the conference report presented to the House pursuant to the first section of this resolution. All points of order against the conference report and against its consideration are waived. The conference report shall be considered as read. The conference report shall be debatable for two hours equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget. After such debate the previous question shall be considered as ordered on the conference report to final adoption without intervening motion except one motion to recommit, which may not contain instructions and on which the previous question shall be considered as ordered. After disposition of the conference report, no further consideration of the bill shall be in order except pursuant to a subsequent order of the House.

SEC. 3. The correction described in section 2 of this resolution is to insert between subtitles J and L of title XII a subtitle K (as depicted in the table of contents) as follows:

''Subtitle K—Miscellaneous

''SEC. 13101. FOOD STAMP ELIGIBILITY.

''Section 6(f) of the Food Stamp Act of 1977 (7 U.S.C. 2015(f)) is amended by striking the third sentence and inserting the following: 'The State agency shall, at its option, consider either all income and financial resources of the individual rendered ineligible to participate in the food stamp program under this subsection, or such income, less a pro rata share, and the financial resources of the ineligible individual, to determine the eligibility and the value of the allotment of the household of which such individual is a member.'

''SEC. 13102. REDUCTION IN BLOCK GRANTS FOR SOCIAL SERVICES.

''Section 2003(c) of the Social Security Act (42 U.S.C. 1397b) is amended—

''(1) by striking 'and' at the end of paragraph (4); and

''(2) by striking paragraph (5) and inserting the following:

'(5) $2,800,000,000 for each of the fiscal years 1990 through 1996; and

'(6) $2,240,000,000 for each fiscal year after fiscal year 1996.' ''.

The SPEAKER pro tempore. The gentleman from California [Mr. DREIER] is recognized for 1 hour.

Mr. DREIER. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to my good friend, the gentleman from Woodland Hills, CA [Mr. BEILENSON], pending which I yield myself such time as I may consume.

(Mr. DREIER asked and was given permission to revise and extend his remarks and include extraneous matter.)

Mr. DREIER. Mr. Speaker, due to a technical error committed during the filing of the conference report on H.R. 2491, this rule vacates the proceedings by which the conference report on H.R. 2491, the Seven-Year Balanced Budget Act, was filed. The rule authorizes the managers to immediately refile the report in the form actually signed and ordered reported, with the corrected part printed in section 3 of the rule. The rule further provides that the existing signatures of the conferees shall remain valid as authorizing the presentation of the conference report to the House in its corrected form.

The rule then provides for the consideration of the newly filed conference report to accompany H.R. 2491. The rule waives all points of order against the conference report and against its consideration. The rule provides for two hours of debate equally divided and controlled by the chairman and ranking member of the Budget Committee.

The rule provides for one motion to recommit the conference report which may not contain instructions. Finally, the rule provides that following disposition of the conference report, no further action on the bill is in order except by subsequent order of the House.

Mr. Speaker, this is it. We are beginning, over the next 3 hours, the debate on the most important change in decades.

Mr. Speaker, while democracy in action can be loud, most people in a free society are too busy living their lives to listen closely. to the casual observer, we can sound as irritating as static on a radio. However, the more the volume is turned up, the more people will notice that while Washington might sound like it always does, this is not business as usual. Instead, the majority in Congress is carrying out truly history change—actually balancing the budget for the first time in decades.

At the heart of our agenda for change are four fundamental goals that Americans from all regions and income groups recognize are vital to our future as a prosperous and secure nation.

One, we must balance the Federal budget as quickly as possible in order to stop the massive increase in debt that is mortgaging our children's future.

Two, we must reform the welfare system that is trapping honest families in a cycle of dependency and poverty.

Three, we must fundamentally improve the Medicare system so that we provide health care security to a generation of retirees by averting the system's bankruptcy and keeping it from destabilizing the Federal budget; and

Four, we must provide some tax relief that strengthens families and spurs private sector job creation and rising worker wages.

These are not partisan goals. They incorporate the basic aspirations of families throughout this great and massive Nation. That is why it was not just the new majority in Congress that was elected after calling for these changes. Back in 1992, the President called for a balanced budget, ending welfare as we know it, and providing a middle class tax cut. Now that he has the chance to work with a Congress that shares those same goals that he has outlined, he can follow through on his promises. We are going to give him that opportunity.

Mr. Speaker, the Balanced Budget Act conference report accomplishes these four foundation pillars of the effort to change the Federal Government so that it serves America's families, rather than families serving the Federal Government.

This bill is not a flimsy outline of talking points that can be pawned off as a balanced budget. It is a specific plan, warts and all, that turns around three decades of deficit spending and balances the budget in 7 years. And it meets that goal using conservative forecasts of economic growth so that we do not see hundreds of billions in new debt 7 years from now and say to our children—''Oops, I guess we weren't as lucky as we had hoped we would be.''

This bill cuts taxes. I will not apologize for that. It cuts taxes less than the

President raised taxes 2 years ago. Americans would have more of their own hard earned money if neither the 1993 tax increase, nor his tax cut, were ever enacted. A full 60 percent of all tax benefits in the bill go to families with children and incomes less than $110,000. Those are the people who are the heart and soul of this Nation, the people rising our future.

I would also note the incentives to promote savings and investment, especially the capital gains tax cut, are critical in regions of this country in need of greater economic growth.

I am privileged to represent California. In California, the capital gains tax rate reduction and the extension of the research tax credit are two tax proposals that translate directly into more jobs in the private sector companies that are at the heart of our economic recovery, creating the transition from a defense-based to an export-based economy.

California also appreciates that while we balance the budget, we do not ignore clear Federal priorities. At the forefront is the Federal responsibility to control our borders and provide funding for the cost of failed immigration policies.

□ 1015

The $3.5 billion in Medicaid funds to assist States for the cost of health care to illegal immigrants providing multimillion dollar relief to California taxpayers is a critical new effort which is addressed in this bill.

Mr. Speaker, the Balanced Budget Act is an agreement between the majorities in the House and Senate encompassing the views of Representatives with varied views on Government and its role in our society.

Mr. Speaker, this is not a radical plan. It spends $12.1 trillion over 7 years. If we stick to the current deficit spending plan, we would spend $13.3 trillion over that time. Despite the ''sky is falling'' rhetoric of some, all we are proposing is that the Government live on just about $1 trillion less over 7 years. There is still $12.1 trillion to go around.

Mr. Speaker, this real balanced budget is doable. It is reasonable. It has heart. Medicare spending goes up a lot. Medicaid, school lunches, and student loans all go up by billions of dollars. Families keep a little more of the money that they earn.

There likely remains a way to go in this process. Despite addressing a number of his Presidential campaign promises, after 3 years in Washington the President may have forgotten why he was elected and he might choose to veto this bill. However, I hope we can all agree that by the end of this year, we will agree on a balanced budget that means is 2002 the first American babies born in nearly 40 years, our high school class of 2020, will be born in a country where their parents and grandparents are not putting the bills on the backs of those children.

Mr. Speaker, this rule permits us to enact a balanced budget. I urge my colleagues to support it.

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

Mr. BEILENSON. Mr. Speaker, I yield myself such time as I may consume. I thank the gentleman from California [Mr. DREIER] for yielding me the customary half hour of debate time.

Mr. Speaker, we strongly oppose this rule and the legislation it makes in order, the conference report on the 1995 Budget Reconciliation Act.

By waiving all points of order against the conference report and against its consideration, this rule enables the Republican leadership to bring this measure to the floor without worrying about whether or not it violates any of our standing House rules. One rule that this legislation most certainly violates is the 3-day layover rule, the rule designed to give Members 3 days to review legislation before having to vote on it. It is the layover that protects the very basic right of Members to have a sufficient opportunity to evaluate legislation before voting on it.

It is also very likely the conference report violates the rule against exceeding the scope of the conference, preventing conferees from inserting legislation in the conference report that was not passed by either the House or the Senate.

We are concerned about these two potential violations because while we are all familiar with the broad outlines of this legislation, very few of us know much about its details. In facts, Mr. Speaker, when the Committee on Rules took testimony on this bill last night, we were dismayed to find that even the chairman of the Committee on the Budget, the Member of this House who has been most closely involved with this legislation, was unable to answer many of our very basic questions about the contents of this measure. The ranking minority members of the Committees on the Budget and Ways and Means, members who certainly ought to have been given sufficient information on the conference report by that point, were just as much in the dark about its contents as we were.

To make matters worse, the rule before us provides for only 2 hours of debate. Thus, not only does this rule rush this conference report to the floor before Members have had a chance to find out what is in it, but it also severely restricts the amount of time we will have discuss and question and understand just what it is we will be voting on.

At our Committee on Rules meeting, in response to the clear need for more information on this measure, we offered an amendment to extend general debate time from 2 to 4 hours. Unfortunately, our totally reasonable request was opposed by nearly all the majority members. In doing so, we believe they did a real disservice to the Members of this Chamber and to the American public.

We also object to this rule's denial of a motion to recommit with instructions. As our Republican friends always and vigorously argued when they were in the minority, that motion to recommit is virtually meaningless if it cannot be used to amend a measure. Disallowing instructions on a motion to recommit tramples on one of the most important rights the minority party has under the rules of the House of Representatives.

Mr. Speaker, we understand the Republican leadership's desire to move forward with this legislation as quickly as possible, particularly in light of the fact that the President intends to veto it and Congress will again have to consider reconciliation legislation later in this session. But when we are faced with a piece of legislation so massive and so far reaching as this is, so historic as our Republican friends called it last night, Members ought to have sufficient time to find out what is in it and to debate it for a reasonable amount of time before we are asked to vote on final passage.

Now that it is apparent the House will be in session for several more days as we try to reach an agreement on funding for Federal agencies, there is no valid reason whatsoever why we cannot wait another day or two to consider this measure and then a few more hours to debate it so we can do so in a more thoughtful and reasonable manner than is going to be allowed.

The only reason for rushing this conference report through the House today is to keep Members and the public from learning what is in this package, because the more Members learn about this conference report, the less eager they will be to vote for it. This is a bill that makes far-reaching changes in Medicare and Medicaid, in tax policy, in support for low income Americans, in farm programs, the student loan program, the Federal retirement system, and in laws governing the use of much of our Nation's natural resources, including revisions to the 1872 mining law which this House has signaled its disapproval of through numerous votes earlier this year.

It is true that the conference report predicts a balanced budget in 7 years, which is something the American people and we support. But they do not support reaching that goal in the manner provided for by this legislation. It will soon become evident, if it is not already, that the reason this legislation contains such extreme cuts in Medicare and in programs that help moderate income Americans, is those cuts are needed to help finance the bill's $245 billion tax cut that most Americans believe should not be our first priority and should be postponed until such time as we have actually balanced the Federal budget.

In fact, as more of the details of this measure are revealed, the American people will see the greatest significance of this measure is not its role in

producing a balanced budget, but rather its monumental shift of resources from poor and middle income Americans to the wealthiest Americans. They will see that it is a cruel, mean-spirited, and misguided measure that will reward well-to-do Americans and special interests and punish the rest.

While we think it is a move in the right direction that the $500-per-child tax credit will not be available to families with incomes over $110,000 a year, we think it is wrong that the tax credit will not be available to low income working families either. Low income families in fact will pay higher taxes under this bill because of the decrease in the earned income tax credit.

We are extremely concerned that the legislation will pull the rug out from under working families by cutting not only the earned income tax credit, but also Medicaid, food stamps, child care assistance, the support that parents working in low wage jobs need to stay off welfare.

We are particularly concerned that the legislation will raise the cost of student loans, the primary means available to moderate income families to give their children a leg up in life, that it will reduce the alternative minimum tax that ensures profitable corporations are not able to use multiple tax loopholes to escape paying taxes; and that it will encourage corporations to raid the pension funds, and thus jeopardize the retirement security of millions of American workers.

Mr. Speaker, this is a rule that sets the stage for a vote on a far-reaching conference report before we know what is in it, a rule that makes it easy for the Republican leadership to sweep through the House a very bad package of legislation. I urge Members to vote ''no'' on the rule, and ''no'' on the conference report.

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

Mr. DREIER. Mr. Speaker, I yield such time as he may consume to my very good friend, the gentleman from Glens Falls, NY [Mr. SOLOMON], a former Marine platoon leader and chairman of the Committee on Rules.

Mr. SOLOMON. Mr. Speaker, I thank the gentleman from Claremont, CA, for yielding me time.

Mr. Speaker, I probably should not be here in the well, because I am so excited, because I thought this day would never come. It is a day that I have waited for for 17 years. To think we are on a glidepath that is irreversible to a balanced budget, how exciting that is to the American people.

Today this House is going to consider what is arguably the single most important piece of legislation this Congress will consider this year or any other year, again, because it is irreversible, on a guaranteed glidepath to a balanced budget.

Mr. Speaker, the American people have said it in poll after poll after poll: They want a balanced budget, and this is our chance to do it. They want this Congress to be fiscally responsible, the way they are.

This proposal is much different from the one put together by President Clinton. This one is in real legislative language. It shows exactly how the hard choices have to be made. It is specific. This Balanced Budget Act, when scored by realistic budget projections of the Congressional Budget Office, leads to a budget surplus at the end of 7 years, something we have not had around here in over 26 years. The Clinton proposal, when scored by the same realistic budget projections of the Congressional Budget Office, never leads to a balanced budget, for as far as the eye can see.

For example, in the year 2002, the deficit level of the Clinton budget is higher than it is today. Can you imagine? Instead of a glidepath down, we are on a glidepath up. Over $250 billion at the year 2002 will be the yearly deficit that year, and it would add another $1 trillion to the already unconscionable debt that has turned this country of ours into a debtor nation, drowning our children and our grandchildren in a sea of red ink. That is terrible.

Now President Clinton claims his budget leads to a balanced budget in 10 years. But the only way to reach that conclusion is to use unrealistic, rosy economic assumptions. It is this kind of overly optimistic scoring that has caused Democrat-controlled Congresses over the years to produce these huge budgetary deficits.

Mr. Speaker, I know that some Democrats will try to say that because there was a Republican President during some of those years, that they were not responsible. Well, let us get the record straight right now. If you read the Constitution of the United States, you will find that it is this Congress which has the responsibility to control the purse strings. No President can spend a dime; only we in this body can spend that dime. The Constitution specifically provides that only the House of Representatives can initiate new revenue measures, and by long custom, only the House of Representatives initiates spending measures, period. This body, not even the Senate. We cannot even blame the Senate. We blame ourselves.

Now, for the first time in 40 years, Republicans are responsible for control of the purse strings, and no matter what, my friends, we are going to balance this budget, and you can count on it.

Mr. Speaker, as we have tried to make these tough choices necessary to protect future generations, there are those who have attacked us as being mean-spirited, and we are going to hear it this morning. But what is really mean-spirited about piling this kind of debt on our children and our grandchildren? Let me tell Members, that is not compassionate, that is a shame. Mr. Speaker, there is no excuse for this generation not to be paying its own bills. That means you and me.

Mr. Speaker, today we will hear from those that will want to balance the budget, but they are going to come up here and they are going to say on this floor they want to do it a different way. In a package of this size, there is bound to be something that each of us do not like. I am sure if you read the 3,000-page document, you are going to find things you do not like. But, Mr. Speaker, in a large and diverse Nation like this, each of us cannot say ''my way or no way.'' At some point, we would have to consider the long-term good of this Nation, and we need to stop trying to figure out how much we can take from our Nation's taxpayers, how much we can take, ''give me, give me, give me; more, more, more.''

It was a Democrat President that said, ''Ask not what your country can do for you; ask what you can do for your country.'' You know something, I was proud to be a John F. Kennedy Democrat at the time when he spoke those words, and I might still be a Democrat, my friends, if my party had taken a more responsible approach to running this Nation over those years.

But what I see on the other side of the aisle now are too many people asking how much they can get, and too few being concerned about the consequences of dumping this kind of debt on my children and your children, and my grandchildren and your grandchildren.

If this package prevails, my friends, future generations will win. Keep that in mind. But if this package loses, future generations lose, and it may be irretrievable, the damage we do to them. Please come over and support this rule and vote for this bill. It is the right thing to do for this country, and for our children and grandchildren.

□ 1030

Mr. BEILENSON. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Massachusetts [Mr. MOAKLEY], our ranking member of the Committee on Rules.

Mr. MOAKLEY. Mr. Speaker, I thank the gentleman from California for yielding time to me.

Mr. Speaker, I was very happy to hear the gentleman from New York [Mr. SOLOMON], chairman of the Committee on Rules, saying that we should read the bill. This is the bill, Mr. Speaker, that was placed on our desk 5 minutes before the Committee on Rules met last night.

We asked for 2 hours of extra time just to go through it, and they said they did not have the time. So they ask us to read the bill, but then do not give us the time to read the bill.

Mr. Speaker, today is our last chance to stop this horrible bill before it goes to the President. Today is our last chance to vote against cutting Medicare to pay for tax breaks for the very rich. And we should.

Mr. Speaker we should not cut Medicare $270 billion to pay for $245 billion in tax cuts for the rich.

We should not even think about cutting child nutrition programs, like school lunches by $6 billion.

We should not cut student loans by $5 billion.

And we should not increase the taxes on working families by $32 billion. But, today my Republican colleagues probably will.

Now maybe someone can think of a reason to cut these critical programs, but I cannot. I think it is horrible to even consider these cuts in order to give more money to the people who do not need it.

But it is true, Mr. Speaker, these cuts are to lower the taxes on the very rich, and to lower the taxes on big corporations. And that is wrong.

This bill takes from the mouths of babes, from the health care of seniors, from the education of students, and gives to the pockets of the rich.

What makes this whole idea even worse is that my Republican colleagues, the people responsible for writing this bill, cannot even tell us exactly what is in this bill.

So we asked for more debate time, more time to ask questions, but they said no.

They said no to finding out the details. They said no to Medicare recipients. They said no to children who need school lunches and they said no to students needing loans.

The only people who are getting a yes these days are the richest Americans and the biggest corporations.

Mr. Speaker, this is a horrible rule for a horrible bill, and I urge my colleagues to defeat it.

Mr. BEILENSON. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, this is an unusual situation going on around here in Washington. Employees are furloughed, Government is shut down. I am a Democrat that is not against cutting taxes. I voted to cut taxes.

In fact, I voted for the last continuing resolution. I believe the Republican continuing resolution was better than the motion to recommit by the Democrats. The Democrats had a line-item veto in it.

Mr. Speaker, I ask, do my colleagues want to protect Medicare and Social Security? It is not done by passing a line-item veto. There may be a President some day that just might target it.

Let me say this. I want to cut taxes. I do not demean the motives of the Republican Party. The Republican Party is courageous, they have outfoxed us. The major difference in this House is five votes on a gun ban and the biggest tax increase in American history, and we are being suckered in once again. Their courage may cost them, the majority, next year.

Mr. Speaker, I want a tax cut. I am a Democrat that wants a tax cut. I support a tax cut. I do not believe that where it is coming from is in the best interests of the country.

I voted for that 7-year continuing resolution, 7 years the Democrats offered so that the President could sit down and say, look, maybe let us bring it down for more working families, let us set Medicare aside, treat it better, but let us work together.

The truth is, both parties are in lockstep. This is Presidential politics. And beware, Democrats. No one is talking about the trade issue, and without Democrats, there would be no GATT, there would be no NAFTA, and now Democrats are going to give the President a line-item veto.

The President will spend every damn dime. There is no program. There is no program. I admire your courage, but I do not believe it is going to work, and I will not support it.

I am saying to the Democrats, we do not have a program. I am going to vote no on this rule; I am going to vote no on this reconciliation.

Let me say this, while everybody is lockstepping with these party leaders, we were not set here to be lemmings. Think for your damn self.

Our country screwed up. Mr. Speaker, 43,000 Americans have lost their jobs since 1941. We have men trying to get jobs in Hooters Restaurant, for God's sake.

Mr. Speaker, if we want to balance the budget, we will not balance it the way we are going. Let us take a look at these unrealistic trade programs. Let us take a look at the loss of jobs going overseas, good-paying jobs, and the Republicans are not dealing with that yet.

With that, Mr. Speaker, I will make one last statement. The country would not be in the condition it is in today if it were not for Democrats, GATT, and NAFTA. The Democratic Party supports line-item veto, yet does not support American workers.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LAHOOD). The Chair would advise Members that the use of profanity is against the House rules.

Mr. DREIER. Mr. Speaker, I yield 2 minutes to the gentleman from Sanibel, FL [Mr. GOSS], the chairman of the Subcommittee on Legislative and Budget Process of the Committee on Rules, who as chairman of the subcommittee understands what it is going to take for us to balance the budget.

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

Mr. GOSS. Mr. Speaker, Congress has been working long days and late hours to find a positive solution to the budget crisis. We have moved appropriations bills, put together the Balanced Budget Act conference report, and passed two continuing resolutions to reopen the Government. The latest one is under a veto threat because it contains a simple statement of commitment to balance the budget in 7 years.

Mr. Speaker, it is in this context that the President said, when asked why he was refusing to negotiate with Congress, that, quote, ''Somebody has to do the right thing,'' end quote. It surprises me, and it will surprise many Americans, that the President seems to have an exclusive take on the right thing, one that leads him to refuse steps to reopen the Government. Only President Clinton knows what is right, so says President Clinton. Wrong. Given the $5 trillion debt we have built up and will leave to our children and grandhcildren, I think that a commitment to a balanced budget in 7 years is the right thing. Even better is a specific outline to eliminate the deficit and get us there.

Saving Medicare from bankruptcy is the right thing. Allowing Americans to keep more of the money in their paychecks, that is the right thing. The child tax credit, that is the right thing. Phase out of the marriage penalty, the right thing. And a reduction in the capital gains rate is the right thing.

This rule provides for ample time to debate this historic balanced budget; it allows us to send the President the balanced budget the American people have demanded.

It is up to us to pass this rule, support the Balanced Budget Act of 1995, and once again urge the President to do the right thing.

We will not be playing any golf this weekend. I hope the President will not be either. The right thing to do is to sit down and sign the Balanced Budget Act.

Mr. BEILENSON. Mr. Speaker, I yield 2 minutes to the gentleman from Vermont [Mr. SANDERS].

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

Mr. Speaker, this is not a good rule because it does not allow for a motion to recommit and debate over a serious and real alternative. The question is not whether we should move toward a balanced budget; the question is how we should move toward a balanced budget.

Mr. Speaker, the economic reality in this country today is that the richest people are becoming richer, the middle class is shrinking, and today, with great shame, we have by far the highest rate of childhood poverty in the industrialized world.

Given that reality, how in God's name can anyone talk about moving toward a balanced budget by giving huge tax breaks to the rich, by creating a situation in which the largest corporations will pay no taxes, by building more B–2 bombers that the Pentagon does not want at $1.5 billion a plane, by putting more money into star wars, by spending $100 billion a year defending Europe and Asia against a nonexistent enemy?

How do we talk about balancing a budget when we continue to spend $125 billion a year on corporate welfare, but we are going to slash Medicare, slash

Medicaid, slash veterans' programs, eliminate LIHEAP, and do devastation to middle-income working people and the poor?

Mr. Speaker, I ask my colleagues, if they want to balance the budget, what about going after foreign corporations with subsidiaries in America like Toyota and Nissan, which underpay their U.S. taxes by $25 billion?

Mr. DREIER. Mr. Speaker, I yield 2 minutes to the gentlewoman from Columbus, OH [Ms. PRYCE], my very good friend and a hard-working member of the Committee on Rules.

Ms. PRYCE. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, the nay-sayers said it could not be done, but they told Lindberg the same thing.

Well, nobody is saying it was easy, but through the years of hard work and dedication of the gentleman from Ohio [Mr. KASICH] and many others on both sides of the aisle, we have done it. We have produced a balanced budget in 7 years.

So, Mr. Speaker, as the old saying goes, ''the proof is in the pudding,'' and the proof is in the conference report which we are about to consider under the terms of this rule.

Today, as the national debt soars to nearly $5 trillion, we have learned a painful lesson that our short-term fixes have become long-term burdens for our children and grandchildren.

I would ask my colleagues who might be thinking of voting against this rule and the underlying legislation to consider the children of our country.

They are the Nation's most precious resource, and without a balanced budget, we will surely be robbing them of the kind of prosperous, productive, and financially secure future which we have enjoyed and which surely they deserve.

Unfortunately, the nay-sayers will be at it again, telling us that we are going too far, too fast.

But this conference report offers solutions no more complicated or profound than those used every day by hardworking taxpayers and their families who play by the rules, who work to pay the bills, and who watch their spending in order to make ends meet.

We cannot go on blaming others for the fiscal mess we face when we have the golden opportunity today to vote for a plan that will make the American dream a reality for so many.

The choice is ours, Mr. Speaker. We can either vote ''yes'' for the dream of a brighter future, or ''no'' for a long, painful slide into third world economic status.

Adopt this rule for our kids.

Mr. Speaker, I urge the adoption of this sensible and completely appropriate rule so that we may begin to build a better future for the children and grandchildren of this great country.

Mr. BEILENSON. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Texas, Mr. GENE GREEN.

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

Mr. GENE GREEN of Texas. Mr. Speaker, I rise in opposition to the rule and the budget reconciliation and the conference report.

Today we are considering a bill with all of the wrong priorities. It includes cuts in education, investment in our future, deep cuts in programs for seniors, especially Medicare. The Republican majority cuts $270 billion in Medicare, while enacting a $245 billion tax cut.

We can balance the budget and make Medicare solvent without deep cuts in senior citizen health care and without these tax breaks.

The Republicans' $270 billion cut is three times larger than what the Medicare trustees requested. In fact, there is a $36 billion hole in this budget that is a line item that just says fail-safe. That is the amount that will be cut from hospitals and providers if these other reforms do not work.

□ 1045

If the Republicans left out their tax cuts, they would not need the budget gimmicks like this fail-safe to make their numbers up. We need to oppose the rule, the conference committee report and let us balance the budget, whether it is in 7 years or not, without cuts in Medicare, and without cuts in taxes.

Mr. DREIER. Mr. Speaker, I would simply like to say that over 80 percent of this tax cut goes to people who are earning less than $100,000 a year.

With that I yield 1 minute to the gentleman from Harrisburg, PA [Mr. GEKAS], the chairman of the Subcommittee on Commercial and Administrative Law.

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

Mr. GEKAS. Mr. Speaker, I support the rule which is the first step towards the balanced budget for which we all yearn.

Mr. Speaker, if we do nothing more throughout the balance of the 7 years that we are discussing here today, we will be spending $13 trillion. If we arrive at the balanced budget which we seek, we will be spending only $12 trillion. So the balanced budget would save us $1 trillion throughout the course of the 7 years.

Is this important? One thousand billion dollars which we would have to borrow because we do not have a balanced budget, to borrow more, to pay more interest on the debt, to pay nothing on the principal of a multitrillion-dollar national debt.

Is that what the country wants? Or does it want us to reach that balanced budget and start taking the money that we would be paying for interest on the debt, paying that back to our citizens by way of development and community work?

Mr. BEILENSON. Mr. Speaker, I yield 1 minute to the gentleman from Oregon [Mr. DEFAZIO].

Mr. DEFAZIO. Mr. Speaker, we are going to debate a 7-year balanced budget for the United States of America in 3 hours. We spent 4 hours on shrimp-turtle excluder devices, yet they cannot give us another hour or two to debate a balanced budget for the United States of America.

I am a balanced budget Democrat, but this party would have us believe there is only one path. They do not allow any alternative. They are giving us a bigger and better business-as-usual budget. More money for the Pentagon, more weapons we do not need, B–2 bombers that do not work, more tax cuts for the wealthy.

There is another way to balance the budget, but you are going to go after the Pentagon, get rid of cold war weapons that we do not need, that do not work, challenge corporations to give up welfare, do away with agriculture subsidies, even cut back on foreign aid, and maybe charge royalties for mining on Federal land.

But that takes on the rich and the powerful who have been running this city for a quarter of a century, and that party does not have the guts to do it, and they will not even let us offer one alternative. Not even one alternative on the floor of the House.

A balanced budget, yes. Seven years, yes. Let us have an alternative. Let us have a balanced budget.

Mr. BEILENSON. Mr. Speaker, I yield 1 minute to the gentlewoman from North Carolina [Mrs. CLAYTON].

Mrs. CLAYTON. Mr. Speaker, we will consider the rule that is a bad rule. Why is it a bad rule? It is a rule that does not allow for the full opportunity nor opportunity to perfect this bad bill that is coming before us.

Why is it bad? It is bad because it has gotten worse as the Republican conferees have looked at it. To give an example, in the Committee on Agriculture as we were considering food stamps for the poor, we are now requiring them to work 20 hours a month below the minimum wage, just for food stamps. An amendment offered by me in the Committee on Agriculture, a bipartisan amendment, approved, taken out in the rule. Because why? You want to make people suffer.

Why do you need to balance the budget on the backs of the poor? Why do you today balance the budget on the backs of senior citizens? Why do you need to balance the budget on the backs of children? Taking food from them in school lunches, making this extreme budget.

We say you are going too far. It is too far to expect that you should be compassionate? It is extreme to deny poor people an opportunity live? This is a bad rule, a bad bill. We should reject it because we want to reject it for America.

Mr. BEILENSON. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. OWENS].

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

Mr. OWENS. Mr. Speaker, it is 11 a.m., almost, on November 17, 1995, and the American people are confronted with the last dirty details of a barbaric plot to murder Medicaid. Medicaid and Medicare are 30 years old. The plot is on to destroy 30 years of compassionate policy which promotes the general welfare.

Yes, there is some phony, used car salesmen language in the bill which talks about eligibility for pregnant women and children, but why trade an entitlement for Medicaid for some phony talk about eligibility administered by the States? It was the States that gave us the sick and ill with no protection before, and now we cannot trust the States to take it up after the entitlement is gone.

American voters, put your common sense to work. Do not trade an entitlement for some used car salesman language about maybe the States will enforce some kind of eligibility and keep health care. We do not want to go backward 30 years. We have Medicaid entitlement now. Let us keep the Medicaid entitlement.

Mr. DREIER. Mr. Speaker, I yield 1 minute to the gentleman from Egan, IL [Mr. MANZULLO], chairman of the Subcommittee on Small Business Procurement, Exports, and Business Opportunities.

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

Mr. MANZULLO. Mr. Speaker, we have heard incredible words today. Cruel, inhumane, barbaric.

I will tell you what is cruel, I will tell you what is inhumane. If we look at the President's budget last year, there was a chapter called Generational Forecasts. That states because of the $5 trillion debt, that children born after 1993, if there are no policy changes, by the time they enter the work force, will have an effective local, State and Federal tax rate of between 84 and 94 percent. This country is going to collapse under the tremendous burden of debt. That is cruel. That is inhumane. That leaves our children no future.

If you want to give our children a future, pass the rule, pass the Balanced Budget Act of 1995, and allow our children not to live under a system that takes away all of the money they want to earn.

Mr. Speaker, the American dream is at stake today. This is an opportunity to balance the budget. Let us do it for our children.

Mr. BEILENSON. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey [Mr. PALLONE].

Mr. PALLONE. Mr. Speaker, I oppose the rule. The Republicans met in secret the last few weeks and they hammered out this budget deal without Democratic participation, and what happened is that a bad budget bill got even worse.

The Gingrich Republican budget reconciliation conference report cuts Medicare by $270 billion in order to pay for a $245 billion tax break for the wealthy, despite the fact that the Medicare cuts are 3 times greater than what the trustees recommended in order to make Medicare solvent.

The Medicare premiums for seniors are doubled. At the same time the wealthy are being given huge tax breaks, working Americans will get a tax increase, that is a tax increase for working Americans, of $32.2 billion cut in the earned income tax credit, $9 billion more than the House-passed bill. And upon the date of enactment of this legislation, Medicaid is repealed and 36 million Americans will lose guaranteed health insurance and long-term care.

The worst part of it in my opinion is this Republican bill repeals the current law guarantee of payment for those widows. They will not have their Medicare part B premiums paid.

Mr. DREIER. Mr. Speaker, I yield 1 minute to the gentleman from Morris, IL [Mr. WELLER], a very eloquent new Member of Congress.

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

Mr. WELLER. Mr. Speaker, I stand in support of the rule. Is this not why we are here? Is this not why we were sent to the Congress, to balance the budget, just like every American family? Republicans and moderate and conservative Democrats agree. Only the tax-and-spend liberals stand in the way.

We have a plan to balance the budget in 7 years. We increase spending for Medicare 50 percent over the next 7 years, we reform welfare, we provide tax relief for working families, and the calls and letters that are coming in are overwhelmingly in favor of the Republican plan.

My calls and my letters are 5 to 1 in favor of balancing the budget. Let me share the following:

Bill Lincoln, Morris, IL, says ''There are many interest groups that will resist any changes. They speak for a select group but our decision must be based on what's best for America.''

Thirty-one employees of a shopping center, a retailer in Calumet City, River Oaks Shopping Center, point out that each of us now carries an $18,000 responsibility for the national debt and pay hundreds of dollars in additional taxes every year just to finance that interest.

The people ask us to balance the budget. Let us do what our job is. We have a plan. Let us adopt it.

Mr. Speaker, I include the letter from Mr. Lincoln for the RECORD:

OCTOBER 30, 1995.

Hon. JERRY WELLER,
Longworth Building,
Washington, DC.

DEAR REPRESENTATIVE WELLER: I hope that Congress continues to pursue and is able to pass a balanced budget agreement. We cannot continue to take in more money each year and then increase the deficit by spending more than we take in. There are many expenses that must be investigated including foreign aid, farm subsidies, non-profit organizations, welfare etc. There are many interest groups that will resist any changes, they speak for a select group, but our decision must be based on what's best for America.

I'm glad to see that Medicare reform is underway. Many seniors, including myself, recognize that something must be done. There is no way the program can support itself with the low premiums being paid into the system. There is nothing available anywhere with the coverage provided at these rates. You can't secure anything worthwhile for nothing, and those receiving the benefits can't expect someone else to pick up the tab. And that seems to be what is happening.

The present Congress has or is in the process of passing much needed legislation and I hope will continue with the reform process and get things back where they belong.

Thank you for allowing me to express my concerns.

Yours truly,

WILLIAM P. LINCOLN.

Mr. BEILENSON. Mr. Speaker, I yield 1 minute to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Speaker, the chairman of the Committee on Rules is right, Republicans have been waiting for this day for a very, very long time. This bill is precisely what the Gingrich Republicans are all about.

What it does, the Gingrich plan provides a massive tax break for big corporations and rich people, paid for at the expense of seniors' health, education for our children and protection of our environment. The Gingrich budget plan is an unconscionable assault on the future of middle-class Americans.

It raids $270 billion from Medicare to finance a lavish $245 billion tax break for people who do not need it. It slashes investments in education, guts environmental protection, exposes pension funds to corporate raiders, and raises taxes on working families, and it pays off Gingrich Republicans' high roller political supporters. They will talk to you today and will make pious speeches about this budget for our children. This is the worst assault on this Nation's children probably in the history of this country.

Vote against the rule, vote against this awful bill.

Mr. BEILENSON. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. HINCHEY].

Mr. HINCHEY. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I rise against this rule and against the bill. Against the rule because it unnecessarily restricts the amount of time on this debate and it unnecessarily restricts our ability to deal with it in a responsible manner, to propose an alternative. It is a bad rule for those reasons.

Why? Why are they doing that? They are doing that simply because they do not want the American people to understand what is in this bill. How it will take away from those who need it and give to those who do not need it?

First of all, it cuts Medicare by $270 billion, doubles the premiums of Medicare to senior citizens, at the same time giving a tax cut of $245 billion. Most of it will go to people who do not need it and for the most part have the good sense not to want it.

We have a responsibility in this House to provide for the best economic conditions possible for the American people, to provide for a growing economy and for growing economic opportunity. This bill does precisely the opposite. It will shrink the economy and will shrink economic opportunity. It slashes away at student loans, making it much more difficult for children to get a decent education and for families to better themselves.

This is a bad bill. It is a bad bill for all of those reasons. It is bad for the economy, it is bad for opportunity, it is bad for health care. It will have a major impact on the Nation's hospitals, forcing perhaps 25 percent of them to close. Furthermore, it will transfer spending responsibility from the Federal Government to the local governments.

So while Members of Congress can brag about cutting people's taxes, local taxes will go up, State taxes will increase, and real property taxes will increase to make up for the deficit that is being created by this bad piece of legislation.

□ 1100

So once again, those who can least afford it will be asked to bear a larger burden of the responsibility of this society to care for the needs at the local level. That means higher real property taxes, and it is a retrogressive piece of legislation.

Vote against the rule, vote against the bill.

Mr. DREIER. Mr. Speaker, I yield 1 minute to the gentleman from Scottsdale, AZ [Mr. HAYWORTH].

Mr. HAYWORTH. Mr. Speaker, my colleagues in the House, we have a simple choice today: Do we want to continue to shackle the American public with ever-rising taxes, with suffocating regulation, with more and more taken from their paychecks? Do we want to continue to enslave future generations to a debt that is simply unconscionable? Or are we willing to vote yes on the rule, yes to a balanced budget?

I do it for all the children of the Sixth District of Arizona, for all the children of America, and especially for John Micah, who in 2 weeks will be 2 years of age and who, if we do nothing to stop this unconscionable, continual slide into the abyss, will pay over $185,000 in taxes during the course of his lifetime just to service this gross national debt, which basically is a crime against future generations.

My colleagues, vote for the rule, precisely for the people you champion. Vote for the rule to empower those who need better economic opportunities. Vote for the rule to empower future generations and current American citizens. Vote yes on the rule and yes on a balanced budget.

Mr. BEILENSON. Mr. Speaker, I yield 1 minute to the gentleman from Maryland [Mr. WYNN].

Mr. WYNN. Mr. Speaker, I thank the gentleman for yielding.

This is a bad rule supporting a bad bill. The Republicans tell you that the balanced budget is the most important thing before Congress today. So I ask you, why do they only give us 2 hours to debate it? They said when they talked about the continuing resolution, if you want to debate the balanced budget, we will have that debate. Some debate, 2 hours.

Now, look, I am willing to buy into a balanced budget. I voted for the continuing resolution, so I am on record, but not their balanced budget. Their balanced budget does grave harm to our country.

I cannot accept giving $245 billion to the wealthy people in this country. I cannot accept cutting $270 billion out of Medicare that serves our seniors. I cannot accept cutting funds in education, and I cannot accept cutting student loans.

We can have a balanced budget. Let us end corporate welfare. Let us end unnecessary spending. We do not need all of those B–2 bombers. The Defense Department did not ask for them.

We can have a balanced budget. We cannot have their balanced budget.

Mr. DREIER. Mr. Speaker, I yield 1 minute to the gentleman from Winter Park, FL [Mr. MICA], the chairman of the Subcommittee on Civil Service.

Mr. MICA. Mr. Speaker and my colleagues, I am really appalled at what we hear here on the floor about what we are doing.

When all else fails, I always say read the bill. I rise in support of the rule. The rule and the bill, in fact, provide student loans, which are currently at $24 billion to go to $36 billion in 2002; Medicaid to go from $89 billion currently to $124 billion, Medicare from $178 billion to $273 billion. And they call these cuts?

It does not matter in education if students cannot read. It does not matter if in Medicaid we force, in my State, the institutionalization of senior citizens with no alternatives. And it does not matter in Medicare, in Florida, if we have a billion dollars' worth of waste, fraud, and abuse, and we give seniors no other choice.

I urge the passage of this rule.

Mr. BEILENSON. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota [Mr. PETERSON].

(Mr. PETERSON of Minnesota asked and was given permission to revise and extend his remarks.)

Mr. PETERSON of Minnesota. Mr. Speaker, I reluctantly rise today to oppose the rule and the bill, and I say to my friends on the other side of the aisle that we in the Coalition, as you know, strongly support balancing the budget in 7 years. We have done it. We have put a budget together that gets to balance in 7 years, borrowing less money than you do. We do it in a different way, we think, in a more sustainable and humane way.

I think the most encouraging thing that has happened is we heard the Speaker say a day or two ago that everything is on the table. And we just want to say to you that we are ready, willing, and able to work with you to get this job done. We voted with you the other night on the continuing resolution, and once this veto is over with and we get down to negotiating, we are looking forward to sitting down with you and working this out.

We are disturbed that we were frozen out of things such as the agriculture changes and some of these other areas. We are hoping we can get past this current situation and sit down and work out a balanced budget that will be good for the American people.

Mr. DREIER. Mr. Speaker, I yield 1 minute to our very able colleague, the gentleman from Tupelo, MS [Mr. WICKER], the president of the historic freshman Republican class of the 104th Congress.

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

Mr. WICKER. Mr. Speaker, this is indeed a momentous day for this House of Representatives.

For the first time in 26 years we are going to do what Congress should have done every year—pass a balanced budget.

I know the debate is going to focus on some shared sacrifice, and certainly Americans have always been willing to do their part. But I also hope during the 2 hours of general debate we will talk about the benefits to every American of balancing the Federal budget.

The Federal Reserve Chairman has made it clear that interest rates will drop significantly if we will just come to grips with the budget deficit. That means lower house payments, lower car payments, and reduced tuition loan costs for families all across America. That translates into more disposable incomes in the pocketbooks of every American.

Mr. Speaker, I believe in bipartisanship, and I am thankful for the 72 Democrats who earlier this year voted for a balanced budget amendment. I thank heaven for the 48 Democrats who voted for a balanced budget using CBO scoring on the continuing resolution.

I call on my colleagues to debate this bill today as Americans. Let's do it for the future of our country. Let's do it for every child in America. Let's balance the budget.

Mr. BEILENSON. Mr. Speaker, I yield 1 minute to the distinguished gentleman from North Carolina [Mr. WATT].

Mr. WATT of North Carolina. Mr. Speaker, the Republicans say that this bill is the culmination of a revolution. I agree. But let me tell you what I know about a revolution. A revolution kills, and this bill kills old people and

those on Medicare. It kills poor people and the middle class. It kills young people. It kills sick people. It kills students, and it kills the priorities of this Nation. That is what this revolution does.

The second thing I know about a revolution is that you never have a debate about it, and this rule gives us no opportunity to debate it; 2 hours and we are out of here.

We have spent more time yesterday talking about who would take us to lunch than we are talking about this revolution today. This is an abomination, and we ought to be ashamed of ourselves.

Mr. DREIER. Mr. Speaker, I yield 1 minute to the gentleman from him Albuquerque, NM [Mr. SCHIFF], who was a conferee on this historic balanced budget and conference committee.

Mr. SCHIFF. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise in support of the rule and in support of the bill.

But I want to say right now that, given the fact that the President of the United States has already threatened to veto this bill if it arrives on his desk, that I am willing to negotiate every specific detail in it with the President of the United States on only one condition, and that is that the President of the United States also offer a budget in the same framework, meaning using Congressional Budget Office figures for Government income projections and on a 7-year time basis.

The President of the United States has previously agreed to both of those terms. But without those terms, then there is no way to do a side-by-side comparison.

If the President or anyone else is going to suggest that we raise spending in any of these categories, they should show where that spending is going to come from.

That is why I urge the President to sign the continuing resolution, agree to a 7 year balanced budget, and put his spending priorities before us so we can do a specific side-by-side comparison.

Mr. BEILSENSON. Mr. Speaker, I yield 1 minute to the gentleman from Kentucky [Mr. WARD].

Mr. WARD. Mr. Speaker, we have heard a long, complicated, detailed explanation of this budget at the beginning of this discussion just today. But let me tell you why you will hear all of these mind-numbing details. You will hear that for one simple reason: to take attention away from the bottom line of this budget, and the bottom line of this budget is $245 billion in tax breaks, over half of which goes to the top 12 percent of income earners in America, a budget which, in fact, increases tax payments for the lowest-income people in America.

Let me repeat that: Over half of the tax breaks go to the top 12 percent of American income earners; at the same time there are increases in tax payments because of the earned income tax credit, something that is very hard to explain but it is a fact.

What that causes is increased tax payments by the lowest of our income earners. That is why you hear all of these details: to avoid the real issue.

Mr. DREIER. Mr. Speaker, I yield for the first time 1 minute to the gentleman from Thibodaux, LA [Mr. TAUZIN], my friend who has joined the party with which he has been in agreement for many, many years.

Mr. TAUZIN. Mr. Speaker, I rise in support of the rule.

I want to pose a hypothet for you. Suppose today banks in America were lending money to parents who want to spend more than their income to have a good time tonight, and they were lending it to them with a mortgage on their children's income, children yet unborn. You and I would rush to the floor with a bill to make that illegal. We would not allow the banks in America to loan money to parents based upon a mortgage on their children's income.

Yet your country does it day in and day out every time we pass a budget, and that ought to be made illegal.

This rule begins the process of saying it is illegal for America to spend our children's money in advance of them even earning it for us to have a good time today.

It is a good rule. We need to pass it. For those of you who oppose it because you are afraid of a tax cut for Americans in this bill, the blue dog Democrats offered us an alternative budget earlier this year with no tax cut. It got only 60-something votes. That calls into question the commitment of people in this House.

Are we intent on making that practice illegal or not?

Mr. BEILENSON. Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. GIBBONS], the distinguished ranking member of the Committee on Ways and Means.

Mr. GIBBONS. Mr. Speaker, I thank the gentleman for yielding, for his generous allocation of time.

Two minutes is not much time when you are getting up to talk about $1 trillion. This, my friends, is $1 trillion stacked up right here on unnumbered pages in very small print, smaller than usual, and held together by rubber bands.

Now, I have seen in my 33 years here some pretty atrocious legislating, but this tops it all by unforeseen margins or unmeasurable margins.

I last saw this last night stacked up in the Committee on Rules at about 9 o'clock at night. Nobody, no human being, has ever read all of this. Let me repeat that. If anybody can challenge me, get some time from the gentleman from California [Mr. DREIER] and you can answer me. No human being has ever read all of this.

I do not know exactly what is in it. Nobody knows exactly what is in it. we can only suspicion what is in all of this.

The question is not about what we are doing or when we are doing it, but how we are doing it.

□ 1115

All of us agree the budget ought to be balanced. All of us agree that it ought to be balanced as soon as possible without damaging the economy. The question is how do you do it?

The Republican strategy has been to balance it on the backs of the sick, let me repeat that, the sick, whether you are young or old, whether you are middle age, but balance it on the back of the sick, the old, infants and children, and the working poor, and to give a handout to those who do not need it of a $250 billion tax cut. That is the wrong way to do it. That is what is wrong with all of this.

Mr. DREIER. Mr. Speaker, I yield such time as he may consume to the gentleman from Mount Holly, NJ [Mr. SAXTON].

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

Mr. SAXTON. Mr. Speaker, in light of significant changes that were made to this provision in the conference, I am able to rise in strong support today of this rule and the underlying legislation.

Mr. Speaker, I rise today in full support of this rule and of the Balanced Budget Act of 1995. This historic legislation will place this Government on a path to a balanced budget in 7 years. If passed this bill will cut taxes for every middle-class working family. In fact it will remove 3.5 million working families from today's tax rolls altogether. This bill also ensures that Medicare and Medicaid will be secure for many years to come.

Over the last 4 weeks I have cast votes to show my concern on how the Medicare legislation in this bill treated Medicare dependent hospitals. I am happy to say, that after many days of discussions, the bill has been modified so Medicare dependent hospitals are not longer treated unfairly. This development has allowed me to vote for passage of this landmark bill.

Let me touch for a minute on why the passage of this legislation is paramount to all Americans.

The boost to our economy when we pass this balanced budget bill will be extraordinary. I know this from my work on the legislation. Over the last year I have been one of the architects of the historic economic growth provisions in this bill. Along with the majority whip, TOM DELAY, I co-chaired the task force on economic growth and regulation reforms. If passed, this bill will energize our economy. Mortgage and car interest rates will be lower, hundreds-of-thousands of jobs will be created and income will increase for all working Americans.

Mr. Speaker, today we have the opportunity to send a message to future generations. When the time came for tough choices and leadership, we in Congress stepped forward and did the right thing.

Mr. DREIER. Mr. Speaker, I yield 30 seconds to my good friend, the gentleman from Windsor, CA [Mr. RIGGS], a valued member of the Committee on the Budget and vice chairman of the California delegation.

Mr. RIGGS. Mr. Speaker, I want to correct a misimpression left by my good friend from California [Mr. BEILENSON] earlier, who I know has a very clear regard for the truth. The fact is the President's budget, when put to a vote in the Senate, lost 96 to 0. Sixty-eight Democrats out of 199 voted for their own version of a balanced budget plan on this floor. Forty-eight Democrats voted for the continuing resolution, committing all of us to work toward a balanced budget in 7 years.

Unfortunately, I would say to the gentleman from California [Mr. BEILENSON], the Democrat Party seems to be more interested in passing along to America more debt, rather than the American dream to our children.

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

Mr. Speaker, I would say to my friend from California, I have not made any such assertions. I think his remarks were referred to someone else.

Mr. DREIER. Mr. Speaker, I am very happy to yield such time as he may consume to my friend, the gentleman from Bentonville, AR [Mr. HUTCHINSON], a member who came from the State of Arkansas and plans to keep his promise.

Mr. HUTCHINSON. Mr. Speaker, families are important, and this Balanced Budget Act recognizes that. The $500-per-child tax credit for middle income Americans is a deserved dividend from our budget balancing effort. Families deserve a rebate on that huge 1993 tax increase that we imposed upon them, and this bill gives it to them.

If it is a family with two children making $30,000 a year, this Balanced Budget Act will cut their Federal tax liability in half. If they are a family with two children making $25,000 a year, this Balanced Budget Act will eliminate their Federal tax liability.

So if you do not think families are as important as they were a generation ago, then oppose this rule and oppose this budget. But if you believe that families are the foundation of society, if you believe that middle class families are squeezed to the breaking point, if you believe that parents are better custodians of their resources than politicians, then vote for this rule and vote for this Balanced Budget Act of 1995. It is pro-family, and the families of America deserve it.

Mr. DREIER. Mr. Speaker, I yield 1 minute to the gentleman from Pine Bluff, AR [Mr. DICKEY], another Arkansan who is going to keep his promise to balance the budget.

Mr. DICKEY. Mr. Speaker, a plywood worker in Bearden, AR, works 45 hours a week. He does not make enough money, so he gets a maintenance job at the same plant and works 10 hours on the weekends. His wife works, his daughter works at a 7-Eleven, and his son has a paper route. He makes $500 a week, and he looks down when he sees what he gets. He gets $245.

We are forgetting this person in this discussion. The balanced budget amendment is for that person, for his incentive, for him to sit and say my tax dollars are not going to the proper use, they are going to illegal aliens, they are going to criminals, they are going to people who do not work. They are going to people who have children and get paid for having children. We are going to lose these people in the process if we do not balance the budget.

Mr. Speaker, I plead with my colleagues and with the American people and the voters, that we pay attention to the middle class worker.

Mr. BEILENSON. Mr. Speaker, I yield the balance of my time to the distinguished gentleman from New York [Mr. RANGEL], a member of the Committee on Ways and Means.

The SPEAKER pro tempore (Mr. LAHOOD). The gentleman from New York is recognized for 1½ minutes.

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

Mr. RANGEL. Mr. Speaker, on the other side of the aisle some of the most decent people in America have decided to register and to be active as Republicans. But even for those people, things can happen in the middle of the night that they do not know. Right here in this bill that was drafted and went before the Committee on Rules last evening, there is a provision in here that takes $32 billion away from working poor folks.

I would hate to believe that you are so in love with balancing the budget and the $245 billion tax cut that you got to take away $32 billion from people who despise welfare, who reject getting on the public dole, but want to work each and every day.

The earned income tax credit was put into law by Republicans and Democrats and expanded by President Clinton, and nobody takes issue with the fact that it encourages people to work, it gives incentives for people to work, and allows them to say that not on my watch would my family have to go on welfare.

This bill goes beyond that. It makes an appeal to the senior citizens who have to work that make under $9,000, for the young people that are just starting out, and these people have to be under the poverty line.

What more can we ask if you are talking about keeping kids out of drugs, out of crime, keeping them working, except to give them the incentive. Turn back the rule, turn back this, and let these people work without having to think about going on welfare. Shame on you.

Mr. DREIER. Mr. Speaker, I yield myself the balance of my time.

The SPEAKER pro tempore. The gentleman from California is recognized for 1 minute.

Mr. DREIER. Mr. Speaker, we are hoping very much we will have the opportunity to make Bill Clinton a better President. I would respond to my pal, the gentleman from New York [Mr. CHARLES RANGEL], by saying if you look at the EITC, we have an increase from $19 to $28 billion, and the $32 billion to which he referred is actually less than what the General Accounting Office said was fraud in general.

But let us look at some other facts right here. Contrary to a lot of the rhetoric we have been hearing, this measure will see us spend $12.1 trillion over the next 7 years. It increases spending in Medicare, Medicaid, school lunches and student loans, contrary to what the President has said when he claims it brings about cuts.

This package is not, is not, a massive tax cut for the rich. Eighty percent of the benefits go to people who earn less than $100,000 a year, and we truly can in fact bring about a Government which is compassionate.

But, Mr. Speaker, the greatest compassion of all is to ensure that we are not passing onto the backs of future generations the responsibility of paying for the pattern of profligate spending.

Mr. Speaker, I urge an aye vote on this rule and the package, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

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

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

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

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 230, nays 193, not voting 9, as follows:

[Roll No. 810]

YEAS—230

Allard	Chabot	Fields (TX)
Archer	Chambliss	Flanagan
Armey	Chenoweth	Foley
Bachus	Christensen	Forbes
Baker (CA)	Chrysler	Fowler
Baker (LA)	Clinger	Fox
Ballenger	Coble	Franks (CT)
Barr	Collins (GA)	Franks (NJ)
Barrett (NE)	Combest	Frelinghuysen
Bartlett	Cooley	Frisa
Barton	Cox	Funderburk
Bass	Crane	Gallegly
Bateman	Crapo	Ganske
Bereuter	Cremeans	Gekas
Bilbray	Cubin	Gilchrest
Bilirakis	Cunningham	Gillmor
Bliley	Davis	Gilman
Blute	Deal	Goodlatte
Boehlert	DeLay	Goodling
Boehner	Diaz-Balart	Goss
Bonilla	Dickey	Graham
Bono	Doolittle	Greenwood
Brownback	Dornan	Gunderson
Bryant (TN)	Dreier	Gutknecht
Bunn	Duncan	Hancock
Bunning	Dunn	Hansen
Burr	Ehlers	Hastert
Burton	Ehrlich	Hastings (WA)
Buyer	Emerson	Hayworth
Callahan	English	Hefley
Calvert	Ensign	Heineman
Camp	Everett	Herger
Canady	Ewing	Hilleary
Castle	Fawell	Hobson

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

NAYS—193

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Beilenson
Bentsen
Berman
Bevill
Bishop
Bonior
Borski
Boucher
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Chapman
Clay
Clayton
Clement
Clyburn
Coburn
Coleman
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Filner
Flake
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Hastings (FL)
Hayes
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson-Lee
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lincoln
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Mfume
Miller (CA)
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Poshard
Rahall
Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Sisisky
Skaggs
Skelton
Slaughter
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Tanner
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates

NOT VOTING—9

Becerra
Brewster
Collins (IL)
Fields (LA)
Harman
McDermott
Neumann
Talent
Tucker

□ 1143

Mr. BOUCHER and Mr. GORDON changed their vote from ''yea'' to ''nay.''

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 1145

CONFERENCE REPORT ON H.R. 2491, SEVEN-YEAR BALANCED BUDGET RECONCILIATION ACT OF 1995

Mr. KASICH submitted the following conference report and statement on the bill (H.R. 2491) to provide for reconciliation pursuant to section 105 of the concurrent resolution on the budget for fiscal year 1996:

(For conference report and statement see proceedings of the House of November 15, 1995, as corrected by the following:)

SEC. 3. The correction described in section 2 of this resolution is to insert between subtitles J and L of title XII a subtitle K (as depicted in the table of contents) as follows:

''Subtitle K—Miscellaneous

''SEC. 13101. FOOD STAMP ELIGIBILITY.

''Section 6(f) of the Food Stamp Act of 1977 (7 U.S.C. 2015(f) is amended by striking the third sentence and inserting the following: ''The State agency shall, at its option, consider either all income and financial resources of the individual rendered ineligible to participate in the food stamp program under this subsection, or such income, less a pro rata share, and the financial resources of the ineligible individual, to determine the eligibility and the value of the allotment of the household of which such individual is a member.'

''SEC. 13102. REDUCTION IN BLOCK GRANTS FOR SOCIAL SERVICES.

''Section 2003(c) of the Social Security Act (42 U.S.C. 1397b) is amended—

''(1) by striking 'and' at the end of paragraph (4); and

''(2) by striking paragraph (5) and inserting the following:

'(5) $2,800,000,000 for each of the fiscal years 1990 through 1996; and

'(6) $2,240,000,000 for each fiscal year after fiscal year 1996.' ''.

Mr. KASICH. Mr. Speaker, pursuant to House Resolution 272, I call up the conference report on the bill (H.R. 2491) to provide for reconciliation pursuant to section 105 of the concurrent resolution on the budget for fiscal year 1996.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. LAHOOD). Pursuant to the rule, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of November 15, 1995, at page H12509 and prior proceedings of the House of today.)

The SPEAKER pro tempore. The gentleman from Ohio [Mr. KASICH] and the gentleman from Minnesota [Mr. SABO] each will be recognized for 1 hour.

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

Mr. KASICH. Mr. Speaker, I yield 1 minute to the distinguished gentlewoman from New York [Ms. MOLINARI], a member of the Committee on the Budget.

Ms. MOLINARI. Mr. Speaker, there comes a time for every family in America where parents pass on, leaving their children with hopefully some lessons learned, maybe a house, at least some prayers and love. Imagine, however if you could, that once you leave this Earth and your children and your grandchildren are called to the reading of the will, they are told the unimaginable news that the parents who claimed to have loved them so very much left them nothing but a mountain of bills and debt, and that in fact these children and grandchildren will have to work the rest of their lives to pay off the uncontrolled spending habits of their parents.

None of us in this Nation would ever dream to do this. Yet this is just what we have done for the last 30 years. Today we say no more, no more to a child born today having to spend close to $200,000 over the course of their lifetime in taxes to just pay interest on the debt. Every American deserves a better future.

Mr. Speaker, a balanced budget is the right thing to do now, not after the next Presidential election.

Mr. SABO. Mr. Speaker, I yield myself 5 minutes.

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

Mr. SABO. Mr. Speaker, may I first again congratulate my friend from Ohio in successfully bringing to this House his vision and the vision of the majority, a budget for the next several years. I know it is not easy. It involves lots of tough decisions. I do not agree with your product, but I respect your ability to bring this product before us today. However, I must say to the majority, I think the fact that we are only spending 2 hours debating a bill of this magnitude is really a disgrace to this institution.

Mr. Speaker, throughout this year, Congress has been locked in a profound debate over two competing visions of America's future and what those visions mean for American families, workers and the most vulnerable among us.

Today with this budget we have a clear statement of what the Republican vision for America is all about. This budget is their answer to complex questions about the role of Government and about the best way to balance the Federal budget.

It is an answer that affluent Americans will welcome. It is an answer the wealthiest and most powerful interests in our society will receive with open arms, because they will be enriched by the policies this budget represents.

For millions of Americans, this budget is no answer at all. For them it does not represent the best of American values. Instead, it represents a one-sided attack on lower and middle-income citizens who will see the doors of opportunity close as chances to better themselves disappear.

Under this budget, millions of low-income families will see the safety net that ensures them adequate food, shelter and medical care shredded.

So I say to my Republican colleagues, you must now justify your budget to the American people. You must tell them why $245 billion in tax breaks is fair when you impose new taxes on low-income workers. You must explain to them how making it difficult if not impossible for millions of our citizens to obtain adequate health care is the type policy that will renew America.

Americans will also want to know how your extreme cuts in nutrition, education, job training, transportation and research will move this country forward when we have many years of evidence that these investments enhance our economic future and the well-being of our society. And you must explain how eliminating work incentives and reducing work opportunities will assist us in our efforts to move people from welfare to work.

I find the answers you have provided in this budget are not only inadequate, but also mean-spirited and destructive of our society.

Mr. Speaker, one of the most troubling aspects of the Republican budget is that it will escalate the 20-year trend that has pushed income inequality in this country to its highest level ever. Clearly we can do better for our families, our workers and our economy.

I urge my colleagues to reject this Republican budget and to begin to work together to forge a balanced budget that is fair to all Americans and that strengthens our Nation's economy and America's future.

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

Mr. KASICH. Mr. Speaker, I yield myself 4 minutes.

Mr. Speaker, I almost hesitate to come to the floor because I do not want to be perceived as crowing. But I would commend to everybody in this Chamber and everybody across these great United States to try to get yourself a copy of the Washington Post editorial from yesterday. It talks about the fact that we have an obligation and a responsibility, and let me just read one little paragraph here, one little snippet:

''The Democrats led by the President chose instead to present themselves as Medicare's great protectors. They have shamelessly used the issue, demagogued on it, because they think that's where the votes are and the way to derail the Republican proposals generally.''

□ 1200

They further go on to say that there is a need to deal responsibly with middle-class entitlement programs, and they say at the bottom of the editorial, ''To do otherwise is to hide, to lull the public, and to perpetuate the budget problem they profess to be trying to solve. Let us say it again: If that is what happens, it will be real default.''

This editorial lays out the challenge not just to the Democrats but to the Republicans as well the need to restrain ourselves as we approach Federal spending.

Folks, let me just have you take a look here. We have $9.5 trillion in Federal spending over the last 7 years in this country, $9.5 trillion. If you started a business at the time of Christ, if you lost $1 million a day 7 days a week, you would have to lose $1 million a day 7 days a week for the next 700 years to get to $1 trillion.

The national debt is $5 trillion, and over the last 7 years we have spent $9.5 trillion. Over the next 7 years, under the plan on the floor today, by slowing the growth in Medicare, slowing the growth in welfare, slowing the growth in education, all of them growing, just not growing as fast, we are going to go from $9.5 trillion to $12 trillion, a $2.5 trillion increase in Federal spending.

The question is, ladies and gentlemen, can we preserve the extra trillion? That is fundamentally the question. And to bring it down to the family, when you set $100 aside out of your paycheck for your kids' college education, when we set that $100 aside in that savings account for our children's future, we would not try to figure out every gimmick and every explanation we can use to spend that $100, because that is the hundred bucks we are setting aside for our children, because we think setting it aside is going to give our children an opportunity.

As consumers today, of the Federal spending that goes on, we will be able to consume $2.5 trillion more than what we consumed over the last 7 years. The question is just like we set that $100 aside in that little kitty for your children's education, can we set that $1 trillion aside for our children's future so they will have decent jobs and a decent chance at a college education and a decent home? If we do, they are going to have success. If we do not, they are going to have success. If we do not, they are going to live in one-room shacks, and they are going to pay a fortune for it, and they are going to have trouble getting jobs.

We must pass this Balanced Budget Act bill today. Preserve the future of America. Consume slightly less and guarantee something for our children.

Mr. SABO. Mr. Speaker, I yield 5 minutes to my friend the gentleman from Texas [Mr. STENHOLM].

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

Mr. STENHOLM. Mr. Speaker, unlike some Members on the other side of the aisle who spoke of this being the day they have waited for years to see, I feel like the young boy who waited for Christmas only to find lumps of coal in his stocking.

How I would love to celebrate a common sense, compassionate, honest, fair balanced budget. I would have loved having an opportunity to participate in the conference which produced this budget. Even though I was one of the overall conferees, I got my first glimpse of the package this morning, first from some lobbyists who evidently had first dibs at the information and then finally summary information compiled by my ranking member.

I would love to celebrate a budget that speaks to the need for reaching balance before using more borrowed money to allow for tax cuts.

I would love to celebrate a balanced budget that takes seriously the impact which this level of Medicaid savings will have on the underserved in rural and inner city America. I make reference to the letter I received just this morning from the Texas Hospital Association urging all Members of the Texas delegation to vote against this conference report because ''the various health care provisions in this legislation are not in the best interest of patients, communities, and those who provide their care.''

I would love to celebrate a balanced budget that holds harmless the most vulnerable in our society: seniors in nursing homes, lower income working families trying to stay off of welfare, disabled individuals.

The other party has implied that unless Members support this reconciliation bill, one opposes a balanced budget. That's simply not true. We presented hard evidence here on the House floor that that is not true. We presented a CBO-scored 7-year balanced budget which didn't destroy Medicare, Medicaid, EITC, student loans, children's nutrition, and so many other programs. Our budget would require shared sacrifice, but not at the expense of compassion.

I do commend Chairman KASICH for the incredibly hard work he has done in putting together a package. I offer tremendous praise for the way he has moved the debate in this country toward a balanced budget. But this is not the balanced budget we need.

President Clinton has stated clearly that he intends to veto this reconciliation bill and I support him in that decision. But just as strongly, I will follow by urging him to work toward finding the middle ground which protects some of his priorities and principles, remaining within the framework of a time-certain balanced budget. I support every Member of this body, Democrat or Republican, who refuses to accept defeat in finding a commonsense resolution of our disagreements, rolls up

their sleeves, and moves toward a balanced budget.

I will vote ''no'' today but this campaign is far from over today. I hope that the next time we come to the floor for this debate, I will have the privilege of standing shoulder to shoulder with both my chairman and my ranking Member in supporting a balanced budget solution that we all can be proud of.

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

Mr. STENHOLM. I yield to the gentleman from Utah.

Mr. ORTON. Mr. Speaker, I thank the ranking member and also my colleague, the gentleman from Texas [Mr. STENHOLM], for yielding to me.

I would like to associate myself with each of the points that the gentleman from Texas [Mr. STENHOLM] has made.

I, too, will vote ''no'' on this particular budget reconciliation, not because I am opposed to a balanced budget but because we have not sat down as a bipartisan group in this country in this body with the President to talk and listen to one another and identify the people's priorities.

I agree that we must balance the budget, that we must do it within a time certain. The budget which we have proposed on the floor of the House, in fact, would take us to balance in 7 years under CBO scoring, and I urge the President to come to the table on those issues.

But also let me just say the country is looking at us today with amazement because we are not even talking or listening to one another. We are not talking to the President. We are not talking, Democrats and Republicans, and the people out there are fed up.

I also commend Chairman KASICH. He has worked with me and others on the committee over the years in the minority and also in the majority. But it is time today to set aside partisan bickering. It is time today to stop arguing between the President and the Congress. It is time today, and I offer to Republicans, to Democrats, to the administration, anyone who wants to come in and sit down. The budget which we put forward on this floor 10 days ago is where we are all going to have to come in the end game anyway.

Let us sit down and start agreeing on where we agree, identify where we disagree, and come to agreement. That is what the public wants. That is what I urge.

I hold out the hand in offering to any of the Republicans, and we have been meeting with several on both the sides of the aisle, let us start identifying those things, let us get it done. Let us get the Government back working and solve these problems.

Mr. SABO. Mr. Speaker, I yield such time as he may consume to the gentleman from Maryland [Mr. HOYER].

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

Mr. HOYER. Mr. Speaker, I rise and associate myself with the remarks of the gentleman from Texas and the gentleman from Utah and congratulate them on their efforts.

Mr. KASICH. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. CAMP], a member of the Committee on Ways and Means.

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

Mr. CAMP. Mr. Speaker, let's drop the rhetoric. Let's instead focus on what we are accomplishing today.

We are balancing the budget for the first time in 26 years. We promised the American people a balanced budget and the Balanced Budget Act is about keeping that promise.

Consider this: A balanced Federal budget means as much as 2 percent lower interest rates.

Families will save over $37,000 in interest on the average home mortgage; $900 on the average car loan; and $2,167 on the average student loan.

Our opponents call us cruel. But what is truly cruel is sticking every child born this year with a lifetime bill of $187,000 just to pay the interest on that monster that is our national debt.

All Americans will benefit from a balanced budget.

If we accomplish this task, we will provide a brighter future and a better America for our children, our seniors, employers, veterans, and every American.

Mr. Speaker, we have kept our promises for America's families, for America's future.

Mr. SABO. Mr. Speaker, I yield 1 minute to the distinguished gentlewoman from California [Ms. WOOLSEY], a member of our committee.

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

Ms. WOOLSEY. Mr. Speaker, no wonder the majority is only allowing 2 hours to debate this conference report. They don't want the American people to hear the harmful things their budget will do to education; to seniors and their families; and to middle-income workers. But I am going to tell you, my friends, about the part of this bill that I know best—welfare reform. As the only Member of this body who has actually been a single, working mother on welfare, I know that the welfare provisions in this bill will not work. I have lived it.

This bill does nothing, absolutely nothing, to get families off welfare and into jobs that pay a liveable wage. There is no education, no job training, and not nearly enough child care and health care.

Mr. Speaker, the choice comes down to this. We either punish poor children, as this conference report does, or, we invest in families so they can get off welfare permanently. Let's do what is right for our children. Vote against this conference report.

Mr. KASICH. Mr. Speaker, I yield 1 minute to the very distinguished gentleman from Oklahoma [Mr. LARGENT].

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

Mr. LARGENT. Mr. Speaker, for 40 years we have wandered in the desert, and today we find ourselves at the River Jordan, and it is time to cross.

For too long, we said we were going to balance the budget, and yet we have not done it. Today is the time we make a historic first step in that direction.

I have had the opportunity over the last 20 years to talk to America's young people all across the country, and sadly I am here to report that this is the first generation of young people, when asked on a survey, do you think in your lifetime that you will ever be better off than your parents are, this is the first generation of young people who say, ''No, I do not think I will be.''

Our young people today have lost their hope. They have lost their future. It is time to address that. That is really what this debate is about, is about providing for a vision, a future and a hope.

What we see today is a collision of visions for what America will look like for the next generation. What will America look like with a balanced budget? How about in the words of Alan Greenspan, a 2-percentage-point drop in the inflation rate?

Mr. Speaker, I would just urge my colleagues to vote ''yes'' on this Balanced Budget Act of 1995 for our children, for our future, for the next generation.

Mr. SABO. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Maryland [Mr. CARDIN].

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

Mr. CARDIN. Mr. Speaker, let me thank my friend for yielding me this time.

I oppose this budget. It is based upon the wrong premises. It is based upon a large tax cut for the wealthy while we are wallowing in debt, asking our seniors to pay more for their health care and get less, and extreme cuts in education and the environment.

There is a better way. The Coalition budget would balance the budget in 7 years with less borrowing and debt, with reasonable appropriations for Medicare and for education programs.

I ask my colleagues to reject this Republican budget. Let us truly work together in a bipartisan way and support a budget that will balance the budget in 7 years with less extreme cuts. We can do it if we were only willing to work together in a bipartisan way.

Vote against this Republican budget.

□ 1215

Mr. KASICH. Mr. Speaker, I yield 1 minute to the very distinguished gentleman from Ohio [Mr. PORTMAN], a member of the Committee on Ways and Means.

Mr. PORTMAN, Mr. Speaker, I thank the budget chairman for giving me time.

Mr. Speaker, one of my local papers, the Cincinnati Post, put it well in a recent editorial: ''Now is our best chance to bring fiscal sanity to Washington.''

Mr. Speaker, if we do not roll up our sleeves and get to work on getting this budget under control, I think we will not only have missed a chance to save the next generation, I think we will have perhaps missed the last best chance. If we continue to ignore the problem, the debt in this country is going to grow from about $4.9 trillion today to almost $7 trillion 7 years from now.

If, on the other hand, we can get our act together and get this budget under control, if we grasp the historic opportunity before us, we can give our kids and grandkids the same shot at the American dream that we have had and our parents had. Specifically, we are going to see lower interest rates, we are going to see higher productivity, we are going to see lower inflation, and we are going to see higher take-home pay. That is what this is all about, giving them the same chances we have had.

Let us grasp this opportunity. We have a plan here today to do it. Let us do it.

Mr. KASICH. Mr. Speaker, I yield 1 minute to the gentleman from new York [Mr. HOUGHTON].

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

Mr. HOUGHTON. Mr. Speaker, I came here in 1987. I was worried about the slide into bankruptcy. I have been in business. When you are in business, you have a problem; you get at it, fix it, and move on to the next one. But we did not do it, and I blame myself as much as I blame anyone else here.

But my worry now is we are going to get tangled up in partisanship and personalities and be thumbing our nose at one another and not get the job done. You cannot look at the economic and budget outlook report of the Congressional Budget Office, you cannot look at the Bipartisan Commission on Entitlement and Tax Reform, and not realize we are really in bad shape, because now we should be building a surplus. And why? Because of the baby boomers.

We have everything working for us. We have the demographics, we have the Depression babies, we have the peace dividend, we have got the economy. But we are not doing it. We are borrowing, at the very time we should be building a surplus.

Some will say there is a better way, and I am sure there is a better way. But there has always been a better way. That has been our problem. I think we ought to get at this, and I do not think we should duck the issue. Why not now?

Mr. HOBSON. Mr. Speaker, I yield such time as he may consume to the 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. Speaker, I rise in strong support of the Balanced Budget Act of 1995.

Mr. Speaker, I am glad to have an opportunity to speak today in favor of our balanced budget bill. It is a decisive step forward on the road to getting the country's finances back in order.

This budget represents our commitment to the future and the economic well-being of America's children and grandchildren. Our budget will save the Medicare Program for bankruptcy; end welfare as we know it; and return a few dollars to the pockets of those who earned them.

As chairman of the Social Security Subcommittee, I have focused on the way our balanced budget will affect both the young and the elderly. We are providing a $500 per child tax credit for middle-class families. As a father and grandfather, I know how important this credit is.

But, we did not forget the elderly and the infirm in this budget either. Part of our original Contract With America was the Senior Citizen's Equity Act. We have been successful in getting part of that into this bill.

I wish that we could have included the increase in the Social Security earnings limit in the balanced budget bill. We passed it in the House but the other body has different rules and for technical reasons it did not make it into this bill.

Nonetheless, we are committed to increasing the earnings limit and I have a separate bill which the leadership has committed to bringing to the floor before we end this session of Congress. We will raise it.

Our budget is a well considered plan to help all Americans. It is not the extremist nightmare that Mr. Clinton wants everyone to think that it is.

The bill before us contains a very important provision to help those who are terminally ill or chronically ill. It allows them to sell their life insurance policy and receive the proceeds tax free.

Allowing the terminally ill to have access to their insurance proceeds prior to their death lets them spend the rest of their life in dignity. Mr. Speaker, that is not extremism; that is compassion.

Mr. Clinton likes to talk about extremism. Well, I don't think that it is extremism to give a $1,000 above-the-line deduction for custodial care of elderly relatives in a taxpayer's home; that is compassion.

Our bill provides capital gains tax relief which benefits the young and old alike. Encouraging and rewarding investment in our country is not extremism in my book; that is wise policy.

Our bill expands the availability of IRA's which allows the young to plan for their senior years. Planning ahead to take care of yourself and your family is not extremism; that is smart thinking.

The only ones who will find this balanced budget extreme are those addicted to doing things the same old way. To the far left, I am certain that it is their worst fear and they will say anything to kill it.

To the rest of us, this is a smart budget filled with good policies and it sets this Government on the right path. I urge my colleagues to support this balanced budget for all Americans.

Mr. HOBSON. Mr. Speaker, I yield 1 minute to the gentleman from Florida [Mr. BILIRAKIS].

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

Mr. BILIRAKIS. Mr. Speaker, there is one reason and one reason only that we are here today. Whether some in this Chamber recognize it or can admit it, one reason brings us here today: Unless we have the courage to pass this balanced budget, all too soon we will have no revenue to fund the good programs our Nation needs.

We all want America to remain the strongest country in the world. We want our children to grow up healthy, well educated, drug free, and prosperous.

We just can't achieve these goals without first addressing the deficit. Otherwise, we, our Nation and our children's future will be strangled by runaway deficits.

Former Democratic Senator Paul Tsongas made this clear when he noted that ''The Bipartisan Commission on Entitlement and Tax Reform shocked even cynical inside-the-beltway types by pointing out that, on the current path, entitlement programs plus interest will cost more than all Federal revenues by the year 2012.''

All of the rhetoric, the acrimony, and the accusations that have been aired here in the past few weeks—even this Government shutdown—will be a small price to pay if we balance this budget, if we have the foresight to look beyond the obstacles of today and secure the future for our children and their children.

We must pass this landmark legislation to balance our Federal budget and begin to honestly address our Nation's problems.

Support his bill.

Mr. SABO. Mr. Speaker, I yield 3 minutes to the gentleman from Florida, Mr. SAM GIBBONS, the distinguished ranking member of the Committee on Ways and Means.

Mr. GIBBONS. Mr. Speaker, I never picked up $1 trillion or even $1 million in my life, but this bill represents a $1 trillion change, and none of us in here know it. This is the biggest monument to mismanagement of legislative times I have ever seen.

This debate, instead of taking a total of 2 hours, should have been finished in July, had not the Speaker mismanaged this place over a much-extended period of time.

It is impossible to read this. I first saw it last night about 9 o'clock. It is unnumbered pages printed in extra small print, not the normal size print. The pages are unnumbered. As you can see, it is held together with rubber bands.

This is their glorified piece of legislation. We know very little about it except we know that their priorities are wrong. Their first priority is to give a

crown jewel to everyone, which is a $250 billion tax cut. They tell us, but they produce no evidence, that it goes to middle-class people. There is no evidence available to any Member of Congress to sustain that allegation. I do not believe it is true.

One of the principal things in here is a family credit, but 33 percent of all the families in America with children, who qualify on demographics and everything else, do not get one penny out of that, because they do not pay the right kind of taxes. They pay taxes, but they just do not pay the kind the Republicans define as being the right kind to pay. So 33 percent, and they happen to be in the lowest income category, do not get anything out of that so-called crown jewel.

Now, I do not know what all the hidden things are in here. It will take years to search those out with a microscope. But I assume they are in here. They have always been in here. That same virus has infected every piece of legislation that I have ever seen in this House, and I am sure they are in here. But it will be years before anybody is ever able to search it all out, except the lobbyists who got them put in here.

Now, it is not when we balance the budget, or whether we balance the budget; it is how we balance the budget. The Republican priorities lay the burden upon the sick, the old sick, the young sick, and the middle-aged sick. They lay the burden upon the poor. They lay the burden upon the working poor. That is not the right way or how to balance the budget.

Mr. Speaker, the House and Senate Republicans have been meeting in secret for almost a month now to resolve the differences between two horrible bills, trying to arrive at a single version of this budget reconciliation bill that will be acceptable to Republicans in both bodies. They have come up with a bill that they should be ashamed of. This Republican budget bill that Speaker GINGRICH controlled so tightly represents a heartless attempt to balance the budget on the backs of our Nation's infants and children, our sick, our elderly, and the working poor. That is not what I was elected to this honorable body to do. It is not what the American people need or want us to do on their behalf. I strenuously oppose this budget bill. I urge all Democrats to reject it soundly.

Now that the Republicans have come out of their secret meetings on this budget, we are able to see just how extensive the damage is to ordinary Americans: cuts totaling $561 billion in programs designed to ease the burdens and miseries of the poor, the aged, the young, and the struggling. The Republican budget wreaks havoc all across the board: cuts totaling $82 billion in sustenance income for families with children through the welfare program, including cuts of $40 billion in food for women and children through food stamp and other nutrition programs; cuts of $165 billion in health care for the elderly through the Medicare Program; cuts of $32 billion in rewards to work effort for low-wage earners through the earned income tax credit; and excessive cuts in student loans and veterans' benefits.

I am a strong proponent of reducing the deficit. As a grandfather, I want to protect this country's legacy to future generations. But our legacy should include a large heart and a helping hand for those most in need.

The greatest injustice of all is that these budget cuts are much deeper than they would need to be if the Gingrich Republicans were simply acting to shrink the size of Government, as they disingenuously describe their actions to the American people. These cuts are much deeper because the Republicans have used this budget as an opportunity to bestow generous tax cuts totaling $245 billion disproportionately benefiting their already-well-off constituencies and Republican special interests. This excessive tax cut is unnecessary. It is an insult to the spirit of decency and fair play that ordinary Americans know to be one of our best characteristics as a people.

It is a cruel irony that all this suffering and injustice is unlikely to accomplish the goal the Republicans are claiming: a balanced budget by the year 2002. The Republicans' claims are based on a foundation of sand. Many of their savings are based on assumptions, rather than actual legislative changes. Most of these assumptions will not come true, in reality. One of the assumptions that they make much of in this Republican budget is that enacting a balanced budget will have very salutary effects on the economy, such as lower interest rates and higher economic growth. However, the Federal Reserve, the Nation's ultimate arbiter of interest rates, doesn't see it that way. Although Federal Reserve Chairman Greenspan strongly favors greater budget discipline, Fed officials were described in the Washington Post earlier this seek as being ''unhapp[y] * * * with widespread anticipation that a deal to balance the budget, even 7 years down the road, will be rewarded by a cut in the Fed's * * * interest rates.'' A Fed official was quoted as saying ''Monetary policy should certainly not respond now to the mere possibility that the budget will be balanced in the next century.'' Republican claims that their senseless budget will result in a healthier economy are hokum. Why would the economy be reassured and energized by these Republicans who cannot get their business done in a timely manner, who will not keep the Government running efficiently, and who play a game of Russian roulette with the good name and pristine reputation of our very Nation by scoffing at the idea of financial default?

Children will suffer the most under this Gingrich Republican budget. Of the total cuts of $561 billion in the programs that serve the vulnerable populations listed above, $284 billion cut from programs that primarily benefit children. Most of those benefiting from the nutrition programs are children. Almost half of those served by Medicaid are children. Seventy percent of all Americans on welfare are children. Eighty percent of those receiving an earned income tax credit are families with children. Treating children this way is inhuman.

WELFARE

Between one and two million American children will be pushed into poverty by the hard-hearted welfare policies contained in this conference agreement. And those children who are already poor will have their lives made more miserable. These cuts are too deep. This bill is simply too tough—too cruel—to children.

It leaves the safety net we have built for our children in tatters, replacing the safe haven we have provided with the luck of the draw. New, poorly defined ''block grants'' are created. The money is capped, and guaranteed. Guaranteed—not to the children—but to the States. The Federal Government promises to give those poor, needy States a big pot of money. And what do we ask in return? Not much.

States get to spend the money for a set of purposes that are broad enough to drive a truck through. And, mark my words, before long, we'll learn that they have figured out how to finance highways with these block grants. The Gingrich Republicans call it ''flexibility.'' I call if ''irresponsibility.'' Americans will call it cruel.

Of course, there are a few rules. But only those favored by the extreme Gingrich Republicans who want to impose their view of morality on everyone. Then, ironically, we can no longer trust the States to do what is right. We have to micromanage them or, at the very least, give them a series of complicated hoops to jump through before they get to make their own decisions. And, along the way, we have completely lost sight of what should be our basic goal—protecting children.

Here's one example that demonstrates my point. After much pushing and prodding by Democrats, the Republicans finally agreed to leave foster care payments for abused children intact. They wanted to take away this safety net for abused and neglected children. Under this conference agreement, we keep them safe from physical harm but there is no guarantee that we can offer them anything else. No child in foster care will be assured of the services they need to make returning home safe or adoption a reality. States will help them if they can. If they run out of money, kids may be left in limbo. Year, after year. That's cruel.

This conference agreement cuts more than $80 billion out of programs serving poor families with children. At the same time, the taxes of these families are increased by more than $32 billion. This is an unfair double whammy for the poor and working poor families in this country. Yes, the budget needs to be balanced. Thanks to the leadership of a decade of Republican Presidents this country has mired itself in a sea of deficits. The American people want change. But they do not except America's children to be first in line to pull us out of the mud.

That would be cruel. I won't be a part of it.

MEDICARE AND MEDICAID

The aged and the sick are also among those who will suffer as a result of this Republican budget. Millions of seniors who have contributed to this society for decades will pay more for or receive less health care or both because the Republicans are bludgeoning the Medicare Program. Those who receive their health care through the Medicaid Program, either in the emergency rooms of hospitals that serve the poor or in nursing homes all across this country are at risk of receiving no health care at all as a result of this Republican budget.

Medicare beneficiaries' premiums will be increased under this Republican plan. Beneficiaries will have only tough choices—as the Republican plan makes traditional Medicare more expensive and doctors less assessable. Making traditional Medicare ''wither on the

vine'' as the Speaker has said the Republicans want, will not make life easier for our Nation's seniors.

The Republican bill is full of additional outrages. It provides antitrust exemptions for physician groups which put beneficiaries at risk for even higher costs. Their bill guts critical protections against physicians referring patients to entities with which they have an ownership or employment relationship. The bill makes it harder to impose fines on those who submit fraudulent claims to Medicare. On top of all this, the Republicans want to squeeze payments to hospitals and doctors so hard that rural and inner-city hospitals will close, and doctors will stop taking care of Medicare patients.

Too many bad provisions to enumerate add up to an even worse bill.

TAX ISSUES

Working Americans who earn little enough to be eligible for the earned income tax credit are admonished by the Republicans to stay in the work force, to work longer and harder, to take personal responsibility; but the cuts in the earned income tax credit deliver a different message. Their message is that the rewards to work are diminished, the return for one's effort is considerably smaller. Is that any way to encourage the very actions that one promotes? The Republican conundrum—or one of them—appears to be that economic incentives to be productive matter if you are a wealthy taxpayer or corporation that needs capital gains or special industry tax relief, but not if you are an ordinary wage-earner who benefits from the earned income tax credit.

The reduction of $32 billion in the earned income tax credit [EITC] will result in tax increases on 13 million families of workers who earn less than $28,500 a year. At least 4 million of them earn less than $10,000 a year.

This tax increase reduces the incentive to work for low-income people who are working and struggling hard to stay in the work force—the very thing Republicans have said they want those people to do. It makes no sense. Nor does it make any sense at all to have families who make less than $28,500 foot the bill so that wealthy families can receive tax break that may be almost as large as the annual salaries of some of those targeted families.

The Republicans claim that 73 percent of their crown jewel tax cuts will go to families with incomes of $100,000 or less. That is obfuscation on the Republicans' part. They claim this because they ignore these deep cuts in the earned income tax credit—just as they ignore the plight of those Americans who receive these credits. Distorting the facts like this is unworthy of their role as legislators and national leaders.

Also, I am deeply disturbed that the conference agreement includes a provision which allows companies to take billions of dollars out of their workers' pension funds. The provision included in the conference report is a slightly modified version of a proposal that was defeated by a vote of 94 to 5 on the Senate floor. I would have thought that this overwhelming and bipartisan vote of disapproval would have been sufficient to ensure that this unwise proposal would not be included in the conference report.

Based on revenue estimates of the conference report provision, it appears that the Joint Committee on Taxation anticipated that as much as $20 billion will be removed from pension plan funds by employers under this proposal. The Pension Benefit Guaranty Corporation has estimated that as much as $100 billion could potentially by withdrawn under the proposal. The benefit of this provision will be enjoyed by corporate America—the risks will be borne by employees and the American taxpayers.

As in the case of the pension reversion proposal, the Republican conferees would have been wise to adopt the Senate provision on expatriates. The Senate proposal was adopted on an overwhelming and bipartisan basis. It is deeply disturbing that the conference did not take this opportunity to stop a few wealthy Americans from gaining tax benefits through the act of renouncing their allegiance to a country whose economic system benefited them extraordinarily.

One of the troubling aspects about the congressional consideration of the expatriate legislation involves the revenue estimates of the Joint Committee on Taxation. Most outside tax experts have considered the expatriate provisions included in the Senate version of the reconciliation bill as being a far more effective answer to the problem of tax abuse through expatriation than the provisions adopted by the House. The Treasury Department consistently has estimated that provisions similar to those included in the Senate bill would raise several times more revenue than the provisions included in the House reconciliation bill. However, the Joint Committee has estimated that the far more effective Senate provision will raise little more than half the revenue raised by the House bill.

I am also concerned that the Republican budget agreement would repeal the low-income housing tax credit at the close of 1997. The low-income housing tax credit has helped more than 800,000 poor families afford a decent place to live. It encourages investment in residential housing. It has helped to revitalize urban and rural neighborhoods and boosted local economic activity. The National Governors' Association has urged Congress to retain the credit as a permanent incentive for the reliable and efficient construction of low-income housing units. The Republicans have not explained adequately why they think this credit is corporate welfare that should be cut. And those hundreds of thousands of families know otherwise. The credit merely has provided a helping hand to those who need it. How can this be characterized as a benefit to corporate America? Repealing an incentive for investment in housing for the poorest among us is nothing more than a hit-them-when-they're-down attack on America's needy.

I have always believed that we must be particularly sensitive to the needs of Puerto Rico and our other possessions because they do not have voting representation in the Congress. It has always been my position that any changes to the section 936 credit should maintain, to the maximum extent possible, real incentives for economic development in Puerto Rico. I believe that a credit focused on economic activity in Puerto Rico would accomplish that purpose. The conference report provisions phasing out the section 936 credit are not designed to maximize economic development in Puerto Rico. By not focusing the credit on economic activity in Puerto Rico, the conference report only benefits companies such as the pharmaceutical companies and soft drink companies which claim large credits under section 936 because of their income from intangibles, but often have relatively little employment in Puerto Rico.

As I have stated earlier, the Republican conference report provides substantial reductions in programs designed to protect the poor and defenseless in our society. I believe that it is inappropriate in such a bill to include tax reductions such as those promised in the Contract With America that disproportionately benefit the wealthy and powerful in our society. I also believe that it is shocking that the Republicans also have used this bill as a vehicle to do special interest amendments. They have included a variety of narrowly targeted provisions.

TRADE ISSUES

On trade provisions, I am disappointed that the conference agreement does not include an extension of the trade adjustment assistance programs for workers and firms for an additional 2 years through the fiscal year 2000, as adopted on a bipartisan basis in the Committee on Ways and Means. I am also dismayed that House Republican conferees reduced the extension of the Generalized System of Preferences program for 2½ years as provided in the House bill to an extension for only 1½ years.

Mr. HOBSON. Mr. Speaker, I do not think there are any telephone numbers in there of the previous staffers, as there was in the Democratic budget.

Mr. Speaker, I yield 1 minute to the gentleman from Minnesota [Mr. RAMSTAD].

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

Mr. Speaker, this is it. This is the moment of reckoning. The entire Nation is focused on Congress, and the taxpayers of America expect us to balance the budget now.

No more excuses. No more gimmicks. No more playing the Medicare card.

As the Washington Post's lead editorial put it yesterday, ''If the Democrats play the Medicare card and win, they will have set back for years—for the worst of political reasons—the very cause of rational government in behalf of which they profess to be behaving.

''The question is whether the President and the Democrats will meet or flee their obligations,'' continued the Post's editorial.

Let's be straight with the American people. The question is very clear: ''Do you support a balanced budget in 7 years?'' Yes or no.

In other words, do you think the Federal Government can get by with increasing spending $12 trillion over the next 7 years instead of a $13 trillion increase?

Is there anybody here who really believes that we must spend $13 trillion more instead of $12 trillion?

Defenders of the status quo say we're mean spirited because we're only increasing spending by $12 trillion.

Let me tell you what's really mean spirited.

What's really mean spirited is to continue mortgaging our children's and grandchildren's futures.

What's really mean spirited is to continue spending more money than we

take in—which has jeopardized the financial future of our great Nation.

What's really mean spirited is to promise more than we can deliver, simply for political gain.

Let's pass the Balanced Budget Act of 1995.

The people of America and our children and grandchildren deserve nothing less.

Mr. SABO. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Michigan [Mr. LEVIN].

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

Mr. LEVIN. Mr. Speaker, this Nation badly needs welfare reform, a system that moves the parent from welfare to work without punishing the child. The interdependency is indeed so vital for the parent and for their dependent children. This goal is so vital that it must be shaped essentially by what will make a new system really work, not overwhelmingly by what will save money in the short term in order to plug a big number into an overall budget package. It is so vital that it must become law, meaning sufficient bipartisan support to be enacted and signed by the President.

These welfare provisions fail in both regards. Absolutely failing to even consult, let alone work on a bipartisan basis, the majority has crafted a bill with provisions too weak on getting people off welfare into work and are very potent in hurting kids. Instead of moving toward the Senate bill and improving on it in several important areas, it embraces House provisions that will hurt kids more than putting their parents to work.

This bill, among other things, would cut food stamps by $34 billion, substantially cut payments to 500,000 needy families with seriously handicapped kids, weaken even further than the Senate bill, State maintenance of effort provisions, thereby reducing the likelihood of moving people into productive work. It would prohibit payments to even very elderly, needy legal immigrants and school lunches to kids of such immigrants, and leave working families out in the cold in times of recession.

It is time to work on a bipartisan basis. House Democrats showed their commitment to welfare reform when we voted unanimously for a bill that was strong in getting people off of welfare into work, with clear time limits for people to do so without punishing their children. It provided for broad State flexibility as to how to carry out the national interests in moving parents off welfare into work.

The legislation that we pass must reflect the values and beliefs of the American people. We can and must do better. We must put together a bill that will reform our broken welfare system.

Mr. HOBSON. Mr. Speaker, I yield such time as he may consume to the gentleman from Virginia [Mr. GOODLATTE].

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

Mr. GOODLATTE. Mr. Speaker, I rise in strong support of the Balanced Budget Act of 1995. It is time we balance the budget for everyone in this country and our children and grandchildren.

Mr. Speaker, today is a historic day for America. It is a historic day because today we are keeping our promise to the people of this great Nation for a better future.

This Balanced Budget Act brings more change to the way Washington operates than any other legislation in the last half century. It eliminates deficits over the next 7 years and does so honestly and fairly. And in doing so, we ease the crushing burden of Federal debt on our children.

A balanced budget will not only keep the national debt from going higher and higher, it means help for folks right now. Balancing the budget will lower interest rates which will mean lower mortgage rates, lower car loans costs, lower rates on student loans, and more jobs.

For instance, according to DRI-McGraw/Hill, an independent economic consulting firm, fixed rate mortgages would drop by 2.7 percentage points and adjustable rate mortgages would drop by 1.7 percentage points by 2002. This would boost home values by 8 percent, existing home sales by 11.5 percent, and housing starts 65,000 each year.

This bill keeps other promises as well, including our promise to preserve, protect, and strengthen Medicare. It saves Medicare from bankruptcy while still substantially increasing spending on this important health care program. It is security for our seniors who have planned for their retirements with the hope that Medicare will be there. And it is security for baby-boomers who know we are committed to a sound Medicare system when they retire.

We deliver on our promise of tax relief for America's families and a cut in the capital gains tax to spur job creation and economic growth. According to the congressional Joint Economic Committee, a $500 per-child family tax credit means families with children earning less than $25,000 will see their entire Federal income tax liability eliminated. Families with incomes of $30,000 will have 48 percent of their Federal income tax liability eliminated.

And capital gains tax relief means jobs and economic growth. Investment will not happen without capital, and capital will not be freed up without tax relief. Economic growth and more jobs means more tax revenue.

Despite what our critics say, we can balance the budget and still give relief to our hardworking and overburdened taxpayers. And one thing we know for sure, increasing taxes has not produced balanced budgets.

The American people want a smaller, more efficient government, but Washington has failed to deliver. However, with this bill we begin slimming an overweight Federal bureaucracy including eliminating an entire Cabinet level agency—the Commerce Department.

Mr. Speaker, the Balanced Budget Act is the right thing for America and America's families. We must keep our word to balance the budget. Most important, we must keep alive the American dream for the sake of our children. I urge my colleagues to vote for this historic bill.

Mr. HOBSON. Mr. Speaker, I yield 1 minute to the gentleman from Florida [Mr. MILLER].

Mr. MILLER of Florida. Mr. Speaker, all we hear from the other side are distortions. The President would have you believe that our budget is draconian, that we are going to have massive spending cuts.

Wrong. Stop the scare tactics. Tell the truth. Under the Balanced Budget Act the Federal Government will spend $12.2 trillion. That's a lot of money.

Now, you know how much we spent the last 7 years? $9.5 trillion. We are going to spend almost $3 trillion more over the next 7 years than we did the last seven.

The MediScare crowd keeps talking about Medicare cuts. Again the scare tactics. Tell the truth.

Today we spend $4,800 for every senior on Medicare. In 7 years we will spend $6,700. That's a $1,900 per person increase. There are no cuts.

The fact is this is a fair budget. It's a huge budget. But, we show some fiscal restraint. We have kept our promises for America's families—for America's future.

Ms. ROYBAL-ALLARD. Mr. Speaker, 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. Speaker, I would like to talk just for a moment about the Medicare issue. It has been suggested we do not need to fix Medicare. Actually, that would not be such a bad idea, because if we did not fix Medicare, 26 million more uninsured would not lose their insurance as they will under the Republican bill.

Twenty-six million Americans will become uninsured as a result of this $270 billion. Marie Antoinette would have called it a decapitation; you want to call it a cut. It is a reduction. Twenty-six million people are going to lose their insurance. Nine million people get 80 percent of the tax cuts you are giving them. So you are giving 9 million of the richest people $250 billion, and you are taking insurance away from 26 million.

Thirty-seven million people will pay more in part B, and the doctors will be able to balance their bill, which means you take the lid off. Doctors can charge the Medicare beneficiaries whatever the traffic will bear. The referral fees that the doctors can get are no longer limited, so the doctors can own labs, x-ray labs and physical therapy labs, and they can sell their patients like pork belly options to get referral fees and kickbacks.

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The most unethical practice that was denied some years ago is being reinstated by the Republican bill.

The Republicans are destroying the fee-for-service medical system and the choice, and they are destroying the nursing homes for so many, and the

ability through the Medicaid cuts for so many of the lower-income seniors who need nursing home care in their dwindling years. This is what they are doing with their fix.

If the Republicans think that the Democrats want to fix the system that works well, they are wrong. They are wrong to cut $270 billion for the tax cuts for the rich.

Mr. HOBSON. Mr. Speaker, I yield 30 seconds to the gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. Mr. Speaker, I want to correct one thing the last speaker said. I am sure it was an inadvertent error on his part when he talked about all the benefits of the tax changes going to the rich. This chart makes it very clear. Sixty-five percent of the tax relief benefits go to people with incomes below $75,000. Sixty-five percent of the tax relief goes to those working Americans.

We know that rich people, middle-income people, and poor people all have children, and it is all of them that will get the bulk of this tax relief, because most of the tax reductions go to people that have children. So the tax relief goes to middle-income families. And let us not be fooled by anything else that says it goes to the rich. It does not. It goes to middle Americans.

Mr. HOBSON. Mr. Speaker, I yield 1 minute to the gentleman from Connecticut [Mr. SHAYS].

Mr. SHAYS. Mr. Speaker, the gentleman is also incorrect about what we are doing with Medicare. We are spending more. We are spending 40 percent per beneficiary and 54 percent more in total. In fact, we are going to spend over $674 billion more in the next 7 years than we did in the last 7 years.

Only in Washington when we spend so much more money do people call it a cut. The earned income tax credit will go from $19.8 to $25.4 billion. The School Lunch Program is going from $6.3 to $7.8 billion. The Student Loan Program is going from $24 to $36 billion. The Medicare Program is going from $178 to $289.

Mr. Speaker, only in Washington when we spend so much more money do people call it a cut.

Ms. ROYBAL-ALLARD. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. MATSUI].

Mr. MATSUI. Mr. Speaker, I thank the gentlewoman from California for yielding me time.

Mr. Speaker, I want to point out to the last speaker there, that, yes, seniors will get more money. They are going to get about $6,600 per capita per year on their health care benefits under this proposal. The problem is that for those people that have private insurance, they are going to have a massive increase as well.

In fact, we will be spending, in the year 2002, $6,600 on that senior citizen, 75, 85, 90 years old, but we will be spending $7,700, $1,100 more, on somebody 30 years old. What do you think will happen to senior citizens? They will be given second class health care at a time when they need it.

The gentleman from Ohio referred to a telephone number in a budget. That was in 1981. I was thinking, that was the last time the Republicans had effective control of the House on a budget. That was the year when they said in 1984 they would balance the budget, increase defense and cut taxes. Look what happened. We have budget deficits that are running $200 to $300 billion a year mainly because of the extremism on that side of the aisle.

Mr. Speaker, let me tell my colleagues about these special interest provisions that have gotten into this budget. There is a pension provision in this budget. This pension provision is going to affect 13 million workers and retired people over the next 7 years. It is going to allow major corporations to take out billions and billions of dollars. By their own estimate, $20 billion, in order to pay for increases and bonuses to management employees, limousines if they want, leverage buyouts.

That is what this bill is really all about. It is a special interest bill that takes from senior citizens, middle-income people and gives to the very, very wealthy. This bill is an outrage to the American public and there will be a price to pay for it in 1996.

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

Mr. MATSUI. I yield to the gentleman from Florida.

Mr. GIBBONS. Mr. Speaker, I wanted to ask the last speaker why, if the Medicare figures are not cuts, why does the Congressional Budget Office score them as 280 billion dollars' worth of cuts? It is their budget office that scores them as cuts.

Mr. HOBSON. Mr. Speaker, I yield myself such time as I may consume to respond to the previous speaker that I believe in the previous Congress he was talking about, Tip O'Neill was the Speaker.

Mr. Speaker, I yield 1 minute to the gentleman from Florida [Mr. STEARNS].

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

Mr. STEARNS. Mr. Speaker, I rise in support of the Balanced Budget Act of 1995. And I say to the gentleman from Florida [Mr. GIBBONS], and I am going to say it very clearly, because I think this will be the final answer the gentleman has needed for all these months on this debate. There has been a concerted effort over the last few weeks to frighten our senior citizens by making them believe they would lose Medicare benefits. We all know this is absolutely false.

The difference between the President's plan, if Members will look at this chart, and the Republicans' plan is $4 a month. That is right. Under our proposal the Medicare premium would rise to $87 a month by the year 2002; at the same time the President's proposal would have seniors paying $83. Four dollars difference. Where is the beef? There is no argument here. Four dollars difference between the President and our plan.

Now, Mr. Speaker, if Members will look at the next chart, I call their attention to this chart because Medicare has risen from $15 in 1986, the premiums that is, to $46.10 in 1995. The whole idea that we are raising premiums is a red herring being used solely for the purpose of scaring seniors. Mr. Speaker, it is triple, though, under Democratic rule.

So I rise in support. We have kept our promises for America's families and America's future and for senior citizens.

Ms. ROYBAL-ALLARD. Mr. Speaker, how much time do we have remaining?

The SPEAKER pro tempore. The gentlewoman from California [Ms. ROYBAL-ALLARD] has 40 minutes remaining, and the gentleman from Ohio [Mr. HOBSON] has 45½ minutes remaining.

Mr. HOBSON. Mr. Speaker, I yield 1 minute to the gentleman from Louisiana [Mr. MCCRERY].

Mr. MCCRERY. Mr. Speaker, let us talk about fraud and abuse in the Medicare Program. This bill takes a four-pronged approach to reducing fraud and abuse.

First, it greatly increases beneficiary and provider participation in identifying problems. Second, through computerization and other preventive measures, it greatly increases Medicare's ability to prevent payments for fraudulent, abusive, or erroneous claims and to identify billing schemes early in order to avoid large losses.

Third, it greatly increases enforcement efforts by establishing mandatory funding for coordinated efforts of the Office of Inspector General, state fraud control units, and the FBI.

Finally, it increases deterrence by strengthening civil and criminal penalties for defrauding Federal health care programs.

This bill, Mr. Speaker, makes Medicare fraud less of a possibility in the future. Everybody knows that there is massive fraud in the Medicare Program. This bill gives us the tools to get rid of it, saving billions of taxpayer dollars.

Mr. HOBSON. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. THOMAS].

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

Mr. THOMAS. Mr. Speaker, it is a pleasure to rise today and finally provide specific numbers certified by the Congressional Budget Office. Completely worked out. Here is the plan.

Currently, Clinton's trustees say the part A Medicare trust fund is going broke next year. It is going bankrupt in 2002. The Democratic folks chuckle about that. They say that is no problem we have solved it in the past. Yes, the way they solved it in the past was to increase the payroll tax. They have taken it from young people to give to seniors. Generational shift.

We say we are not going to do that anymore. We will look at a program that was created in the 1960's and bring it up to date. We talk about opening it up, through choice by seniors, to new exciting programs, like the provider-sponsored organization. Local doctors, local hospitals, coming together. Not some outside the area operation, but local doctors and local hospitals creating community-based managed care.

That is what we do. We preserve, we protect and we strengthen Medicare.

The Democratic plan that was sponsored in the Committee on Ways and Means and lost, creates an enormous negative $300 billion right at the time we have to deal with the baby-boomers coming on board. This plan, certified by CBO, carries us beyond 2010 in a positive position. That is part A.

Everybody knows we hold the part B premium at 31½ percent, the amount they pay today. We said, yes, we think that is a reasonable contribution on the part of the seniors. Hold the line. The President's plan, as Members can see, marching down looking at the numbers in 2002, shows $83. CBO certified our part B premium will be $88.90; $5 is all we ask. The 40 million seniors who will be in Medicare at the time are asked for $5 each. And what that does, Mr. Speaker, is create a program that creates a balanced budget in 7 years.

What do we do with the various institutions under our plan? Hospitals get $652 billion over the next 7 years. Home health, $151 billion, That is up almost 9 percent. Skilled nursing facilities get $91 billion. That is up over 8 percent. The physicians, the doctors, they get $315 billion over the next 7 years. That is an 8 percent increase. Outpatient hospitals get $111 billion. That is an 11-percent increase. Direct medical education to our teaching institutions, $32 billion. That is up 12 percent. Clinical labs get $47 billion. That is up 9 percent.

Those are increases. Those are hundreds of billions of dollars that go into Medicare to help our seniors. By opening up part A to choice and by asking our seniors to hold the line $5 apiece in 2002, we preserve, we protect and we strengthen Medicare and we balance the budget. Those are real numbers. Those are numbers certified by CBO. Support the plan.

Ms. ROYBAL-ALLARD. Mr. Speaker, I yield 1 minute to the gentlewoman from Connecticut [Mrs. KENNELLY].

Mrs. KENNELLY. Mr. Speaker, yes, let us talk about the payroll tax. We know that hurts working families, and that is why we have the earned income tax credit.

I am told by the other side of the aisle that reducing this worker wage credit will not cause any pain. I have worked on this program for many years and I know that you cannot reduce $32 billion out of a program, 15 percent out of a program, literally 1 year of payments out of a program and not have pain.

Who are these families? They are 13 million families in America, and if my colleagues can believe it, they are families with high health costs, they are families with more than two children, they are widows with children and single heads of households that are dependent on child support enforcement.

This part of the bill is very bad because it increases the discrimination about wages against hard-working families. This is something that is happening in this country, the distribution of income is becoming more and more unfair. This increases it. It should not happen. This should not be in this reconciliation bill.

Mr. Speaker, I keep hearing from the other side of the aisle that no one gets hurt if you reduce the tax credit for working Americans by $32 billion. This is impossible. You cannot reduce a $225 billion program by $32 billion—a 15-percent cut—a full year of payments—without hurting 13 million families who are in effect getting a tax increase if this happens. These are families with three or more children; families with high medical expenses; widows with children; families dependent on child support; Why are these families being hurt? They are being hurt to pay for tax reductions for the very well off. This is another step toward wage discrimination for working Americans. This continues to widen the gap in wage distribution. This part of the bill is very harmful for the future of America and its hard working families.

Mr. HOBSON. Mr. Speaker, I yield 1 minute to the gentleman from Iowa [Mr. GANSKE].

Mr. GANSKE. Mr. Speaker, I want to follow up on the remarks from the gentleman from California. As a physician, I am very concerned that seniors get the facts straight. This year the average monthly Social Security benefit is $702. Next year the average monthly Social Security benefit will be $720. That is an increase of $18.

So even if Medicare premiums go up $7 per month, next year they will obtain $10 more in benefits. That is an increase by any definition. By maintaining the same share seniors currently pay for their premiums, not increasing their share, their premiums will go from $46.10 to $87 in the year 2002. But, Mr. Speaker, their Social Security benefits will increase from $702 a month to $965 a month.

Today, after paying their premiums, seniors have $656 to spend. In 2002, they will have $878. Mr. Speaker, that is the fact.

Ms. ROYBAL–ALLARD. Mr. Speaker, I yield such time as she may consume to the gentlewoman from California, [Ms. PELOSI].

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

Ms. PELOSI. Mr. Speaker, I rise in strong opposition to the Republican budget plan, which is an assault on American families.

Mr. Speaker, I rise in strong opposition to the Gingrich budget bill. This bill does not reflect the values of the American people.

A budget is a statement of values; the way we spend our money demonstrates our priorities. This Gingrich budget cuts Medicare by $270 billion to finance a $245 billion tax break for corporations and the wealthiest Americans. The budget bill coupled with the Republican appropriations bills slashes funding for education, guts environmental protect and declares war on the American worker. These are not American values.

California families would be hard hit by $72 billion in cuts over the next 7 years in Medicare, Medicaid, earned income tax credit, food assistance, and student loans. The magnitude of these cuts can be grasped by comparing the reductions to the budget of the State of California which is $57 billion this year. These extreme cuts are equivalent to wiping out all State spending for the next 15 months.

The Gingrich budget slashes Medicare funds to California by $36 billion over 7 years. Such dramatic cutbacks in Medicare funding would inflict excessive new premiums on 3.6 million California beneficiaries, and force low-income seniors into managed care. The cut of over $8 billion to California hospitals would decimate vital safety-net and teaching hospitals.

The Gingrich budget repeals the Medicaid program which provides health security to low-income Americans, 5 million of whom live in California. Half of the beneficiaries are children, 15 percent are people with disabilities, and 12 percent are elderly. Medicaid currently covers 26 percent of children in California and pays for more than half of all nursing home care.

The Medicaid program is replaced by a block grant program where States would determine eligibility requirements and the types of benefits to be provided. Federal payments to States would be cut by $170 billion or 30 percent from projected spending under current law.

Consumers Union estimates that the Medicaid provisions in this budget will result in 12 million Americans losing health insurance coverage. Because public hospitals and trauma centers are dependent on the Medicaid program, all Americans would suffer a loss of essential health care when they need it most, while experiencing a serious, medical emergency.

The last Congress engaged in an intensive debate on how to provide universal health care coverage. Unfortunately, due to the complexity of the issue and the partisan nature of much of the opposition, no legislation was adopted.

Nonetheless, there was a shared goal by most Members of Congress to expand health care coverage. Now, the Gingrich budget is about to take the most dramatic step backwards for guaranteed health coverage in American history.

In California, over 2 million low-income, working taxpayers will have their taxes raised by the Republican budget through cuts in the earned income tax credit. Let me emphasize that these are working families. In fact, under this budget, taxes go up for families with incomes below $30,000. It is wrong to raise taxes on working families to finance tax breaks for businesses and the wealthiest 5 percent of Americans.

This budget has a devastating impact on children. Indeed, nearly 2 million children in California will have food stamp benefits cut. Over half of the disabled children in the State will lose Supplemental Security Income [SSI]

benefits. Funds for foster care and adoption services are also slashed. These cuts are mean-spirited and cheat children out of good health, good nutrition, and a bright future.

Student loans for higher education are also threatened by the Gingrich budget. The highly successful direct lending program would be severely limited. In fact, only 6 of California's 183 colleges and universities would be allowed to participate in this important program. Higher education for thousands of young people will no longer be affordable.

This budget threatens the health, welfare, and education of California's working families. These cuts simply go too far.

Mr. Speaker, the Federal budget is a statement of our national values. This Gingrich budget is extreme and does not meet the test of fairness demanded by the American people. It reaffirms the Republican Party as the party of wealth, power, and privilege. I urge my colleagues to reject this Gingrich budget.

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Ms. ROYBAL-ALLARD. Mr. Speaker, I yield 1 minute to the gentleman from Georgia [Mr. LEWIS].

Mr. LEWIS of Georgia. Mr. Speaker, we should, should help families who work hard and play by the rules for this reason. For this reason, I oppose the Republican proposal.

This Republican plan raises taxes on 32 million hard-working American families and gives a tax break to the richest people in America. It is Robin Hood in reverse.

The Republicans cut school lunches, student loans, and environment. About this, there can be no doubt.

Republicans attack Medicare. The elderly may have to choose between paying their doctors and paying their rent.

Why do the Republicans steal from our children, the elderly, and the poor? They say they want to help families, and then they raise taxes on 32 million working American families and give a tax break to their wealthy friends. This is extreme, this is radical; this is mean, just plain mean.

Where is the decency? Where is the sense of right and wrong? Where is the morality? This proposal is mean-spirited. It is just plain wrong.

Vote no on this mean, extreme proposal.

Mr. HOBSON. Mr. Speaker, I yield such time as he may consume to the gentleman from New Hampshire [Mr. BASS].

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

Mr. BASS. Mr. Speaker, I rise in strong support of the Balanced Budget Act of 1995.

Mr. Speaker, I come here to urge those who support balancing the budget to vote for the Balanced Budget Act of 1995.

First, those who oppose balancing the Federal budget want us to believe that balancing a budget means cutting funds for child nutrition programs.

This is false. In fact, under the Balanced Budget Act of 1995, Federal spending will increase for school lunch programs—from $4.509 billion in 1995 to $6.406 billion in 2002.

Second, those who oppose balancing the Federal budget want us to believe that balancing a budget means cutting funds for seniors health care.

This is false. In fact, under the Balanced Budget Act of 1995, Federal spending will increase for Medicare—from $178 billion in 1995 to $289 billion in 2002.

Third, those who oppose balancing the Federal budget want us to believe that balancing a budget means hurting the poor.

This is false. In fact, under the Balanced Budget Act of 1995, Federal spending will increase for Medicaid from $89.2 billion in 1995 to $127 billion in 2002.

Fourth, the Balanced Budget Act of 1995 balances the budget in 7 years, protects our children's future, protects our seniors, and still provides a safety net for the poor and needy. Please support the Balanced Budget Act of 1995, for the future of this country and the future of our children. Under the GOP budget, Federal spending will increase from $1.514 trillion this year to $1.857 trillion in 2002.

Fifth, I would like to take a minute and share with you some of the comments from just a few of my constituents who called in support of balancing the budget in 7 years with honest numbers and to get this Government running again.

Ernest H. Bridge, East Unity.—Today is the second day of the ''Shutdown'' and I've heard many radio reports which indicate that people are upset and blame Congress for ''not doing its job''; however, nobody I've talked with expressed anything but satisfaction that you've stood up to the White House on this issue. I encourage you to stand firm on this issue and I believe there are far more of us who believe in the importance of the issue than there are who buy into the President's pandering for re-election votes.

Richard and Marilyn Horton, Grantham.—Please hang tough on the budget resolution. Don't give into the President. As members of AARP and other senior citizens we do not agree with the President and support the Republican budget plan. Shut it down for a while.

Steven S. Hall, North Woodstock.—Please continue to hold the line with the White House and President Clinton on the budget. Please do not blink.

William Thompson, Litchfield.—I support the Republicans budget plan, and hope you will not give in to the President on reducing the deficit in seven years.

This battle will go down in history and I hope we the people win. Do not give in to the President in this fight for the future of our country.

Ruth Becker, Nashua.—Stand tall and firm and do not give in.

John Elliot, Weare.—The sooner you get the Federal Budget balanced, the better it will be for all your constituents as well as all Americans.

Mr. HOBSON. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. SMITH].

Mr. SMITH of Texas. Mr. Speaker, today's debate is about whether we will put an end to something for nothing Government.

Something for nothing Government continues liberal spending programs today but forces our children to pay for them tomorrow. Candidate Clinton promised an end to something for nothing, a 5-year plan to balance the budget. Three-quarters through his term, President Clinton has no balanced budget plan, just $200 billion deficits as far as the eye can see.

The President would continue 25 years of larger Federal budgets and smaller family budgets, rising red ink and declining private investment.

This Congress will end something-for-nothing Government by passing the Balanced Budget Act of 1995. It put the Federal Government on a modest diet so that our children can have a future of plenty.

Support this balanced budget and, for the first time since Neil Armstrong walked on the Moon, we will put deficits behind us.

Make this balanced budget the law of the land and we will reduce what the Government spends to increase what the family keeps.

Support the Balanced Budget Act of 1995: Keep our promises to America's families, to America's future.

Ms. ROYBAL-ALLARD. Mr. Speaker, I yield 1 minute to the gentleman from Virginia [Mr. PAYNE].

Mr. PAYNE of Virginia. Mr. Speaker, I thank my colleague from California for yielding me this time.

Mr. Speaker, I want to commend my Republican colleagues for bringing to this floor a budget that is balanced in 7 years. This is a goal that I strongly support, and it is one that is essential for our Nation's economy.

However, Mr. Speaker, the problem is that there is something very wrong with this bill, $245 billion in tax cuts at the very time that we have a $200 billion deficit, meaning we have to borrow more money to pay for these tax cuts. This is business as usual here in Washington, doing something that is popular today and letting our children and grandchildren pay the bill.

Further, these tax cuts force us to risk the Nation's entire health system by reducing the rate of growth of Medicare and Medicaid below that which it can sustain. One of the consequences of this in rural areas such as mine is that rural hospitals may close and without these hospitals, it will be increasingly difficult to live and prosper in rural areas.

Mr. Speaker, I agree that we should balance the budget in 7 years. I have voted for the coalition budget that does that, but this is the wrong way to achieve that goal. I urge my colleagues to vote ''no.''

Mr. HOBSON. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. HOKE].

Mr. HOKE. Mr. Speaker, I thank the gentleman from Ohio [Mr. HOBSON], for yielding time to me.

Mr. Speaker, it boils down to politics. That is all it is about at this point. It is amazing just how well and how perfectly the Washington Post got it on November 16.

They said, quote:

The Republicans stepped up to Medicare as part of their proposal to balance the budget. It took guts to propose that. But Bill Clinton and the congressional Democrats were handed an unusual chance to deal constructively

with the effect of Medicare on the deficit, and they blew it. Led by the President, the Democrats chose instead to present themselves as Medicare's great protectors. They have shamelessly used the issue, they have demagogued on it, because they think that is where the votes are and the way to derail the Republican proposals generally.

Let us talk about what is at stake for a moment, and this is where the Post has really gotten it right. They say, quote, ''We have said some of this before, but it gets a lot more serious. If the Democrats play the Medicare card and win, they will set back for years for the worst of political reasons the very cause of rational government that they profess to believe in.''

Ms. ROYBAL-ALLARD. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. RANGEL].

Mr. RANGEL. Mr. Speaker, a lot has been said this afternoon about this mean-spirited proposal. That really shocks me as to why there are not more Americans that are just outraged in believing that we can get a $245 billion tax cut, balance the budget, and no one is hurt. They will come to this well and have us believe that this thing is just painless because there are no cuts involved, they are merely reducing the rate of growth.

There is an old saying that figures do not lie. But they also say that liars sure know how to figure. If we do not believe that the $270 billion cuts in Medicare are going to hurt, why do we not go to the old folks and ask them? We do not have to listen to the politicians, the Republicans and the Democrats. If there is some senior citizen going to a doctor under Medicare part B, go to that doctor and ask, what do they intend to do with the reimbursements? If you know somebody that is working and they work day in and day out and they still cannot get above the poverty line, ask them, what does the earned income tax credit mean to them and what does stealing $32 billion in tax relief mean to them.

If we really want to believe that it does not hurt, ask, why are we cutting $146 billion out of Medicaid? Go to the hospitals that serve these people, the ones that are on the brink of closing, the last place that a poor person can go for health care, and ask them.

But finally, go to the churches. Go to the synagogues, go to the places of worship, as we find Catholic Charities attempting to provide these services for our sick, for our aged, for our disabled. Go to the Protestant Council where they provide the services for these people that have these things. Ask the priests, ask the ministers, ask the nuns.

It is wrong, we know it is wrong, and I hope that our consciences bother us.

Mr. HOBSON. Mr. Speaker, I yield 1 minutes to the gentleman from Kansas [Mr. BROWNBACK].

Mr. BROWNBACK. Mr. Speaker, I went to those places during the campaign. I am a freshman in this body of Congress, and I will say, one place I went to is Lyndon, KS. It was a grade school, and I was asking the grade school students there how much each of them owes here, how much each of those children owes of the Federal debt.

They would say, I do not know. I said, it is over $18,000.

A little fourth-grader held his hand up. He held his hand up and he said, ''How do I owe $18,000? I have not spent anything.'' And he had not. We have.

That is what is cruel, that is what is immoral, and that is what we are trying to stop today, continuing adding to that poor little fourth-grader's debt.

The President says he balances this budget; this is his plan, about 25 pages of press release to balance the budget. We support balancing the budget. Here is a real document, a real plan.

I say, it is time to stop arguing about this, it is time to get down to the specifics of balancing a budget in 7 years with CBO scoring.

Mr. HOBSON. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. HERGER].

Mr. HERGER. Mr. Speaker, the current trend in deficit spending cannot be sustained. Without the Balanced Budget Act of 1995, Americans will experience increased interest rates, higher taxes and a lower standard of living for our children and grandchildren. Past spending has left a $5 trillion legacy of debt to future generations. For example, a child born today will pay $187,000 in taxes just to pay for interest on the debt and a 21-year-old faces a bill of $115,000 in taxes.

Mr. Speaker, the time has come to say ''no'' to fiscal irresponsibility and say ''yes'' to an economically sound and rejuvenated America. It is our moral imperative to vote for this, the first balanced budget in 26 years. Mr. Speaker, we have kept our promises for America's families, for America's future.

Mr. SABO. Mr. Speaker, I yield 1 minute to the gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. Yes, Mr. Speaker, let us move forward to balance the budget, but not through savage cuts in Medicare, Medicaid, veterans' needs, children's needs, education, and environmental protection.

Yes, let us move forward to balance the budget, but not by giving huge tax breaks to the rich, building more B–2 bombers that the Pentagon does not want and by continuing to spend $125 billion a year on corporate welfare.

Yes, we can balance the budget, but not on the backs of the weakest and most vulnerable people in our society.

Mr. SABO. Mr. Speaker, I yield 1 minute to the gentleman from Oregon [Mr. DEFAZIO].

Mr. DEFAZIO. Mr. Speaker, can anybody look at a 1,754-page bill that finally brings fiscal responsibility to Washington, DC and say, there is only one way to write that bill? Well, that is what the Republican majority is telling us. No Democratic alternative will be allowed.

I have a plan to balance the budget in 7 years. I just happen to have very different priorities than the majority. I do not want to give more tax breaks to large corporations and repeal the corporate alternative minimum tax; and I do not think most Americans think that is the way to balance the budget.

I do not believe we have done so well at the top that we should give them tax breaks. I do not believe we should continue agriculture subsidies. I do not believe that we should continue to give away Federal minerals for free.

I believe we should begin to assess royalties. There are responsible ways to get us to a balanced budget in 7 years without cutting student loans, without cutting Medicare, without cutting veterans' benefits.

I have produced such a plan. I voted on a similar plan when we brought the budget to the floor, but that vote will not be allowed today. They are saying there is only one way, their way, which is business as usual, serving the same powerful interests that have run this country for 25 years.

Mr. HOBSON. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Washington [Ms. DUNN].

(Ms. DUNN of Washington asked and was given permission to revise and extend her remarks.)

Ms. DUNN of Washington. Mr. Speaker, I rise in support of this measure, the first serious measure in decades to balance the Federal budget.

Mr. HOBSON. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, suppose I told you Congress could take action today that would save the middle-class family $37,000 every time they buy a home. Suppose I told you today that Congress could take action that would save middle-class families $900 every time they buy a new car. Suppose I told you Congress could take action today that would save middle-class families $10,000 every time they pay back a student loan.

If I told you that we could do that in the Congress in one bill, I would guess that most middle-class families would think that they got a pretty good deal.

Well, I can tell you just that. Pass the Balanced Budget Act and every middle-class American family will begin benefiting now and will benefit well into the future.

The President cannot say the same. He has decided to take what may be the very first firm stand in his entire political career, and that stand is against a balanced budget.

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The President has never given us a balanced budget. He has never balanced the Federal budget. He is doing everything he can to stop a balanced budget.

If we win our balanced budget today, families will get $37,000 in mortgage savings. With the President you lose. If we win, every family buys a new car for

$900 less. With the President, you lose. If we win, every family finances a college education for $10,000 less. With the President, you lose. Support the balanced budget.

Mr. SABO. Mr. Speaker, I yield 30 seconds to the gentleman from New York [Mr. NADLER].

Mr. NADLER. Mr. Speaker, we all believe in achieving a balanced budget. But, oh, the sins that we can hide under that framework.

Mr. Speaker, this bill imposes a $32 billion tax increase on low-income working Americans earning $18,000 to $20,000 a year, while giving a $14,000 tax break to someone earning $350,000. The bill eliminates home heating assistance for low-income people while providing funds for nuclear weapons testing. It eliminates the assurance that will help people pay for the cost of nursing homes for grandma and college loans for their students, but the rich will get a lot richer. That is what this republican budget is all about.

Mr. SABO. Mr. Speaker, I yield 45 seconds to the gentlewoman from Georgia [Ms. MCKINNEY].

Ms. MCKINNEY. Mr. Speaker, this so-called reconciliation is not about balancing the budget, it is about rewarding those who finance the Republican Party. If that weren't true, then why were there no cuts to the hundreds of billions of dollars in corporate welfare?

For decades, the insurance industry has wanted to sink its teeth into Medicare, and if this plan passes, you can bet your grandma's bed-pan they'll get their wish.

The Republican leadership is proud to have opposed Medicare in 1965. What makes you think they want to save it in 1995?

Mr. KASICH. Mr. Speaker, I yield 1 minute to the very distinguished gentleman from New York [Mr. LAZIO], a member of the Committee on the Budget and one of our leading experts on housing.

Mr. LAZIO of New York. Mr. Speaker, the last few days in this Chamber have been difficult for us. We have clashed in increasingly bitter tones that obscure the crispness of the question before us. And that, Mr. Speaker, is: Are we prepared to promise a higher standard of living for our children and grandchildren? That question is at the heart of the debate about what the Balanced Budget Act is really all about.

I think of my two young daughters, Molly and Kelsey, and the future they face. There are two clear paths before them. If we stay on this path and deliver a future of unsustainable spending, crushing debt, and huge increases in taxes, their hopes and dreams may never materialize. In the end, that path leads America to fewer opportunities and a lower quality of life for the smallest among us.

Or we can take another path; a brighter path filled with hope and opportunity. It promises an America where our children can live better lives than we, the dream of every parent.

Let's keep our promise to do the right thing, the moral thing. Let's balance the budget and grow hope for all of America's children and America's future.

Despite the tough choices we have had to make to balance the Federal budget, I am proud to say that we have kept our commitment of service to the American people. When asked, the House Banking Committee was able to more than double its contribution to deficit reduction. But rather than cut housing programs, the committee went the extra mile and gave much-needed outlays to the Appropriation Committee to put more money into those critical programs that provide crucial housing assistance for America's seniors and disabled, as well as the Nation's homeless and vulnerable populations. We have proven that we can do what is right for our children by balancing the Federal budget—and still do what is right for our parents and grandparents by providing them with access to clean, affordable, and healthy homes.

Mr. SABO. Mr. Speaker, I yield 45 seconds to the gentlewoman from New York (Ms. VELÁZQUEZ).

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

Ms. VELÁZQUEZ. Mr. Speaker, I rise in strong opposition to this mean-spirited Republican budget.

Mr. Speaker, what we have before us today is the naked shift of wealth at its very worst. We are robbing working class Americans to pay for tax breaks for the wealthy. Yes, $245 billion for the wealthiest families in this country. While the Republicans are lecturing us on welfare reform, they are destroying programs like the earned income tax credit, the low income housing tax credit, education, job training, programs that help get people off welfare.

Today's vote marks the end of an era. Gone will be the world in which mothers and fathers hoped and dreamed that their children's lives would be better than their own. Today with this vote that dream will cease to exist. I urge a vote against this attack on working men and women.

Mr. KASICH. Mr. Speaker, I yield 1 minute to the gentlewoman from North Carolina [Mrs. MYRICK].

Mrs. MYRICK. Mr. Speaker, as the debate rages over our moral obligation to balance the budget in 7 years, we need to remember to whom we owe this obligation.

It is our children, grandchildren, parents, and millions of hardworking Americans who simply cannot bear the burden of debt any longer.

These are real people, not statistics or public opinion polls. Real people like George Sigmon, a senior citizen from my hometown of Charlotte who called yesterday to urge us to stand firm and let me know that he is behind us 110 percent; retired Navy veteran Charles Peterson of Bessemer City, NC; Donny Loftis of Gastonia, a furloughed Federal employee; Betty Stiles of Cramerton, who wants us to stand our ground; Abraham Ruff of Kings Mountain, a disabled veteran who supports our efforts so much that he has decided to switch his party affiliation from Democrat to Republican; and Marion Harris of Charlotte, an 80-year-old woman who supports the GOP effort to balance the budget in 7 years and urged us to help save Medicare for her 50-year-old son.

These people are depending on us to do what we were sent here to do, balance the budget in 7 years.

Let us not let them down.

Mr. KASICH. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Illinois [Mr. CRANE], the chairman of the Subcommittee on Trade and leader in the House.

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

Mr. Speaker, I would like to read a letter to Members that I received today, but it is representative of many that I have received in the past 48 hours:

DEAR REPRESENTATIVE CRANE: I am writing to thank you for standing up for the future of America. My wife and I have twin sons that are waiting to be born any day now. I just want you to know that because of your strong stand in this budget battle with the White House, my boys will have a bright future. They won't have to worry about using their most productive days to pay off the nation's debt. Instead, they can use their talents and abilities to build a stronger country.

In the coming days the temptation to compromise will be great, but please don't give in. Know that what you are doing is right. Regardless of the media hype and the opinion polls, the truth that you stand for will be vindicated. Neither my boys nor the rest of their generation will ever get a chance to thank you, but they will surely owe you a debt of gratitude. Someday they will read in their history texts about the Second American Revolution, the Congress of 1995 and I will be proud to say that my Congressman, Phil Crane played a key role in it.

Thank you for being our congressman and having the courage of your convictions. Our thoughts and prayers are with you during these trying times.

Mr. Speaker, because of debate time constraints, I wish to extend my remarks in strong support of the conference report for H.R. 2491, the Balanced Budget Act.

Unlike many of our friends on the other side of the aisle and the current occupant of the White House, both of whom have shifted the blame and offered excuses for not balancing the budget, we Republicans today are implementing legislation which will eliminate the Nation's budget deficit in 7 years. Over the last couple of years the President has announced publicly that he supports a balanced budget in 5, 7, 8, 9, and 10 years. Not only does the President continually change his mind on the number of years we should take to balance the budget, but he has not yet agreed to any plan which actually balances the budget in any length of time.

In contract, Republicans have been willing to make the tough choices, knowing that some sacrifices must be made to get our Nation's finances in order. Before today, Congress quite literally has been mortgaging the future of our children and grandchildren, and this insane practice must stop.

I recognize that the bill now before the House is not perfect. Like any piece of legislation crafted by a committee of men and

women and containing hundreds of provisions, any one of us would construct this bill differently to suit the needs of our own constituents.

For example, while some have objected to the tax cuts in the bill, I believe that we owe Americans a reprieve from the tax increase President Clinton and the Democrats in Congress imposed on the American people in 1993. In fact, the tax relief portions of this bill come $100 billion short of repealing that largest of tax increases in history. Over the 7 years of this budget, the $245 billion in tax relief amounts to only $35 billion per annum. As vice chairman of the Ways and Means Committee, I can unequivocally state that our $5 trillion debt came as a result of Congress spending too much money, not because Americans have been taxed too little.

While it is not as much as I would like, H.R. 2491 does in fact provide significant assistance for Americans most in need of tax relief. The bulk of the tax cuts, 61 percent to be precise, will go to Americans earning between $30,000 and $75,000. I feel particularly proud that H.R. 6, the American Dream Restoration Act, which I sponsored, is part of the tax relief portion of this reconciliation bill. This legislation will provide working parents with a $125 per child credit for parents this year and a $500 credit for each of their children beginning in the 1996 tax year. Furthermore, the bill offers some mitigation of the marriage tax penalty. In addition, the bill offers the opportunity for Americans to establish American Dream Savings IRA-type accounts to save for their retirement, purchase a first home, pay for health expenses, provide for periods of unemployment, or pay for education expenses.

H.R. 2491 also offers other significant and important tax cuts. Too often, politicians think tax dollars belong to Congress, not to the American people. This bill allows Americans to keep more of their own money to spend or save as they wish. For example, under this bill capital gains taxes on individuals will be cut in half. This will free up capital for entrepreneurs to create small businesses and more jobs, thus creating more taxpayers, which means more dollars for the U.S. Treasury. However, I would like to add that my principal concern is job creation, not ensuring more money for the Treasury.

On balance, H.R. 2491 is a well-crafted, long overdue piece of legislation. The bill recognizes the necessity for balancing the budget, and it does so by placing the onus on Congress to prioritize and reduce Federal spending, rather than by increasing the burden on overtaxed working Americans.

Many of our Democrat colleagues have alleged that we are delivering draconian budget cuts which will impoverish millions of Americans. Only in Washington can spending increases be labeled as cuts—Federal spending under this plan will actually increase by 27 percent over the next 7 years. This budget act will, however, begin making necessary cuts in unnecessary Federal spending.

Balancing the Federal budget offers significant economic benefits for all Americans in the form of lower interest rates. According to a study by the National Association of Realtors, the average 30-year, $50,000 home mortgage financed at 8.23 percent will drop by 2.7 percentage points, saving homeowners $1,081 annually and $32,430 over the life of the loan. Lower interest rates will also make car loans more affordable and will lower the cost of student loans.

For all of these reasons, I believe it is incumbent on me and all of my colleagues to pass H.R. 2491. We must keep the promise to our children and grandchildren to stop billing them for our extravagant spending. Therefore, I urge all of my colleagues to vote in favor of the Balanced Budget Act conference report.

Mr. SABO. Mr. Speaker, I yield 1 minute to the distinguished gentlewoman from California [Ms. ROYBAL-ALLARD], a member of our committee.

Ms. ROYBAL-ALLARD. Mr. Speaker, today we are taking final action on a budget that forces us to abandon a vital American principle of fair play. Instead of pursuing the goal of ''shared sacrifice'', the majority rips gaping holes in key social safety net programs—imposing new burdens on children, seniors, and the poor, while granting a $245 billion tax break for the wealthy.

This budget is grossly unfair because it takes $165 billion from Medicaid in order to eliminate the minimum tax on corporations. This could cause over 2 million seniors to lose their Medicaid coverage for long-term care.

It is unfair because it enlarges corporate tax deductions, while taking away $82 billion from welfare, pushing over 1.2 million children into poverty and denying Federal benefits to elderly legal immigrants.

And, it is unfair because it gives families earning $350,000 a $14,000 tax cut, while increasing taxes for low-income working Americans by cutting the EITC by $32 billion, affecting 60,000 working families in my district alone.

I urge a ''NO'' note on this budget ''wreck-conciliation.''

Mr. KASICH. Mr. Speaker, I yield 1 minute to the very distinguished gentleman from California [Mr. RIGGS].

Mr. RIGGS. I thank the gentleman for yielding me the time.

Mr. Speaker, I simply wanted to make the point to my colleagues because we have heard a lot of discussion about the impact of the Balanced Budget Act on families. In fact, the President has gone so far as to claim that the Balanced Budget Act will negatively impact the lowest income people in America. In fact, he has claimed that it actually constitutes a tax increase.

I want everyone to know that because of the efforts on this side of the aisle, we were able to insert language in the conference report that makes sure that no American family is worse off as a result of the Balanced Budget Act and almost every American family is better off through the combination of the earned income tax credit, which goes to the poorest families in America, and our new $500 per child tax credit.

Just a final thought for the family with an income of $30,000 a year, whether it be a single parent or two-parent family, with two dependent children. That $500 per child tax credit constitutes a $1,000 tax break for that family each and every year until those children reach the age of 18. That is real tax relief for American families.

Mr. SABO. Mr. Speaker, I yield 1 minute to the distinguished gentlewoman from Florida [Mrs. MEEK], a member of our committee.

(Mrs. MEEK of Florida asked and was given permission to revise and extend her remarks.)

Mrs. MEEK of Florida. Mr. Speaker, I would like to respond to the statement made by my colleague just a moment ago involving the earned income tax credit. Most of the people in my district do not make $17,000 a year, so they will not even be qualified or eligible for any savings through that particular method.

I think that this whole argument on the budget is driven by two things: One has to do with the fact that some people feel in their minds that $245 billion is just a pittance for someone to give as a tax cut. It is not a pittance, because you are using it to cut the good things that government has been able to do over the years for the poor, the elderly and the disadvantaged. I think that as a group we must be sure that we do not let this happen.

I do not want to support this reconciliation budget. It is not reconciling anything. This has been in the figment of one or two men's minds in this Congress. Why do we have to have 7 years? I am in favor of balancing the budget, but why does it only have to be on the intuitive meanness of one or two people?

Mr. Speaker, I strongly support balancing the Federal budget. Last spring I voted for a budget that would do so in 7 years.

But I strongly oppose the so-called Balanced Budget Act that we are considering today. The fundamental problem with this bill is that it pays for a $245 billion tax cut at the expense of the most vulnerable in our society, the sick, the elderly, the working poor, and our children.

Let me give some examples of how my constituents are being forced to pay for this tax cut. I believe in this entire balanced budget 7-year frenzy cut.

The Republican budget cuts Medicare by $270 billion and Medicaid by $163 billion over 7 years. To the majority, a cut of $443 billion in simply an abstraction. Let me translate it for you. These Republican cuts mean a cut of about $200 million for the hospitals in the Miami area—including Jackson Memorial Hospital, one of the best public hospitals in the Nation. These Republican cuts mean that next year our senior citizens will be paying $8 a month more for part B Medicare premiums than they are paying this year. By the year 2002 they could be paying $90 a month—$47 a month more than they are paying now. While these increases may not seem like a lot of money to the wealthy Americans who are getting the big tax cut, they are a lot of money to retirees living on fixed incomes.

The Republican budget also cuts Federal loans for college students by $5 billion over 7 years. This translates into higher costs for 7,700 students in my congressional district.

The major tax increase in the Republican budget is a $23 billion change in the earned

income tax credit. The EITC was signed into law by President Ford in 1975 in order to help people move from welfare to work. This $23 billion tax increase translates into higher taxes for 46,000 hard-working low income families in my congressional district.

The Republican budget cuts off food stamps and other public benefits for legal United States residents in order to save $21 billion. There are tens of thousands of legal United States residents in my district who work hard and pay taxes. They should not be penalized in order to pay for a tax cut for the wealthy.

In order to save $82 billion over 7 years, the Republican welfare bill will stop all assistance to families after 5 years. It will require adults to work after receiving welfare for 2 years. The majority doesn't say what will happen to these people when their time is up. The United States Catholic Conference has the answer. It says the welfare provisions will increase poverty, punish legal immigrants, and encourage poor people to have abortions.

Mr. Speaker, we can work together to balance the budget. But we cannot work together to have the elderly and the poor pay for a $245 billion tax cut.

Mr. KASICH. Mr. Speaker, I yield 1 minute to the gentlewoman from Florida [Mrs. FOWLER].

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

Mrs. FOWLER. Mr. Speaker, I rise in strong support of the Balanced Budget Act.

We can no longer, as a nation, afford to turn our back on the moral imperative of balancing the Federal budget. Today our Nation is $4.9 trillion in debt, and that amount is rising. By 1997, the interest on our debt alone will total $270 billion a year—a full 17 percent of the Government's tax revenues.

We can continue business as usual, as some of my colleagues apparently desire. We can continue to reject responsibility for dealing with this monumental problem, as the President seems to want. We can continue to foist our Nation's debt off on our children and grandchildren, and wash our hands of this sorry state of affairs.

The alternative is to take responsibility, to make the hard decisions, and to come up with solutions. The Balanced Budget Act of 1995 does that, responsibility, over a 7-year period.

Mr. Speaker, we can no longer hide our heads in the sand. I intend to do what is right for America's families and for America's future, and support this landmark legislation.

Mr. SABO. Mr. Speaker, I yield 1½ minutes to the gentleman from Missouri [Mr. CLAY], the ranking member of the Committee on Economic and Educational Opportunities.

Mr. CLAY. I thank the gentleman for yielding me the time.

Mr. Speaker, this conference agreement is a cruel and heartless charade, agreed to behind closed doors, that places the burden of financing tax cuts for the rich squarely on the backs of children, the poor, the elderly, and students.

From child care, to school lunch, to protections against child abuse, to access to higher education, the details of this agreement are illogical and unconscionable.

Republicans all but eliminate a cost-effective student loan program for one simple reason: Big banks don't like the competition.

The direct loan program is better; it's cheaper for the taxpayers; it's simpler for students; and it's easier for schools to administer. The Republican giveaway will mean $8 billion in windfall profits for special interests.

While banks get a statutory monopoly, students get a statutory mugging.

Over 1,200 schools and 1 million students will be thrown out of the program.

This legislation is not about balancing the budget, as the Republicans claim. It is about hijacking the U.S. Treasury to finance tax cuts for the rich.

Finally, Mr. Speaker, this legislation steals more than $100 billion from programs designed to protect our Nation's most vulnerable citizens from poverty, hunger, child abuse, and joblessness. The cut that angers me the most is the $6 billion that the Republicans steal from child nutrition to finance their tax cut for the rich.

I urge my colleagues to oppose this ugly bill.

□ 1315

Mr. KASICH. Mr. Speaker, I yield 1 minute to my dear friend, the very distinguished gentleman from North Carolina [Mr. COBLE].

Mr. COBLE. Mr. Speaker, the past three decades the Congress has been a sloppy steward of tax dollars. Our country has been spent into the poor house, and we have mortgaged children's futures.

But old habits die hard, Mr. Speaker. Many in this House resist change, so they attack the Republican plan by using fear tactics, laced with deception and half-truths and cleverly direct this message to vulnerable senior citizens: Tell Americans Republicans are cutting Medicare; tell Americans Republicans are eliminating school lunches; tell Americans Republicans will contaminate air and water; tell them anything that will frighten them even if you have to distort the truth.

Mr. Speaker, the time has come for us to exercise discipline as we go about cleaning up this fiscal mess. If we fail to pass the Balanced Budget Act, there will be no Medicare, no school lunches, no water to drink. We have had an extended dance, Mr. Speaker. The fiddler must be paid.

Mrs. MEEK of Florida. Mr. Speaker, I yield 10 seconds to my colleague, the gentleman from North Carolina [Mr. HEFNER].

Mr. HEFNER. Mr. Speaker, I just would like to say to my colleague, the gentleman from North Carolina, it is not scare tactics. It is the truth. That is what scares our senior citizens all over this country. It is the truth. That is what is scary.

Mrs. MEEK of Florida. Mr. Speaker, I yield 1 minute and 20 seconds to the gentleman from New Jersey [Mr. ANDREWS].

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

Mr. ANDREWS. Mr. Speaker, I believe that balancing the budget in 7 years is right and necessary. I think this is absolutely the wrong way to do it.

Under this plan, senior citizens will pay more for their health insurance. There will be fewer reading tutors in our school systems. There will be fewer people inspecting the quality of our air and water. That is what is going to happen.

Now, is it necessary? I do not think so. And one of the most egregious examples of where we could cut but are not cutting in this plan is through the Republican abolition of the direct lending program.

Understand this, ladies and gentlemen, abrogation of direct lending is nothing more than a $6 billion giveaway to the banking industry of this country. In the next couple days or weeks we are going to come back here and we are going to pass a 7-year balanced budget. One of the ways that we will do it, and should do it, is to say no $6 billion giveaway to the banking industry of this country. Put the reading tutors back in the schools. Put the pollution inspectors back in the helicopters back over the ocean and do not raise taxes on janitors to give $6 billion away to banks.

Mr. FRANKS of New Jersey. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. GOODLING], chairman of the Committee on Economic and Educational Opportunities.

Mr. GOODLING. Mr. Speaker, I want to make very sure everybody understands that we had a different target in conference. We had a $10 billion savings before we went to conference. We only had to come up with $4.9 billion after we went to conference.

What does that mean? That means that not one student or one parent will pay 1 cent more for a student loan under this bill. Where do we get our savings? From where the gentleman just said we were going to give it to them; we are taking it from them. As a matter of fact, we get 70 percent of our savings from the guarantee agencies, from the secondary market, from the banks. We do that by increasing their share of the risk when students default.

Then there are people who say, oh, well, we, should continue this. We ought to say thank God that we are going to stop this nonsense because what we are doing, if we continue according to CBO, is costing the taxpayers another $1.5 billion in direct lending. And who pays for that? Of course, the taxpayer. Because there is no one out there to collect, no one out there to service, and so we will change

that and save money. And also in child care and in nutrition programs, there will be a 4 percent increase every year. As a matter of fact, when we get to the year 2000, it is 5.4 percent.

With a significantly lower budget target of $4.9 billion we were able to put together a package of savings proposals which do not increase costs in any way for students or parents. Not one student or one parent will pay 1 cent more for a student loan under this bill than they pay today.

Seventy percent of the savings under this agreement come from the banks, guaranty agencies, and secondary markets participating in the guaranteed loan program. We achieve these savings by increasing their share of the risk when students default on their loans, by increasing the fees these parties pay the Federal Government and by reducing the funds they receive for administrative purposes.

The minority are concerned that 1.9 million direct loans will not be made next year. We should all be saying, thank God. That means the Department of Education will not lend $10 billion next year and not increase the Federal debt by $10 billion. Instead, banks across he country who know how to make and collect loans will make the 1.9 million loans. And if any of those students default on their loans, instead of the Federal Government being on the hook for 100 percent of the loss, the Federal Government will only pay out 91 cents, 81 cents, or 71 cents on the dollar depending on the circumstances. I continue to be amazed that the President and the minority prefer the Federal Government to assume 100 percent of the risk on loan defaults rather than letting the private sector share the loss.

I hope that it is obvious to everyone—except maybe those of you who believe that Federal aid should keep up with college tuition which has been growing at a rate surpassing inflation for well over a decade—that this reconciliation package does not spell disaster for postsecondary education in this country. Congress will continue to provide billions of dollars in aid for needy college students who wish to pursue a postsecondary education.

Mrs. MEEK of Florida. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. ENGEL].

Mr. ENGEL. Mr. Speaker, this bill is a real turkey, and the American people should beware. The Republicans are about to serve the public a turkey left outside for special interests to pick on, and because of reckless, last-minute closed-door deals, this turkey was not cooked long enough. If you buy this turkey, it will make you sick.

It cuts Medicare by $270 billion to pay for a tax break for the rich. It increases taxes on working families by $32 billion. It drastically cuts corporate taxes and permits corporate raids of pension plans. It cuts child nutrition. It cuts school lunches. It cuts student loans. It cuts nursing home care, doubles seniors' Medicare premiums, kills the environment.

We should move toward a balanced budget. But who says that 7 years is so special? Seven years is an arbitrary time.

If it is going to cause so much pain, we ought to abandon it.

This bill is typical Republican nonsense. If you are rich, you win. If you are a senior citizen, a student, a middle-class person, a poor person, a working poor, or the rest of America, you lose.

It should be defeated.

Mr. FRANKS of New Jersey. Mr. Speaker, I yield 1 minute to the gentleman from Oklahoma [Mr. WATTS].

Mr. WATTS of Oklahoma. Mr. Speaker, the last time we had a balanced budget and the Federal Government operated the way we all have to in our personal financial lives, the way 90 percent of the States have to—with a balanced budget—I was 12 years old. I do not want my 10-year-old daughter to come to me 25 years down the road and say she remembers when we could have balanced the budget and we blew it.

Friends, in our budget we are spending almost $3 trillion more in the next 7 years than we have over the last 7 years. This is not about Medicare. It is not about student loans. It is not about welfare. It is about getting this administration and the Democrats to come to the table and commit to a budget that will balance in 7 years, scored by the Congressional Budget Office.

What is the fear of them not wanting to do that? The fear they do not have taxpayers' dollars to spread around for political gain the way they have over the last 30 years, the fear they will have to distance themselves, they will not be able to tax and spend and borrow. It is amazing, if you do not have a plan, all the trick plays and all the deception and all the lies that are used trying to cover up for weakness. The other side's weakness is they do not have a plan. They have not had one in the last 25 years.

I ask for bipartisan support of this balanced budget.

Mrs. MEEK of Florida. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. OWENS].

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

Mr. OWENS. Mr. Speaker, I rise in opposition to this murder of Medicaid.

Mr. Speaker, we must defeat this bill and stop the murder of Medicaid. Today Medicaid guarantees 9 million children and adults with disabilities the health and related services they need to lead healthy, productive, and independent lives. That guarantee is wiped out by this legislation. Each State would decide whether and the extent to which they provide services to persons with disabilities. The savage, $165 billion cut this bill imposes on the program makes it certain that hundreds of thousands of persons with disabilities will lose all coverage and millions more will lose some of the health services and benefits they now receive. Many persons with severe disabilities who are now living independently in the community will be forced back into institutions and isolation.

The impact these cuts will have on families is severe. Consider Dee and Zack Klyman of Nevada. They have adopted three children with severe disabilities, Michael, Markeeta, and Shiniri. Each of these children was disabled as a result of abuse and neglect; the Klymans took them in and gave them a loving home. Medicaid now pays for all of the extensive medical services these children need. On their own, the Klymans could not afford these services. If the Republican butchery of Medicaid succeeds, the well-being of this family will be threatened. How will they cope with the thousands of dollars of medical bills their children generate every month? Will the family survive? What will happen to these three children?

The States cannot be trusted to take care of the people with disabilities that they refused to care for before Medicaid was created.

We must stop this destruction of service to people with disabilities. We must stop this murder of Medicaid. We must defeat this monstrous legislation.

Mrs. MEEK of Florida. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota [Mr. MINGE].

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

Mr. MINGE. Mr. Speaker, I rise in opposition to the conference report.

Mrs. MEEK of Florida. Mr. Speaker, I yield 1 minute to my friend, the gentleman from Texas, Mr. GENE GREEN.

Mr. GENE GREEN of Texas. Mr. Speaker, I rise in opposition to this extreme reconciliation budget. Like my colleague, the gentleman from Oklahoma, I would like to have a balanced budget in 7 years, but we need to talk about it without the $245 billion tax cut, and without the extreme cuts to Medicare and education.

The Republican budget has its investment strategy backwards. It pushes tax cuts more than it pushes the balanced budget effort. It sets priorities wrong. We need to support a balanced budget, but not to the extent of the cuts in education.

In the Republican budget, and my chairman of the committee was right, we are only cutting student loans $4.9 billion over the next 7 years. That is too much. We need to not take away from our future. Education is our future.

If we cut education funding, then we are taking away the future of our Nation.

Mr. FRANKS of New Jersey. Mr. Speaker, I yield 1 minute to the gentleman from Maine [Mr. LONGLEY].

Mr. LONGLEY. Mr. Speaker, you know, last January we voted on the balanced budget amendment, which passed in this body by 300 to 123, including 72 then-Democrats who supported the plan.

It is interesting to me that just barely 2 days ago 48 of those supported the clean continuing resolution, but 20 did not, and not only of the 20 who did not support the continuing resolution, another 127 who in January said all we needed to do was muster the political will to make the tough decisions, could not make the tough decisions when it came to coming to the issue that we are now confronting.

The Democratic Party has not offered a substitute. All you are doing is

whining about how much we need to spend here and there. You have not offered any specifics other than the fact you want to spend more.

When we look at the last 3 years, we have gone into deficit another $800 billion, and now we are looking at deficit indefinitely. I think it is incumbent on the moniority party to start talking with action instead of complaining about what we have done. We have done the heavy lifting. We have made the tough decisions. We are going to get this country on the track to a balanced Federal budget.

Mr. FRANKS of New Jersey. Mr. Speaker, I yield 4 minutes to the gentleman from Pennsylvania [Mr. CLINGER], the chairman of the Committee on Government Reform and Oversight.

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

Mr. CLINGER. Mr. Speaker, the madness has gone on too long. Enough is enough.

We need to stay focused in this debate on the goal that we are all trying to achieve, and that is a balanced budget within the next 7 years.

Each year since 1969, the Federal Government has failed to live within its means, spending more money than it collects in taxes and borrowing to make up the difference. For 26 years we have piled more and more on to the national debt, which now stands at an unfathomable $4.9 trillion. In Washington, this is business as usual. In the real world it is a lousy business.

Our budget is a looming fiscal crisis. Everybody agrees with that on both sides of the aisle, and balancing it is a necessity, not a luxury.

Interest on the debt is $235 billion, or 17 percent of the budget. That is outrageous, and it is growing. In 1997 we will spend more on interest payments than national defense. Only Social Security will receive more money. That is terrifying.

Every tax dollar obviously that we are forced to spend on the old debt is a dollar we cannot spend to fight crime, battle poverty, conduct research on disease, protect the environment, or defend the Nation. If we do not begin to rein in the growth of Government, spending on entitlements and interest will consume all tax revenues in just 17 years.

Anyone can see that this rate of spending is absolutely unsustainable. Furthermore Mr. Speaker, the deficit and the mounting national debt is an albatross around the neck of our economy. The Government's dependence on borrowing crowds out private investment, stifles job creation, and limits economic growth and opportunity.

Balancing the budget will significantly boost our economy and is going to unlock vast opportunities by reducing long-term interest rates by at least 2 percent. Families will pay less for mortgages, for student loans, for car loans, and credit card payments. Businesses will be able to expand, create jobs, and improve their international competitiveness. These are all enormous pluses that will be achieved by this balanced budget.

A balanced budget is going to create 6.1 million additional jobs and increase per capita income an extra 16 percent over the next 10 years. That is worth fighting for. That is worth voting for.

No Government program, or all of them put together, can provide the American people as much in benefits as a balanced budget can.

Finally, and most importantly, Mr. Speaker, we have got to budget, as has been said here, because our current spending practices are compromising the standard of living and the future of our children and our grandchildren. Long after we are gone, future generations are going to be left holding this enormous bag.

We have an obligation to preserve the legacy of the dream for them, a dream that says our children will live better than we do, a dream that says America's best days are ahead of us, not behind us.

Our commitment to balancing the budget and saving our children is reflected in the legislation we have right here today to vote on, the Balanced Budget Act of 1995. This bill is going to balance the budget by 2002, not by slashing Government as our Democratic colleagues charge, but by slowing the Government's rate of growth from 5 percent to 3 percent a year.

The President claims he, too, wants to balance the budget and he has his own plan which will accomplish it in 10 years instead of 7. It is just not true, Mr. Speaker. According to CBO, the President's plan leaves us with $200 billion in deficits as far as the eye can see, according to the CBO numbers. The President insists his plan is more reasonable, less harsh, but if it never gets to a balanced budget, he can avoid making the tough decisions needed to control spending. Congress cannot have an honest discussion or negotiate with the President until he truly commits to balancing the budget and offers a credible plan that gets the deficit to zero.

□ 1330

Mr. Speaker, this is a defining moment in this Nation's long history and our long experiment in democracy. It is a defining moment that we cannot now falter and fail.

Mr. SABO. Mr. Speaker, I yield 15 seconds to the gentleman from Mississippi [Mr. TAYLOR].

Mr. TAYLOR of Mississippi. Mr. Speaker, in comment to my last two Republican colleagues, No. 1, the coalition did have a plan to balance the budget with less debt than the Republican plan. Unfortunately, under the rules of debate today, approved by the majority, you did not allow it to be considered.

Mr. SABO. Mr. Speaker, 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. Speaker, I do believe we can achieve a sensible balanced budget that does not deny access to direct student loans to 41 schools in Texas or penalize 13 million working families by devastating the earned income tax credit.

Mr. Speaker, we have before us for consideration today the budget reconciliation conference report. This legislation has been heralded by the majority as a miracle remedy for the many ailments afflicting our Nation's Government. However, I stand before you this morning to bring to your attention the truth about this so-called miracle; it is a fiscal fiasco for many citizens of our country.

The Medicare reform provisions within the bill are very similar to that which was passed by this body in October; $270 billion is still cut, premiums still rise, and hospitals, doctors, and other health care professionals still get the shaft. The fraud and abuse provisions are weak—far weaker than they should be and far weaker than they could be. Although substantial new criminal penalties are imposed, the legislation actually makes it harder for the Federal Government to prove fraud for the purposes of imposing civil monetary penalties. In fact, in many ways, this language is more heinous than the earlier version. This entire reform plan has gone from bad idea to terrible legislation, to horrible reality and it is a nightmare that many seniors will have to live through, for they have no other choice.

The Republican Party declares itself, sometimes, to be the party of working Americans, but many items within this bill strongly contradict that assertion. A prime example is the earned income tax credit or EITC. The cuts in the EITC will raise taxes on 13 million working families. It is suggested by Republicans that the family tax credit that the bill provides will more than make up for the tax increases stemming from the EITC cut. How can this be the case when 8 million families will be net losers? Families with three or more children lose. Hard working taxpayers with large medical expenses lose. Widows with children who receive Social Security benefits lose. And finally, why should childless workers be penalized? They lose too. So I ask again, is this the party of the middle class? To pay for numerous tax cuts for wealthy Americans and corporations, the Republican revolution has revolted against the Americans, working and middle class Americans, and raised taxes on those families and individuals who make less than $28,500 per year. Further, 41 schools in Texas will be denied access to direct student loans and 57,118 students will lose access to direct student loans.

I am someone not easily disturbed, but the Speaker's statements earlier this week have troubled me greatly. As a backdrop to this debate is the almost complete shutdown of the Federal Government, affecting the lives of thousands of good, trusting, and hard working Government employees. There are many reasons for this predicament, but evidently the Speaker's hurt feelings are one of the primary reasons. Because he felt slighted by the President, he is willing to hold the entire country—

the budget and the lives of thousands of people—hostage. Right now we know that over 3 million Americans are being hurt because of this Government shutdown.

In the end, the truth is irrefutable—the Republican budget cuts Medicare by increasing premiums, and raises taxes on working families to pay for tax breaks for the wealthy. The President has promised to take his pen and veto this legislation. Common sense tells us we can balance the budget but with the right priorities: education, Medicare, and the keeping of the earned income tax credit for working Americans. I call upon my colleagues to stand firm, declare that the values within this reconciliation bill are not America's, and vote against this budget and for a real balanced budget with the right priorities.

Mr. SABO. Mr. Speaker, I yield 1 minute to the gentleman from Georgia [Mr. BISHOP].

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

Mr. BISHOP. Mr. Speaker, I support a balanced budget, but not the Republican balanced budget. While I object to this unfair and unjust budget plan for many reasons, nothing is more objectionable than the way it treats farmers.

They called it ''Freedom to Farm.''

But for millions of America's farm families, this extreme new policy will be known as the ''Freedom-to-go-broke'' act.

It abandons the Government's historic policy of helping promote a stable farm marketplace. It puts U.S. farmers at a disadvantage in competing against subsidized foreign producers. While it may give a windfall to a few big food manufacturers, it threatens the very survival of many food producers.

The Budget Reconciliation Act is really a confused mixture of agriculture proposals. It continues a peanut program, but it slashes the support price too deeply. It does nothing for the dairy program, which remains under attack. And it kills the programs for cotton, corn, wheat, and rice.

We need to reform our national farm policy, not destroy it. But that's exactly what this bill does. Defeat it. It is unfair and unjust to America's farmers.

Mr. FRANKS of New Jersey. Mr. Speaker, I yield 6 minutes to the gentleman from Texas [Mr. ARCHER], the chairman of the Committee on Ways and Means.

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

Mr. Speaker, on January 1, 1971, I was sworn in as a Member of Congress, and on that same day I introduced my first piece of legislation, and that was a constitutional amendment to mandate a balanced budget. That is why I ran for Congress. I feel it is the most important contribution that we can make to our children's future, and now to my 11 grandchildren that have come since then. We can do no less, and today we have that opportunity, after 25 years.

The Balanced Budget Act recognizes that tax dollars belong to hard working American people. They do not belong to the Government, and, as we reduce the size of Government, it is appropriate that we give a dividend to these working Americans. They deserve it. They have been overly taxed, and even the President admitted in my hometown of Houston, TX, that his tax increases in 1993 were too much.

Seventy-three percent of our tax reduction package goes directly to American families, and the balance of it goes to increasing jobs to improve the economy. Our tax relief package benefits middle income families the most. Sixty-five percent of it goes to families earning under $75,000, and 80 percent goes to families that have a combined income of under $100,000.

The Balanced Budget Act saves Medicare from bankruptcy and gives seniors voluntary new choices so they, not the Government, can control their important health care decisions.

The Balanced Budget Act fundamentally reforms welfare by stressing personal responsibility and work, and removing the dependency trap that has enslaved generation after generation of Americans.

This country, through Government, has spent over $5 trillion in the last 30 years on the war against poverty, only to lose the war and be in worse shape today than ever before. That must change, and we do change it.

While it is easy to talk about balancing the budget and to profess to support one, of course, for many of my colleagues over here, it is never the right one, and it will never be the right one, we, the Republicans, are the ones who are willing to make the tough decisions and do what we are doing today.

Sadly, this is because the President and his party still believe that an ever-expanding Federal Government is the best hope that we have to solve our problems. The President, who resists balancing the budget by refusing to begin the work required to get to one, clings to the notion that the Government must take more tax dollars from its citizens so it can spend them on more and more Government programs. And when you cut through the inflammatory rhetoric that we have heard on the floor, when you cut through the misinformation and the excuses and the class warfare, it becomes very clear that the Democrats just are not serious about reducing Government spending.

Oh, yes, they talk about the rich in their class warfare rhetoric, and how we help the rich. Mr. Speaker, it takes $280,000 to create one job on average in the United States, and I guarantee you that those Democrat colleagues of mine who are against the rich would like to take all of that away from someone who has $280,000 and destroy a job.

Yes, there are many Democrats who voted to support a balanced budget in this Chamber, and I commend them. This is not a Republican or a Democrat issue, it is about the future of America.

And do we have a perfect plan? No. There will never be a perfect plan. But it is a real plan, yes, scored by CBO numbers, the numbers the President stood right here in February of 1993 and said are the only real numbers.

Is it politically dictated? No. It involves tough choices to turn 30 years of the thrust of government around and move it in another direction. Had it been politically easy, it would have been done by previous Congresses. It would be in place today. But it is the right thing to do.

Let me read to you from the Washington Post editorial of yesterday, and the Washington Post normally is not on the side of Republicans, on the deficit:

> The budget deficit is the central problem of the Federal Government and one from which many of the country's other, most difficult problems flow. The deficit is largely driven in turn by the cost of the great entitlements that go not to small special classes of rich or poor but across the board to almost all Americans in time.''
>
> ''You'll hear the argument from some that this is a phony issue; they contend that the deficit isn't that great a problem. The people who make this argument are whistling past a graveyard that they themselves most likely helped to dig.

Mr. Speaker, I say to my colleagues, our leadership is committed to see this through to the very end. And, yes, all Americans will bear a part of this fair share as we move to a balanced budget. But we will step directly or indirectly on the toes of every American. It cannot be done without it. The question is, will you be with us to the very end?

Mr. SABO. Mr. Speaker, I yield 1 minute to the distinguished gentlewoman from North Carolina [Mrs. CLAYTON].

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

Mrs. CLAYTON. Mr. Speaker, this debate really is not about a balanced budget, because the majority of our colleagues on both sides now have said they are for a balanced budget, and I also support a balanced budget, but I support the Democratic alternative.

This debate is about how we balance the budget, who pays and who gains; who will bear the pain, who will bear the cost, and who will benefit from that. This is really about making hard choices, but also it is about making fair choices.

When you consider rural America, you must understand this budget is not fair to rural America. Consider $13.5 billion coming out of the budget just out of agriculture alone, an area that is already suffering from reduction in prior years. That is not fair to rural America. It is not fair to farmers, who indeed are the bread basket for this country, allowing us to have affordable food, good food, and a variety of food. We are pulling the security from farmers away. Also, consider that more poor people are indeed in rural areas.

Mr. Speaker, this is not a fair budget. It certainly does a disadvantage to

rural America. We should reject this bill, because it is unfair to all America, and particularly rural America.

Mr. SABO. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. MILLER].

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

Mr. MILLER of California. Mr. Speaker, I rise in strong opposition to the conference report. On the basis of the flawed natural resources provisions in title XIII alone, Members should reject this misguided legislation.

This is not a serious effort to balance the Federal budget. The conferees have both ignored opportunities to raise real revenues by reducing wasteful subsidies, and missed a chance to improve the management of our public resources.

Instead, this conference report resorts to sacrificing a national wildlife refuge to oil exploitation, sanctioning the continued giveaway of mineral-rich public lands at a fraction of their fair-market value, and providing even more corporate welfare for subsidized irrigators. This bill undermines serious efforts at reform, such as those that have passed the House on a bipartisan basis in recent years, by providing inconsequential revenues to qualify their proindustry, antienvironmental policies for the sound efforts at modernizing resource management and saving the taxpayers billions of dollars.

The President has remained firm in his commitment to veto any budget reconciliation bill which would open the Arctic National Wildlife Refuge to oil and gas development. To include ANWR in this bill not only denies Members an opportunity to full debate and amendments under an open rule, but is an exercise in futility.

The majority of the revenues in this title are assumed to come from oil and gas leasing of ANWR. But don't bank on it. There's a phoney bait and switch going on here.

To start with, don't believe the accuracy of CBO's assumption of $1.3 billion in Federal revenues from ANWR. Those estimates were based on old projections of $40 a barrel oil, currently less than half that price. By contrast, the administration projects just $850 million in Federal revenues, assuming a 50-percent share goes to the State of Alaska.

What the conference report doesn't tell you is that the State of Alaska currently is entitled to a 90-percent share under the Statehood Act of 1958, and Congress may not be able to change that entitlement unilaterally to 50 percent as the conference report proposes. If an all-but-guaranteed lawsuit reduces the Federal share to only 10 percent—a lawsuit predicted by the senior Senator from Alaska as well as the chairman of the House Resources Committee, among others—the Treasury would receive only $260 million instead of the estimated $1.3 billion, using CBO's estimates.

And if the administration's lower estimates are correct, then the Treasury will only receive $170 million. That's one-tenth the amount purported to be in the reconciliation bill.

The conference report further resorts to trickery in the sections of the bill addressing mining law. The conferees pretend this is real mining reform and that the taxpayers will finally get a fair return from those who have profited royalty-free from public minerals for the past 123 years.

But on Wednesday of this week, 230 Members voted to recommit the interior Appropriations Conference Report in part because the mining provisions in the budget bill were deficient. Now, these very same provisions that Members have rejected are back before us today—insulated from amendment.

The mining language purports to abolish the patenting of public lands for pennies. What the conference report really does is to grandfather both the existing patent applications and many existing claim holders, exempting them from any royalties. Patent holders would only have to pay for the public's resources based on the surface value of the land, which is like selling Fort Knox for the value of the roof.

The few mining companies that don't make it through the patenting loophole don't need to worry much either. They would pay only the surface value for the mineral-rich land. The 5-percent net royalty is so riddled with deductions that payments would be just $12 million over 7 years according to CBO. Twelve million dollars for billions of dollars in gold, silver, and other valuable minerals. By contrast, in 1993 the House passed a comprehensive mining reform bill that would have collected $90 million annually according to CBO.

The conference report also includes more corporate welfare for western irrigators. It approves a prepayment proposal that will allow water districts to prepay at a discounted rate the highly subsidized debt that they owe the treasury for reclamation projects, thereby exempting themselves from the requirements of Federal reclamation law. That means that these farmers, who have grown rich on the subsidies provided by the taxpayers of this Nation that were intended for small farmers, would be relieved from paying the unsubsidized cost for Federal water that is delivered to more than 960 acres of irrigable land.

By allowing prepayment at a discounted rate, the notorious irrigation subsidies will be locked in place forever. Only the largest wealthiest irrigation districts will be able to participate in this program.

This bill also contains a very harmful and unwise decision to transfer land from the Bureau of land Management to the State of California for use as the Ward Valley low-level radioactive waste disposal facility. This issue has been under intense debate and scientific scrutiny for some time. The National Academy of Sciences review panel raised some concerns about the safety of the site and recommended additional tests before moving forward with the construction of the facility.

Secretary Babbitt was involved in final negotiations with the State of California, but those talks broke apart when the State inexplicably refused to provide assurances that the safety tests would, in fact, be conducted by the State prior to construction. And since those talks broke off last month, additional scientists have admitted concealing information about radioactive seepage at another facility run by the Ward Valley contractors in Nevada.

This provision is wholly inappropriate to the reconciliation bill because the tiny amount of funding involved—$500,000—is insignificant in budgetary terms. This is a fig leaf being used to drag through a major policy decision that could have serious safety implications for million of Americans. The Senate version of this amendment was removed for procedural reasons, but it has sneaked back into this reconciliation bill. It is yet another example of the Republican majority trampling over sound science and environmental concerns to do the bidding of private industry.

It is instructive to note is what is not in this legislation. We could have ended double subsidies to farmers who receive federally subsidized water to grow surplus crops that we are paying other farmers not to grow. We could have eliminated below-cost national forest timber sales that cost more to administer than they raise in revenue. I offered these amendments and others in the Rules Committee which would have raised over $1.5 billion in 7 years—more than even the illusory revenues that the conference report assumes from ANWR.

Simply put, the natural resource provisions of this legislation are an outrageous abuse of the public trust. The President will be fully justified in vetoing the conference report.

Mr. SABO. Mr. Speaker, I yield such time as she may consume to the gentlewoman from New York [Mrs. LOWEY]

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

Mrs. LOWEY. Mr. Speaker, I rise in strong opposition to this conference report.

Mr. Speaker, I am deeply troubled by what the Gingrich budget will mean for Americans across the country. As a member of the New York delegation, I am alarmed by its impact on New York.

New York hospitals are the best in the world. Our hospitals are the city's crown jewels and the Gingrich budget plan smashes them to bits.

The Gingrich budget will also mean hardship for the elderly who depend upon Medicaid for nursing home care. Under this budget, low-income seniors who must look to Medicaid for assistance will have no guarantee of help from the Federal Government.

This budget hurts seniors in other ways. I tried to offer an amendment this spring to repeal the 1993 tax increase on Social Security benefits. I urged the Republican leadership to offset the cost of this repeal by keeping the corporate minimum tax. Last year, the GOP promised to repeal it. Today, the truth comes out—under the Gingrich budget, tax relief for seniors is jettisoned so that multimillion dollar corporations can avoid paying any taxes at all.

My colleagues, the Gingrich budget also hurts women and children—across America and across New York. Hundreds of thousands of children in New York will receive less assistance for food, medical care and other basic needs. Under this budget, many disabled, abused and neglected children will no longer be able to count on the Government for help.

This budget does not reflect the priorities of the American people. The more they learn about the Gingrich budget, the less they like it. The American people have a sense of fairness and so do I. I urge my colleagues to vote against this unfair budget plan.

Mr. SABO. Mr. Speaker, I yield such time as he may consume to the 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. Speaker, I rise in strong objection to this

conference report, and particularly those pertaining to agriculture, on which I was a conferee.

Mr. Speaker, this reconciliation bill is a flawed piece of legislation. It was flawed when it left the House, the conference process was flawed, and thus the final product is flawed. To best illustrate this point, I would like to discuss the agriculture portions of this bill.

I have served on the House Agriculture Committee for 22 years and have participated in four farm bills during that time. I served as a subcommittee chairman on the committee during much of the 1980's. During my service there, I have been impressed by the open, deliberative process that we have used when considering legislation. In fact, the deliberative process has been so thorough that at times I have complained about the painfully slow progress we made.

My service on the House Agriculture Committee has also been marked by a spirit of bipartisan deliberations. We have been bipartisan because, beyond our party affiliations, we all serve on the Agriculture Committee because we are concerned about the food and agriculture needs of our country. As a result, even in the midst of partisan turmoil elsewhere in the House, we on the House Agriculture Committee have been able to find common ground in the service of our constituents.

Now all of that has changed. The Agriculture Committee was split at the start of our deliberations on our portion of the reconciliation bill and we were split at the end. We were unable to find common ground and did not report out any legislation. Then, without notice and without public hearings, a new agriculture reconciliation proposal was included in the reconciliation bill. We did not have time to adequately examine it ourselves, let alone get informed analysis done on the proposals.

We passed that bill with assurances from the Speaker that any problems could be worked out in conference. Well, I was appointed as a conferee on the Agriculture title of the reconciliation bill and I can tell you that nothing was worked out because we never met on this title. Instead, a group of Republican staff, Republican Members and Senators, and Lord knows which special interest representatives, met in secret and produced the provisions that are before the House in the conference report on the reconciliation bill.

Mr. Speaker, we don't know what is in this bill nor do we know what the impacts of these provisions are. I would like to illustrate this point with one provision I found in the conference report.

This legislation allows a farmer to get payments on 85 percent of a farm's contract acreage. Then it changes current law and allows a farmer to plant any crop on the remaining 15 percent of his or her land without any loss of payments, in effect, providing Federal payments for farmers who want to expand into growing other crops, such as fruits and vegetables. Now this may not seem like a problem, unless you are from California, Arizona, Texas, Florida, or any other State with significant fruit and vegetable production. For fruit and vegetable producers in those States, this change is unfair because it subsidizes farmers who want to get into this market while providing no support for those who already grow fruits and vegetables full time.

We debated this provision in the 1990 farm bill and looked carefully at the impact that it had on fruit and vegetable production. In the end, we decided that this provision penalizes fruit and vegetable producers by creating Government subsidized competition that would destabilize the fruit and vegetable market. We viewed it as a one-way subsidy for farmers of program crops: they got a base payment from the support programs while fruit and vegetable producers, with no program crop history, could not qualify for payments.

In the 1990 farm bill, we decided that if a producer moved to fruit and vegetable production on his or her program crop acreage, they had to forego Federal payments on that acreage. We made a clear policy statement that as long as fruit and vegetable production was unsubsidized, we wouldn't subsidize program crop producers seeking to enter that market.

Now, without any hearings, nor any testimony as to the need for the change, the reconciliation conference report reverses the decision we made in 1990, a decision made after long deliberation and thought. The agriculture provisions in this bill are wrong, as this example points out, and are the natural result of a close and secretive process. Any of my colleagues who have fruit and vegetable production in their districts should oppose this provision and this bill. And the rest of you should take note and beware of other secret provisions that have been slipped into this bill.

My colleagues should also note those agriculture provisions that have been slipped out of this bill. Specifically we should note that the contentious provisions to reform the dairy program were mysteriously dropped somewhere along the way because the Republicans could not solve their differences. I was willing to roll up my sleeves and try to find a compromise on this program. I support deregulation of the dairy industry in a reasoned way that protects producers from sudden changes and transitions in our dairy production to a free market approach. I have worked for years to balance the diverse interests of the dairy and dairy products industry in my State and looked forward to working on this long-overdue reform of Federal dairy programs.

But I was denied that opportunity, the dairy producers in my State have been left in limbo with no clear indication of where they should be going. The Speaker promised we would work these differences out in conference. Now we are being told we will work them out sometime next year. Worst of all, the projected savings from deregulating the dairy program, nearly $1 billion, had to be made up elsewhere, out of child feeding and nutrition programs.

I regret having to come to the floor of the House and complain about the content and process of this bill. These problems would have been avoidable if we had followed tradition and taken this bill up under the orderly, deliberative process that I have been a part of during my service on the House Agriculture Committee. I regret that I will have to oppose this bill because of these problems.

Mr. SABO. Mrs. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. BENTSEN].

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

Mr. Speaker, I rise in opposition to this Republican plan, which sets the wrong priorities for our Nation and irresponsibly puts cutting taxes ahead of balancing the Federal budget.

The real debate is not about whether we balance the budget, but about how we do it. We must be fair, we must be responsible, and we must preserve our Nation's commitment to the elderly, families, and young people.

I'm proud to have voted for a balanced budget plan—the Orton/Stenholm plan—that reflects these priorities and values. This plan would balance the budget without cutting or raising taxes; restores funding to Medicare and Medicaid, and fully funds vital investments such a education and medical research. This plan includes tough cuts in government and real welfare reform.

This plan we are voting on today fails the test of fairness. It fails the test of priorities and values.

It is unfair to America's senior citizens to target Medicare and Medicaid for more than half the cuts needed to balance the budget and cut taxes by $245 billion. It is irresponsible to cut student loans and other education funding when education is more critical than ever to succeeding in the new information-age economy. And it is wrong to raise taxes on families earning $25,500 or less, while reducing taxes for higher income earners.

I am especially concerned about the impact of the proposed Medicare, Medicaid, and National Institutes of Health cuts on the quality of the health care we receive in this country. These cuts would devastate medical education and research, reduce the availability of specialized care for all Americans and any care at all for some people, and increase costs for all of us through higher insurance costs and local property taxes.

In my district alone, this budget will result in the loss of $1 billion or more to Texas Medical Center hospitals such as Hermann, St. Luke's, Ben Taub, M.D. Anderson, Methodist, and Texas Children's Hospital. These world-class facilities are critical to training our future doctors and to conducting research into diseases such as cancer, heart disease, Alzheimer's, and AIDS.

There is no doubt that medical education will suffer under this Republican plan. This plan would cut $9 billion total from indirect and direct medical education funding, the costs associated with training our new physicians. Indirect medicate education would be reduced from 7.7 to 5.0 percent in 2002. Direct medical education would be reduced by capping the number of medical students and reducing reimbursements for subspecialty training, such as cardiology. There would no longer be any adjustments for expanding the number of medical students. As our population ages, it is likely we will need more physicians. This bill takes us in the opposite direction.

The Republican plan would create a new medical education trust fund totaling $13.5 billion. I support the concept of an all-payer trust fund for medical education. However, I am concerned about the structure of this trust fund. The Republican plan would reimburse medical schools according to a complex formula. Fifty percent of their reimbursement would be based upon the number of MedicarePlus enrollees treated at their hospitals. If a hospital does not treat a sufficient number of managed care MedicarePlus patients, they would lose money. This is a backdoor effort to reduce patient choice by coercing hospitals into treating Medicare patients only through managed care. Managed care enrollment should be voluntary, not coerced.

The other 50 percent for medical education would be based upon the past spending on IME and DME funding. Again, this formula does not provide for any changes in medical education programs, so any new programs would not receive Federal funding.

This bill not only harms Medicare and medical education but it may destroy Medicaid. It completely repeals the entitlement of health care to poor women, children, and the disabled as well as long term care for senior citizens. It replaces it with a block grant formula which punishes high growth states such as Texas by some $5 billion, at the expense of New York and Pennsylvania. I am deeply concerned about the Medigrant program that would replace Medicaid. For those hospitals that treat a large number of Medicaid patients, there will no longer be guaranteed payments for carrying for these patients. The necessary safety net for the elderly, children, and the disabled will be eliminated. Current law provides guaranteed coverage for pregnant women, children, elderly, and the disabled up to 185 percent of the federal poverty line. The net effect of these Medicaid cuts will be to reduce coverage for our most vulnerable families. For Texas Children's Hospital, where 50 percent of their patients are enrolled in Medicaid, this plan would reduce reimbursement by $100 million. Texas Children's Hospital will continue to treat uninsured patients, but they will no longer be reimbursed by the federal/state Medicaid program for these costs. As a result, local property taxes and private employers will pay more to pay for this uncompensated care. More working families will seek services, with no funding to pay for their necessary care.

I am not alone in my opposition to these Medicare and Medicaid cuts. Today, I received letters from the American Hospital Association and the Texas Hospital Association in opposition to this Republican plan. Texas hospitals are extremely concerned about the $36 billion budget gimmick, the ''failsafe'' provision, in the Republican plan. Under this provision, the Secretary of Health and Human Service would retroactively reduce reimbursements to health care providers. If a global budget is exceeded, all providers would be subject to more cuts. Hospitals would no longer be guaranteed sufficient revenues to treat Medicare and Medicaid patients. In the changing health care marketplace, there will be no ability to recoup these costs from private insurance payers. As a result, jobs at Texas Medical Center are at risk. I believe the net result will be hospitals closures and health care layoffs.

I urge my colleagues to oppose this budget. I urge the President to veto this budget. And then I hope we can work together in a bipartisan fashion to balance the budget fairly and responsibly.

Mr. BENTSEN. Mr. Speaker, I rise in strong opposition to this conference report, particularly the cuts in Medicare and Medicaid and what it will do to the Texas Medical Center.

Mr. SABO. Mr. Speaker, I yield 1 minute to the distinguished gentleman from California [Mr. DOOLEY].

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

Mr. DOOLEY. Mr. Speaker, as one of the 68 Democrats that did support a 7-year balanced budget, I rise in strong opposition to this.

We just heard the gentleman from Texas [Mr. ARCHER], one of the leading Republicans, say this was not a perfect bill. I want to spend some time talking about one of the most imperfect parts of it, and that is what relates to the agriculture section.

All of us know we need to make some reforms in our agriculture programs. We have to define what is the appropriate role of government in farm policy. Most of us would agree it is to provide a safety belt, it is to try to expand trade, it is to try to provide for additional research. But the Republicans have come to the conclusion that the appropriate role of government in farm policy is to have taxpayers write checks for $36 billion over the next 7 years.

This $36 billion is going to be paid to landowners for no other purpose than they have farmed a program crop in one out of the last 7 years. This $36 billion is not going to farmers based on need, it is not going to farmers in those years of low commodity prices. It is only going just simply because they have enrolled in a program in the last 7 years.

Mr. Speaker, this is bad policy.

Mr. SABO. Mr. Speaker, I yield 1 minute to the distinguished gentleman from North Dakota [Mr. POMEROY].

Mr. POMEROY. Mr. Speaker, rural America should never forget what treatment has been given to agriculture in this budget. The act before us repeals what has been farm policy for nearly 50 years, and it does so with a proposal that has never had a single hearing or even received a passing vote in any committee of this Congress.

Rural America does not yet know what is coming at it in this proposal, but three consequences are immediately clear: It is a transitional plan to the complete elimination of farm programs; it removes the safety net for family farmers when market prices collapse; and it cuts the support for our agricultural exports to an amount way, way below what our international competitors will be using to support their exports.

It is clear what the results over the long haul will be: Loss of export markets for our products, lower prices for farm commodities, and family farmers forced off the land by the thousands all across this country.

We can and we must do better than this. After the veto, I look forward to working with friends on both sides of the aisle to build a farm program that will work for rural America.

Mr. SABO. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. DE LA GARZA], the distinguished ranking member of the Committee on Agriculture.

(Mr. DE LA GARZA asked and was given permission to revise and extend his remarks.)

Mr. DE LA GARZA. Mr. Speaker, I rise in opposition to the conference report.

Mr. Speaker, at the outset I want to make it clear that today's debate is not about balancing the budget: I support balancing the Federal budget. Today's debate is about the priorities we set in going about achieving a balanced budget.

Mr. Speaker, it is because of the priorities that are established in this reconciliation bill that I sadly must oppose this conference agreement even though it achieves a goal I have long desired of this Congress—that of achieving a balanced budget. The process itself under which this bill has been considered has inevitably cost it its ability to be signed into law. It is a travesty that when the very thing Americans want most—responsibility in Federal fiscal affairs—that objective is being compromised by backroom deals orchestrated by Speaker GINGRICH and the Republican leadership.

Mr. Speaker, the Republican budget approved this year was bad. It called for a huge tax cut to be paid for through drastic reductions in health care and major cuts in food and farm programs. That terrible budget yielded an even worse result in the package we have before us: It slashes health care for our seniors, devastates programs that provide assistance for children in poverty, and totally eliminates the farm programs that have so successfully safeguarded our Nation's food security. And it is easy to see how the Republican leadership took it from bad to worse.

All Americans know that at its very core, our form of government depends on openness. Good policy development requires a fair opportunity for all sides to be heard. We have this terrible bill before us because that basic principle has been abandoned.

In this agriculture deal—engineered by Speaker GINGRICH and Mr. ARMEY—there are a shocking number of instances where Democratic principles were cast aside:

There has not been one hearing on this proposal in either the House Agriculture Committee or the Senate Agriculture Committee and it eliminates farm programs.

Not one subcommittee has had the opportunity to consider this bill's provisions: and it eliminates farm programs.

Only the full House Agriculture Committee has debated this plan—and a bipartisan majority of the committee defeated it.

Nevertheless, agricultural policy experts GINGRICH and ARMEY took what was defeated in the Agriculture Committee, made their own modifications in the plan—and forced it into the reconciliation bill.

The one proposal a bipartisan majority of the Agriculture Committee did adopt—one to help ease the burden on rural communities by making additional infrastructure improvement loans available—was arbitrarily stripped out by Gingrich leadership.

Subsequently, conferees were appointed in the traditional way—Members from the majority and the minority.

But the agreement was reached and Democratic conferees were completely shut out of the negotiations. Not only that—even the Republican conferees never once met until after the Speaker cut his deal: and what does this deal do? It completely eliminates farm programs; without debate; in the dark of night; behind closed doors; a deal manufactured by the Gingrich-Armey leadership.

Mr. Speaker, there are no provisions related to the dairy program in this bill. The way that happened is a case study in how wrong things can go when we attempt to develop national

policy without any input from the American people. From the start, the dairy farmers themselves knew and understood that all farmers would have to bear some of the burden of the cuts. They made several different proposals toward that end. Normally, then, what we would do is convene our subcommittees and our committee, we would have hearings to talk about the pros and cons of the different proposals; we would debate; we would argue; and we would vote. But this year: We did not have any hearings related to the specific proposals, the members of the Dairy Subcommittee, did not meet and did not consider any alternatives; the full committee only had the 1 day of markup and that was to discuss all farm program issues; and the members of the conference committee were never once convened to discuss how dairy policy should be addressed. As a result, the current dairy program will become extinct even sooner than programs for other commodities, all for the lack of a fair, honest, and open debate.

Mr. Speaker, all of the shortcuts the leadership has taken in order to be in a position to ram their priorities through Congress have gotten us very lost. By making its policies in the dark—by rejecting the most basic values of our deliberative system—the Gingrich leadership has imperiled our Nation's food production system, endangered seniors and children in poverty, and compromised the very trust of the people who put them in office.

Mr. Speaker, for nearly an entire year, the Republican leadership in this Congress has neglected the Nation's business, precipitated a crisis of unprecedented proportions, and completely ignored the will of the American people. The American people do not want this bill, and that is why the President will veto it. Let us hope that when the Republican leadership gets a second chance, it will act to earn back the trust of the people in their Congress.

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Mr. SABO. Mr. Speaker, I yield 1 minute to the distinguished gentlewoman from California [Ms. WATERS].

Ms. WATERS. Mr. Speaker, this Republican reconciliation conference is a complete abdication of our responsibility to the majority of citizens of this Nation. The underlying legislation represents the most fundamental shift of priorities from poor and working Americans in two generations.

Mr. Speaker, today at Howard University there is an African-American leadership summit, where African-American leaders are gathered to talk about how they can turn their communities around, how they can get young people working, how they can get them in school, how they can grow their communities and create businesses. But guess what? This budget goes in the opposite direction. It thumbs its nose at those who are trying to do something about poverty and children. It thumbs its nose at senior citizens and those who want to do something about medical care in this country.

Mr. Speaker, this budget needs to be rejected. It probably will not, because the Republicans are on this mission to cut no matter what the consequences are. I ask the Members of this House to reject this conference report.

Mr. SABO. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina [Mr. WATT].

Mr. WATT of North Carolina. Mr. Speaker, I thank the gentleman for yielding me time, and I came back to speak because I was here a few minutes ago and made a reference to this bill being a killer bill and got a rash of phone calls from the American people saying that they objected to my use of the word killer.

I want the American people and my colleagues to understand that this is a killer bill. The truth cannot be avoided. This bill will kill elderly people by depriving them of medical care. It will kill young people by forcing them into poverty and denying them food. It will kill the priorities of our country, which I understand to be compassion. It will kill student loans.

This is an outrage and we ought to reject it for that very reason.

Mr. SABO. Mr. Speaker, I yield 30 seconds to the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN. Mr. Speaker, I have heard a Member of the Republican Party say that no family would be hurt by the $32 billion in EITC cuts when combined with the child credit. I want everybody to know that is simply not true.

Hurt would be, for example, families with more than two children; families who receive Social Security; and also would be hurt would be childless workers earning less than $9,500. Treasury said there would be 8 million net losers under their bill. Workers. The truth is the Republican plan hurts working people, period.

Mr. SABO. Mr. Speaker, I yield 1 minute to the distinguished gentlewoman from Florida [Mrs. THURMAN].

Mrs. THURMAN. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I am opposed to this bill because it makes crippling cuts in vital programs like Medicare, Medicaid, student loans and the earned income tax credit. The bill goes too far, too fast because it is driven by numbers not by policy. This budget is about political objectives, not about the health and well being of American citizens.

I have attempted to offer specific, constructive amendments that would have improved this bill. But, like other Members, I was locked out of the process. The conference report deals with issues that disproportionately impact Florida.

But they have ignored me because they are afraid of the truth about what these cuts will do to the elderly, the working poor, and children.

It is my job as a Representative of Florida to consider what will happen to real people as a result of all of this number crunching. And I am going to do my job.

Real people will suffer. Florida has a significantly larger elderly population than Pennsylvania and Ohio, yet in this conference report, we will get fewer Medicaid dollars than either of these two States.

Mr. SABO. Mr. Speaker, I yield 1 minute to the distinguished gentleman from California [Mr. WAXMAN].

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

Mr. WAXMAN. Mr. Speaker, I rise in opposition to this conference report. I want to address the two health care programs that I think are going to be very adversely affected by this legislation; Medicare and Medicaid.

In both of these programs we will see deep cuts in the Federal payments without any assurance that there will be sufficient amount to actually deal with the high cost of health care, especially for those people to whom we promised protection for health care costs; the elderly and the poor.

The proposal may destroy Medicare as we know it, where the elderly have a choice of their own doctor at the present time. They also have a choice now of an HMO or other managed care plan, if they want it. What I hate to see is the lack of a choice because people will be forced only into an HMO whether they want it or not because they cannot afford anything else.

In the Medicaid Program deep cuts are going to be very devastating to the poor, who have nowhere else to turn. They are very vulnerable and the safety net is going to be cut out from under them. I urge a ''no'' vote on this conference report.

Mr. HOBSON. Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia [Mr. LINDER].

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

Mr. LINDER. Mr. Speaker, this is the reason I came to Congress, to help get our economic House in order. And on behalf of my grandson. Thomas, I am proud to support the Balanced Budget Act of 1995.

Mr. HOBSON. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois [Mr. FAWELL].

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

Mr. FAWELL. Mr. Speaker, I rise in strong support of the Balanced Budget Act.

In the early 1950's, Adlai Stevenson quipped that Republicans, in general, had to be dragged screaming into the 20th Century. Judging by the opposition of the President to even a minimal balanced budget plan by the year 2002, it appears Mr. Clinton will have to be dragged screaming into the next century, for surely a balanced budget by the year 2002 is not asking too much.

I came to Congress in 1985. The national debt was then $1.4 trillion. For 10 years I toiled in a Democrat-controlled House. The national debt grew to $5 trillion. Gross interest incurred on that debt for fiscal year 1995 was $335 billion and is estimated by CBO to be just under one-half trillion in 2002. The share of that debt for every man, woman, and child in America is now $19,063. For 25 years in a

row, this Congress has steadfastly refused to balance its budget.

Mr. Speaker, this Balanced Budget Act is deemed revolutionary by some. But that is only because it must be compared with such an odious budget performances of past Congresses. As our colleague, Mr. KASICH, has pointed out, this budget plan is relatively mild. It calls for $12.1 trillion of spending over the next 7 years, a $2.6 trillion increase in spending over the previous 7-year period. If we keep up our previous pace of spending we would spend $13.3 trillion. So we are decreasing increases of spending by $1.1 trillion over 7 years.

That is hardly draconian. In fact, under this bill Congress must add another 6 consecutive years of deficit financing before finally coming to a zero deficit in the year 2002, not counting money borrowed from trust funds. The national debt 7 years from now—even with this 7-year balanced budget plan—will swell to approximately $6.6 trillion.

Of course, this bill is not perfect. And whenever budget cuts are suggested, anecdotal stories of course abound of predicted suffering to be inflicted upon vulnerable people. The chant we now here from the Democrats is that we are for a balanced budget but of course not at the expense of agriculture, or children, or the elderly, or the middle class, or education, or the environment, or defense, or the infrastructure, ad infinitum. It's time, however, to finally pass a balanced budget plan and to remember that all of the debt and interest on the debt will have to be paid by our children and grandchildren. There's nothing anecdotal about that. It's a fact.

Mr. Speaker, this debate is not about brinkmanship. It is not about who has more power, or the bigger ego. And, believe me, it is not about who sat where on Air Force One.

This historic struggle between the Congress and the President is about one thing, and one thing only: whether we are going to balance the Federal budget. It is about whether we are going to saddle our children with additional trillions of dollars to the national debt. It is about how much government we want, how much in taxes we want to pay.

This is the essence of the revolution in Washington. It is, indeed, revolutionary that Congress would pass a specific plan to balance the budget in 7 years. That has never happened in the three decades that Washington has run up deficit after deficit, and trillions of dollars in debt.

Voters sent a message last November that they wanted change. Clearly, they wanted Congress to change business as usual and stop the flow of red ink. Well, now the Congress is delivering the biggest change of all: a balanced budget. It is delivering on what it promised on the Capitol steps in September 1994. We are serious about balancing the budget. We are serious about not doing it by raising your taxes. And we are serious about curtailing the growth of Federal spending. That is causing quite a fracas in a town that is built on unrestrained spending and red-ink and borrowing as far as the eye can see.

The die was cast for the current showdown when we made that promise and were given the votes in Congress to do it.

Balancing the budget isn't just about keeping our promises, however. It's about leaving a better life for our children. Consider: A child born today will pay $187,000 in taxes just to pay their share of interest on the debt. A 21-year old faces a bill of $115,000. Our children and grandchildren will face lifetime tax rates of over 80 percent to pay our debts.

Balancing the budget isn't just about accounting and tidy books. Budget deficits sap private investment, drive up interest rates, and debt service costs the average taxpayer nearly $800 a year in taxes. Ending these deficits is the most important economic program Congress can enact.

Economists predict balancing the budget would lower interest rates up to 2 percent. Families, farmers, small businesses—everyone—will see a tremendous benefit from balancing the budget. A 2 percent drop in interest rates would mean a family with a $75,000 mortgage would save $37,000 in interest over the life of the loan. A student with a $11,000 student loan would save $2,160 in interest. A family buying a $15,000 car would save $225 per year in interest.

One of the frustrations of being involved in this debate is seeing the disconnect between what Congress is actually doing versus how the battle is being reported in much of the major media. But, eventually, I trust that the American people will come to understand what the real issue is. The facts and the truth have a way of getting out.

Let me try to speed up that process.

First, Congress will today pass a specific 7-year plan to balance the budget, and send it to the President for signature. It is revolutionary that Congress is passing such a plan; but it does not take revolutionary changes or draconian cuts to achieve such a balanced budget. In most cases, it takes allowing the rate of growth only.

Most Federal social spending—including Medicare (up 6.2 percent per year) and Medicaid—will continue to rise sharply. Overall, Federal spending will rise 3 percent per year, slightly above inflation. Even with the tax cuts—most of which will be for families with incomes under $100,000—tax revenues to the Government will rise automatically 41 percent over the next 7 years due to economic growth. Is it not reasonable to ask that Government get along with 41 percent more revenue over the next 7 years? I think so.

Is the 7-year plan perfect? No. I don't agree with every provision. But there is no such plan detailing $1.1 trillion in savings that could be perfect in anyone's eyes.

Second, Congress is not shutting down the Government. Congress passed a funding bill that would keep the Government operating until well into December. The President says he will veto it because of unreasonable riders on the bill. What are they?

You be the judge as to whether they are unreasonable conditions: (1) we want the President to agree—in principle, not necessarily on the specifics—that we should balance the budget in 7 years; (2) that we should use real numbers set by the nonpartisan Congressional Budget Office, not phony, smoke and mirrors numbers; and (3) that about 10 of the Federal Governments 1,200 programs that Congress wants to eventually terminate should receive 60 percent of their normal funding for the next 20 days. Apparently, the President won't sign the bill to keep the Government going at full speed in objection to all three.

Now this really is curious. On October 19, 1995, the President said:

> I think there's a way for me to meet their stated objectives which is a balanced budget in seven years * * * That's what I hope will happen, and I'm going to leave the door open for that.

That would seem to put him in complete agreement with the 7-year balanced budget goal. With respect to using Congressional Budget Office [CBO] real numbers, the President himself has said he thinks we should use CBO numbers. On February 17, 1993 he said:

> This budget plan * * * [uses] the independent numbers of the Congressional Budget Office. Well, you can laugh, my fellow Republicans, but I will point out that the CBO is normally more conservative on what was going to happen and closer to right than previous presidents. I did this so that we could argue about priorities with the same set of numbers. I did this so no one could say I was estimating my way out of this difficulty.

You may wonder why it is important to use real numbers. The difference between the CBO estimates and the President's in determining how much spending must be curtailed to balance the budget is over $800 billion over 7 years. Our entire plan to balance the budget saves about $1,100 billion dollars. Thus, by using rosy economic assumptions, the President could claim he could virtually balance the budget without making any changes in the growth of Federal spending.

Mr. Speaker, I think columnist George Will summed it up best:

> For years, the public has pounded its milk cup on its high-chair tray, demanding ''change'' and an end to ''politics as usual'' * * * Now both are occurring, and the public is * * * not recognizing that this is what politics looks like when the stakes are high and serious politicians take them seriously * * * It concerns how much government we want.

I urge my colleagues to support the Balanced Budget Act.

Mr. HOBSON. Mr. Speaker, I yield 3½ minutes to the gentleman from Texas [Mr. DELAY], the very honorable majority whip.

Mr. DELAY. Mr. Speaker, I hope the American people are watching this vital debate, and if they are they will understand why we are so frustrated and have been so frustrated over all these years.

The American people have heard from the other side of the aisle, the President and his party, stand before them time and time again, all day long, claiming that they are for a balanced budget. Yet for 40 years, the 40 years that they have been in control, they have yet to balance the budget.

Mr. Speaker, they are not for balancing the budget, and Americans will hear what they are saying. They are for more spending. They are against what we are doing because they want more spending. They want to be able to raid the bank accounts of American families to pay for their agenda. That is what this is all about. That is what this debate is all about.

This conference report signals a new era for the Federal Government, an era of fiscal responsibility, of lower taxes, and of healthier economic growth. As a Nation, we are poised to enter a new century. The choice the Congress makes today is very simple. We can enter the 21st century with a more efficient Federal Government, with a secure Medicare system, with a reformed

welfare system, and with a Tax Code that actually favors families; or we can enter the 21st century with a government hobbled by waste and fraud, a Medicare system on the verge of bankruptcy, a welfare system in a state of moral decay, and a tax system that hits families the hardest.

Mr. Speaker, by the year 2002, we can have a Federal Government with a balanced budget; or we can continue down the present path towards total fiscal catastrophe.

Mr. Speaker, the President has chosen to shut the Government down rather than negotiate with us about a real 7-year balanced budget. That is an unfortunate choice, because even the President recognizes the virtue of fiscal responsibility.

But in shutting down the Government, the President has unwittingly helped the American people understand what this fight is all about.

According to the Office of Management and Budget, much of the Federal bureaucracy is not essential; 99 percent of the HUD Department, 96 percent of the EPA, 89 percent of the Department of Education and 99 percent of the National Archives have been declared nonessential.

Many taxpayers across the country wonder: ''If these folks are not essential, why do we have to pay them?''

Frankly, that is the question we have been grappling with in our efforts to balance the budget. If the administration itself agrees that most of the bureaucrats it hires are not essential to making the Government run, why shouldn't we make some efforts to cut Government spending?

The President can say no to cuts all he wants, but to get to a balanced budget, cutting nonessential Federal spending must be part of the equation.

Let me address the most important aspect of this legislation; the tax cuts. The Democratic coalition's budget does not have tax cuts in it. I wonder if the American people know why? Because they want to spend more money. They want to spend more money and take it away from the American people and the American family.

Much has been said about our tax relief for families, but little of it has been true. Here are the facts. Seventy-three percent of our tax cuts are aimed at families. These tax cuts include a $500-per-child tax credit. They include a $5,000-per-child credit for families that seek to adopt. They also include a $1,000 deduction for families who care for their ill parents at home.

Clearly, Mr. Speaker, clearly, despite the rhetoric, this is tax relief for middle-class families. Many people ask why do we need these tax cuts? Well, my answer is very simple. If we are to rely on the family to be the backbone of our civilization, we cannot continue to tax it out of existence. The American family deserves a break today.

Mr. Speaker, I commend my colleagues for their hard work on this historic balanced budget. When our children and our grandchildren look back on this day, they will salute us for making their debt load lighter, their standard of living higher, and their future brighter. I just urge my colleagues to vote for the balanced budget so we can keep our promises for America's families, for America's children and for America's future.

Mr. Speaker, I commend my colleagues for their hard work on this historic balanced budget.

When our children and grandchildren look back on this day, they will salute you for making their debt load lighter, their standard of living higher and their future brighter.

I urge my colleagues to vote for the Balanced Budget Act of 1995, so we can keep our promises for America's families, for America's children, for America's future.

Mrs. MEEK of Florida. Mr. Speaker, I yield 1 minute to the gentleman from Oregon [Mr. WYDEN].

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

Mr. WYDEN. Mr. Speaker, I thank the gentlewoman for yielding me time.

Today the debate is how to reach a balanced budget over the next few years in a manner that is reasonable, humane, and efficient. The bill before us today is neither reasonable nor humane nor efficient.

The new majority's road map to a Federal balanced budget takes America to a lot of places we do not want to go and a lot of places we should not even want to visit. These detours leave behind the poor, the elderly, and the disabled. These detours ensure that there will be a lot more wasteful military boondoggles. These detours ensure that there will be a lot more sweet days for the polluters. My colleagues, that is not right.

Let us vote for a balanced budget that brings money home that we are now spending defending the Germans and the Japanese. Let us make the polluters pay their fair share. That is the way to balance the budget.

Mr. HOBSON. Mr. Speaker, may I inquire about the time on each side?

The SPEAKER pro tempore (Mr. BOEHNER). The gentleman from Ohio [Mr. HOBSON] has 13 minutes remaining, and the gentlewoman from Florida [Mrs. MEEK] has 15 minutes and 35 seconds remaining.

Mrs. MEEK of Florida. Mr. Speaker, I yield 1 minute to the gentleman from New Mexico [Mr. RICHARDSON].

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

Mr. RICHARDSON. Mr. Speaker, we are all getting frustrated with these games. And a lot of Federal workers, a lot of Americans, are being unfairly inconvenienced and victimized by this stalemate. The world is watching and laughing at us. The President cannot even travel to negotiate with Asian leaders because of this madness.

Many of us have voted for a balanced budget many times, including 7 years, but this conference report is an excellent example why we do not want to support this type of balanced budget: Excessive Medicare and Medicaid cuts, tax increase on working families, gutting the environment, massive cuts in education, excessive hits on rural areas. All for what? To pay for this tax cut of $245 billion.

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This is why many of us are frustrated right now. How can we support a balanced budget in 7 years, if this is what it is going to be? How about another balanced budget? The coalition budget or other alternatives? A bipartisan alternative? What is happening here is frustration, and a lot of people are paying for this frustration.

Mr. Speaker, somewhere in this Chamber there lies a lot of common ground that Members from both sides can agree on.

We all want to balance the budget.

Members know that reaching a balanced budget—without the tax cuts—will strengthen the economy by lowering interest rates and allowing Americans to refinance their homes, pay off debt quicker, and increase the savings rate that is so critical to long-term growth.

Members agree that the Medicare Program is in danger—but we know it can be saved from insolvency with moderate changes.

Members on both sides of the aisle, including myself, have voted for a balanced budget that saves Medicare without the burden of huge tax cuts.

Members agree that there is common ground from last year's health care debate that will lower the cost of Medicare without raising premiums.

Mr. Speaker, some people may want a crown jewel, but Americans need steady jobs, affordable homes, better health care, and a promising future.

Let us vote down this conference report—take out the tax breaks—and craft a bipartisan balanced budget plan that the American people support.

Mrs. MEEK of Florida. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey [Mr. PALLONE].

Mr. PALLONE. Mr. Speaker, the Gingrich budget severely hurts seniors in order to provide hefty tax breaks for the wealthy. Seniors are asked to pay more to get less. The bill is bad for America. It is also bad for New Jersey.

My four Republican colleagues who voted ''no'' on this budget before should still vote ''no'' today. As the gentleman from New Jersey [Mr. SMITH] said in today's papers in New Jersey, our State will lose $12 billion, half in Medicare and half in Medicaid, over the next 7 years. Hospitals will close. Seniors will be forced into HMO's where they lose their choice of doctors, many seniors will simply have no health care coverage because of the doubling of part B premiums, and low-income seniors, those that Speaker GINGRICH promised on the floor previously will have their part B premiums paid for, they have no guarantees under this budget bill that that part B premium will be paid for.

Mr. Speaker, this bill is about promises broken. The promise that we made 30 years ago in Medicare will no longer exist. I urge my colleagues, vote ''no,''

and I urge President Clinton, veto, veto, veto.

Mr. HOBSON. Mr. Speaker, I yield 30 seconds to the gentleman from Michigan [Mr. SMITH].

(Mr. SMITH of Michigan asked and was given permission to revise and extend his remarks.)

Mr. SMITH of Michigan. Mr. Speaker, several speakers for the other side have indicated that farmers and ranchers of America want more of the same of our existing agricultural policy. Well, I am a farmer and I will tell my colleagues that farmers do not want more of the same ag policies that have held prices down in this country.

If we can compete, if farmers and ranchers compete, we have got the most efficient, effective ag industry in the world. Farmers want a fair return at the marketplace. They do not want the kind of policy that puts on limited prices, embargoes, and holds down the price that they would otherwise get.

Mrs. MEEK of Florida. Mr. Speaker, I yield 1 minute to my colleague, the gentlewoman from Oregon [Ms. FURSE].

Ms. FURSE. Mr. Speaker, this budget is not balanced. It has a $63 billion increase in defense and a $245 billion handout to the wealthy, but it is balanced if you think about the cuts, cuts for children. Just look at the cuts. Over $170 billion in Medicaid, that is going to hurt children. Food stamp cuts, $34 billion, that is going to hurt children. The low-income housing credit cut by $3 billion, that hurts children.

And look at the savings, savings. Well, the savings include $5 billion cuts in student loans. Those are our children. And the earned income tax credit, that helps low-income families and those low-income families, many of them, have children. It is cut.

It is cut and it is cut and it is cut when it comes to children. But it is up, up, up, when it comes to defense and wealthy families.

Mr. Speaker, I urge my colleagues to vote for the children of America.

Mr. HOBSON. Mr. Speaker, I yield 1 minute to the gentleman from Alabama [Mr. CALLAHAN].

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

Mr. CALLAHAN. Mr. Speaker, many of you have visited me down to the Potomac, and it is a mystery about the sea when you see a sail boat, one sailing one way and another, another with the same prevailing wind. A poet once wrote: ''One ship sails east, another west, with the selfsame winds that blow. 'Tis the set of the sail, not the gale, that determines which way we go.''

With this measure today we set the sails in a direction of a balanced budget in the direction of a balanced budget in the year 2002, in the direction of a solvent Medicare Program, in the direction of a smaller Government.

So, Mr. Speaker, let me urge my colleagues to join with us today in setting this directional sail toward a shore that means prosperity and a better America for all.

Mrs. MEEK of Florida. Mr. Speaker, I yield 1 minute to the gentlewoman from California [Ms. ESHOO].

Ms. ESHOO. Mr. Speaker, I thank the gentlewoman from Florida for yielding me time.

Mr. Speaker, as we talk about budgets, we are not just talking about numbers. No matter how wide and how large the Federal budget is, and one can go through the thousands of pages, at the end of the day it is a statement of our values as a people.

I voted for a balanced 7-year budget. I do not think that is the issue, but I think the issue truly today is how we bring balance to our Nation. What kind of America do we want to see? Do we want to bind the generations together? Do we want to apply some morality to these figures, to these numbers? Do we speak to those who are in the autumn of their lives and say, yes, you count, and we are not going to count you out? Do we say to our Nation's children that we bring morality to them? Why would any Member of Congress rob two out of five children of this great Nation of ours of their own means of health insurance? Why would we rob our future by cutting student loans?

So today, America, what kind of a budget do we want, one that binds us together or tears us apart?

Mr. HOBSON. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. ARMEY], the distinguished majority leader.

Mr. ARMEY. Mr. Speaker, I would like to just take a moment to thank the members of the Committee on the Budget, on both sides of the aisle, and, indeed, the members from both sides of the aisle on all of our committees. To put together a Balanced Budget Act that is this comprehensive is not an easy balance. We have all worked hard, and we have worked hard all year on the matter.

There are differences of opinion. There are differences of expectations of what the outcome will be in the lives of the American people, and it is recognized on both sides as big change. Most of us on my side of the aisle think that this is big change for the better, a new direction, a new beginning, a revitalization of the American spirit and the American economy and the American people. Many people on the other side of the aisle are concerned that it might be something other than that and would prefer to stay with Government growing and Government governing as it has done in the past.

Mr. Speaker, in any event, as we have watched this work done by the Congress of the United States, we must recognize beyond a doubt this is serious business. This is hard, serious work with enormous consequences in the lives of Americans for generations to come and, yes, it should be taken seriously.

Mr. Speaker, I guess it is for that reason that I have to say I regret the extent to which the public rhetoric regarding this work has been so often hyperbolized, full of misrepresentations and exaggerations and, frankly, all too often language that has been designed purposely to scare very real Americans.

We have worked hard and we have worked together and we have worked seriously to provide here a Balanced Budget Act that will give us in the next 7 years a steady, consistent movement to balance, to stop this awful, debilitating growth in the debt of the U.S. Government that is strangling the American economy, and we think we get there.

We have in this process enacted tax cuts to encourage growth for jobs for the real American citizens, particularly our youngsters when they finish college, and to give tax relief to the American family, and we know it is real and we know it is fair and we know it is equitable.

We have, in fact, accepted the challenge to fix Medicare, to save it for another generation, and to be prepared in the year 2002, at the time its trust fund is broke, to have an economy and a Federal Government budget that can handle the new stress that will follow.

We have given real welfare reform to inspire greater growth in families, greater commitment and opportunity for work, greater chances for self-sufficiency for families and people that have for too many years been, quite frankly, victimized by this.

Will it work? How will it work? There can be different notions, different ideas, different concerns, and different projections on that. But let nobody doubt for a moment that this is our best effort to do what we see as the right and necessary thing to do. We have been governed by our best motives, our hardest work, our best effort and, quite frankly, our most sincere prayers.

We know this is the right thing to do, we know it must be done now, and we know we cannot run away from it. So if Members are faint of heart or devoted to a vision that most of us think has failed, they are free to vote no at this historic moment. But if Members believe in the American people and believe in the future of the American people and a Nation where they are made more free to control their own destiny by a Government that has had the ability to recognize their goodness and the decency to respect it, I ask them to vote yes today and change this Government so it can be back in step with America.

Mrs. MEEK of Florida. Mr. Speaker, I would like to ask, how much time do we have remaining?

The SPEAKER pro tempore (Mr. BOEHNER). The gentleman from Ohio [Mr. HOBSON] has 7½ minutes remaining, and the gentleman from Minnesota [Mr. SABO] has 11 minutes and 35 seconds remaining.

Mr. SABO. Mr. Speaker, I yield 1 minute to the gentlewoman from Arkansas [Mrs. LINCOLN].

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

Mrs. LINCOLN. Mr. Speaker, I think we can certainly make it clear that the issue here is not about balancing the budget. The majority of the people in this body, and I think the American people, have stated that they want the assurance of the future and through that they want to see a balanced budget.

Mr. Speaker, this debate here today is about fairness. It is about a plan of priorities that are fair and common sense in the approach about balancing the budget of this Nation.

The Republican plan is fundamentally unfair, making unnecessary reductions. They are not needed in order to balance the budget of this Nation. There is, however, an alternative plan that was offered; one that is very fair, common sense, and reasonable: The coalition plan. That plan places deficit reduction as a top priority, while protecting all Americans, especially rural Americans in the State of Arkansas.

The Republican plan is unfair. It is unfair to rural health care. It is unfair to agriculture. It is unfair to education and to veterans. We need to come together, put aside the pettiness of partisan politics, and come up with something that is fair and common sense for the American people.

Mr. SABO. Mr. Speaker, I yield 1 minute to the gentleman from Florida [Mr. DEUTSCH].

Mr. DEUTSCH. Mr. Speaker, I want to focus that 1 minute on Medicare in this budget and go through three things very clearly.

No. 1, the Republicans continue to say it is unprecedented, Medicare is going to go bankrupt in 7 years. The chart right here points out the fact, and a lot of times my colleagues on the other side do not like to listen to facts, but the fact is in 12 of the last 30 years that Medicare has existed in actuarial life was less than 7 years. It is not unprecedented. We have done things to deal with the actuarial change.

No. 2, is $270 billion in cuts. Where did that come from? That number has nothing to do with the actuarial soundness of Medicare. It is a derived number from the budget deficit that they need. And in fact if it had anything to do with Medicare, it would stay in the Medicare trust fund, which it does not do in the Medicare proposals in the reconciliation bill.

Mr. Speaker, the third and final thing is that the truth of this program, the bottom line, I think I will let the Speaker speak for himself: ''We don't get rid of Medicare in round one because we don't think that's politically smart, and we don't think that's the right way to go through a transition period, but we believe it's going to wither on the vine because we think people are going to voluntarily leave it.''

Mr. SABO. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. MARKEY].

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Mr. MARKEY. Mr. Speaker, Winston Churchill once said, in a tribute to the Royal Air Force, ''Never in the field of human conflict has so much been owed by so many to so few.''

Under the Gingrich budget, it can only be said that the reverse is true. Never have so many given so much for such a privileged few.

The Republicans are giving huge tax breaks to the wealthy while hard-working, low-income individuals and families get hit with a $32 billion tax increase. They are repealing the alternative minimum tax, returning us to the days when some of America's most profitable corporations paid no taxes whatsoever. They are going to allow employers to treat their workers' pension funds like corporate checking accounts. They would blacken the soul of the land of opportunity by cutting funding for child nutrition programs and student loans. How are you supposed to get a job in the 21st century when you cannot get a decent education or a decent meal in the last decade of the 20th century?

They would slash nearly a half trillion dollars from Medicare and Medicaid, putting the health of millions of seniors and poor children and disabled Americans at risk. They would nearly double Medicare premiums and eliminate those current law guarantees that the poorest seniors get help paying those premiums.

Millions of seniors in poverty, many of them widows, depend on Medicaid to pay for their Medicare premiums, deductibles, and copayments. The last time I pointed that out on the floor in this budget, that it would clobber poor seniors, the Speaker ran to the floor and said that I was either ignorant or misinformed. Well, guess what, I was right and he was flat wrong. And when I challenged him to fix it, he turned his back on the seniors of this country.

Well, Mr. Speaker, this ''my way or the highway'' galloping Gingrichism is going to have a commonsense answer. You are wrong, Mr. Speaker. Stop it or America's seniors and working families will stop it for you.

Mr. SABO. Mr. Speaker, I yield 45 seconds to the gentleman from Hawaii [Mr. ABERCROMBIE].

Mr. ABERCROMBIE. Mr. Speaker, as you know, earlier this year we had to fight off the high one provision that would have taken away what we promised to our veterans. I am inquiring, I would like to inquire and will yield to the Committee on the Budget spokesperson, as to whether or not it is true, as Congressional Quarterly is now reporting, that the cost of living increases for military retirees for 1996, 1997, and 1998 have been removed from this budget?

Is it a fact, and I will yield to anyone on the Republican side who represents the committee, is it not a fact, as Congressional Quarterly is now reporting, that they are taking away the equity payments of cost-of-living for our military retirees starting this year, after promising they would have it because civilians had it?

Mr. Speaker, has there been an answer to my question?

So we may take it that military retirees will not get their cost of living adjustment.

Mr. HOBSON. Mr. Speaker, I yield 15 seconds to the gentleman from California [Mr. DORNAN].

Mr. DORNAN. Mr. Speaker, the COLA's will be there. I am on the Committee on National Security. The COLA's will be there. We must not put out anymore misinformation.

Mr. SABO. Mr. Speaker, I yield 30 seconds to the gentleman from Pennsylvania [Mr. FATTAH].

Mr. FATTAH. Mr. Speaker, a defining moment for the new Republican majority, to have a balanced, a fiscally balanced budget that is morally bankrupt is not the result of the work that I think the good intentions, perhaps, they started out with. I rise to oppose the Budget Reconciliation Act.

Mr. SABO. Mr. Speaker, I yield myself 15 seconds, and I yield to the gentleman from California [Mr. DORNAN] for the answer to the question of whether the military COLA's are back to April or not?

Mr. DORNAN. Mr. Speaker, because of the accursed, the dreaded and the hated Byrd rule, the COLA's were taken out in reconciliation. But in our authorization bill on the Committee on National Security, formerly the Committee on Armed Services, they will be there. It will happen. Some of us will fight to the political death to make sure that they are there.

CALL OF THE HOUSE

Mr. HOBSON. Mr. Speaker, I move a call of the House.

The SPEAKER pro tempore (Mr. BOEHNER). Without objection, a call of the House is ordered.

There was no objection.

A call of the House was ordered.

The call was taken by electronic device, and the following Members responded to their names:

[Roll No. 811]

ANSWERED ''PRESENT''—409

Abercrombie	Bilbray	Camp
Ackerman	Bilirakis	Canady
Allard	Bishop	Cardin
Andrews	Blute	Castle
Archer	Boehlert	Chabot
Armey	Boehner	Chambliss
Bachus	Bonilla	Chenoweth
Baesler	Bonior	Christensen
Baker (CA)	Bono	Chrysler
Baker (LA)	Borski	Clay
Baldacci	Boucher	Clayton
Ballenger	Browder	Clement
Barcia	Brown (CA)	Clinger
Barr	Brown (FL)	Clyburn
Barrett (NE)	Brown (OH)	Coble
Barrett (WI)	Brownback	Coburn
Bartlett	Bryant (TN)	Coleman
Bass	Bryant (TX)	Collins (GA)
Bateman	Bunn	Collins (MI)
Becerra	Bunning	Combest
Beilenson	Burton	Condit
Bentsen	Buyer	Conyers
Bereuter	Callahan	Cooley
Bevill	Calvert	Costello

Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dixon
Doggett
Dooley
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Meyers
Mfume
Mica
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stockman
Stokes
Stump
Stupak
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

□ 1440

The SPEAKER pro tempore. On this rollcall, 409 Members have recorded their presence by electronic device, a quorum.

Under the rule, further proceedings under the call are dispensed with.

SEVEN-YEAR BALANCED BUDGET RECONCILIATION ACT OF 1995

Mr. SABO. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota [Mr. VENTO].

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

Mr. VENTO. Mr. Speaker, I rise in opposition to this reckless restructuring of our priorities.

Mr. Speaker, I rise in strong opposition to this extreme Republican budget reconciliation conference report. The bill represents a reckless restructuring of national priorities which advocates a shift of resources and commitment away from working American families and granted to the most affluent segments of our society. This Republican Gingrich reconciliation bill abandons the goal of equality of social, health, education, and economic responsibility for members of our American society.

I have supported in the past and will continue to support responsible deficit reduction policies. I voted for the alternative coalition budget, a difficult vote but appropriate, which would reach a budget surplus in 7 years, end corporate subsidies, and permit higher spending on crucial national investment priorities without lavishing tax breaks on the wealthy. I supported the 1993 reconciliation measure which has to date exceeded its targets; with 3 straight years of deficit reduction resulting in the lowest annual deficit as a percent of GDP since the late 1970's. I certainly do not support the Republican reconciliation bill, which slashes proven programs that ensure economic and health security for working Americans, families, and seniors in order to finance tax breaks principally for investors, corporations, and affluent individuals. The legislation includes deep cuts and new fees for student loans, and deep cuts in Medicaid and Medicare. Further, it includes provisions to put American pensions at risk and promote environmental degradation. This measure disassembles the Federal commitment and structure that has built and empowered our Nation to unprecedented economic and social achievement.

At the same time this reconciliation measure cuts deeply $270 billion from Medicare, the bill gives $245 billion in tax breaks to the wealthiest members of our society and corporate America. In fact, the wealthiest 12 percent of American families, those with an income over $100,000, will get 45 percent of the tax break benefits, over $110 billion in tax breaks. The Republicans continue to insist on a cut in the capital gains tax rate for big investors, a reduction of the alternative minimum tax for corporations, and a limited child tax credit which is actually denied to 33 percent of kids because they are low income. In addition, the Republican Gingrich reconciliation bill cuts the existing earned income tax credit by over $32 billion, thereby producing a tax increase for the working poor. In fact, the Joint Committee on Taxation reported that families with under $30,000 in income will actually pay more in taxes—that's right, pay more under the Republican Gingrich tax break measure. Some break—it's more on the backs of hard-working families.

Policymakers who are serious about deficit reduction do not push a package which includes $245 billion in tax breaks, skewed to the wealthiest in our society. Not only is it unwise to reduce revenues in this time of fiscal constraints, but it is unfair to dole out benefits to the well-heeled when everyone else in society is being told they must sacrifice.

The new Republican Gingrich majority in the House has made the Medicare and Medicaid Programs its target for nearly 50 percent of the total spending cuts contained in the Republican reconciliation package. Medicare is one of our Nation's most successful programs. It was established over 30 years ago as a national commitment to assure seniors health care coverage. The Republican Gingrich scheme is going to threaten the integrity of this program and make seniors pay more for less health care coverage. With $270 billion in cuts, overall Medicare spending will be cut by a cumulative $6,795 per senior over the next 7 years, meaning that in 2002 there will be $1,700 less in Medicare dollars per senior in that year alone. Even the trustees of the Medicare trust fund strongly oppose the Republican plan because the extensive cuts go far beyond program reform or trust fund stability. The Republican plan is not designed to save Medicare, it is a scheme to let Medicare wither on the vine.

In the name of balancing the budget, the Republican reconciliation bill not only creates a social deficit in our Nation, but also creates a serious environmental deficit. This legislation amounts to a wholesale degradation of America's natural resource legacy, evoking the tradition of 19th century robber barons who exploited the West. We see the imprint of special interests, including the mining, oil, and gas industries, throughout the Republican reconciliation measure. In particular, the decision to destroy forever the Arctic National Wildlife Refuge [ANWR] by permitting oil and gas exploration and drilling demonstrates the true spirit of the Republican majority. ANWR is the last great piece of American wilderness and opening the refuge area to drilling will assure destruction of this pristine wilderness. Folding this measure into this bill is a sleight of hand way to circumvent the process and force this wholesale policy change upon the American public without open debate on its merits.

The question really is about the direction our Nation should be heading and what values we want to cultivate to enhance our future. This Republican Gingrich reconciliation bill reveals a significant change in national priorities and values under the GOP leadership. Republicans' misplaced priorities are to pull back

from proven, albeit not perfect, policies for health care, housing, education, and the environment in order to give tax breaks to the wealthy and placate special interests. We in Congress should do better, surely we should know better. A balanced budget mantra does not disguise the true intent or effect of the Republican reconciliation bill, which polarizes and balkanizes our society, reneging on the basic social contract and abandoning families and the very programs that have permitted us to take care of those who are vulnerable and in need, in essence to take care of one another when we face crisis in our lives.

Apparently the GOP thinks that if they claim to balance the budget, anything goes, but they are wrong—the American people care. The American people do not want an abandonment of valued principles and policies which allow the most vulnerable in our society to live with dignity. They also do not want a redistribution of wealth which makes it more difficult for working American families to get ahead while giving special benefits to corporations and special interests. This Republican reconciliation bill is an affront to all who believe in the concept of community and the commitment of the Federal Government to protect Americans' health, environment, and economic security. I urge my colleagues to vote against this bill.

Mr. KASICH. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio [Mr. HOBSON].

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

Mr. HOBSON. Mr. Speaker, I rise in support of this bill.

It's difficult leading a majority. People pay attention to the promises you make—and they expect you to keep them.

The promise to balance the Federal budget has been perhaps the hardest political promise to keep. The President hasn't been able to do it. And Congress hasn't been able to do it in 26 years. To be fair, past Democrat and Republican leaders backed away from the challenge.

Despite repeated promises, the loud and convincing voice of special interests always have carried the day. But today we are looking toward the future. We are listening to the quieter voices of our children, and hearing what we have always known: That this generation has a responsibility to the next.

We began working toward this moment in 1992—the year President Clinton was supposedly elected as an agent of change. Although the President was unable to fulfill his promise to balance the budget in 5 years—or at all—JOHN KASICH was working behind the scenes on a balanced budget called cutting spending first. By 1994, the call for change had grown, and voters elected a new, Republican majority to Congress.

From that majority came extraordinary leadership. Our budget chairman drives this process with eagerness and integrity. Our Speaker provides a clarity of vision and purpose that unites moderates and conservatives in a single agenda for our American future.

Today our agenda is clear. I look forward to joining the majority of you in fulfilling our responsibility—and our promise—to the American people.

Vote ''yes'' on the Balanced Budget Act.

Mr. KASICH. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. GALLEGLY].

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

Mr. GALLEGLY. Mr. Speaker, I stand in strong support of this bill.

☐ 1445

Mr. KASICH. Mr. Speaker, I yield such time as he may consume to the gentleman from Missouri.

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

Mr. EMERSON. Mr. Speaker, I rise in strong support of the balanced budget proposition before the House.

Mr. SABO. Mr. Speaker, I yield such time as she may consume to the distinguished gentlewoman from New York [Mrs. MALONEY].

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

Mrs. MALONEY. Mr. Speaker, I rise in opposition to the bill.

Mr. Speaker, I rise today in opposition to the Omnibus Budget Reconciliation Act of 1995.

Change is needed in the Federal Government. Many programs need to be modernized. But we need fair change. And there is nothing fair about this budget.

Simply put, the painful cuts in this budget disproportionately hurt the old, the sick, the poor, the disabled, low-income children and, to an extreme degree, urban areas.

During my first term in Congress, I sat on the Banking, Finance, and Urban Affairs Committee. I sit on that same committee now. Only now it's called Banking and Financial Services. It's as if urban areas are no longer a part of America. And this budget reflects that attitude. No place in the country will be hit harder by this budget than New York City.

Make no mistake: if the Medicare and Medicaid plans in this bill were signed into law, health care for the poor and the elderly will be severely affected.

The Medicare trust fund needs $90 billion to remain solvent for the next 10 years. But this budget tries to solve a $90 billion problem with a $270 billion solution. It will double premiums over the next 7 years for some seniors, and sextuple them for others.

Recently, Speaker GINGRICH told a group of insurance lobbyists that he expects Medicare to ''wither on the vine,'' and said he wouldn't try to ''get rid of it'' right now because it wasn't ''politically smart.''

Senate Majority Leader DOLE bragged in a recent campaign speech that he voted against creating Medicare in 1965 because he knew it wouldn't work.

The views of the leaders of the House and Senate are way out of the mainstream. So, too, are their draconian solutions to what ails Medicare.

This budget also cuts $170 billion from Medicaid. Tragically, this budget seeks to end the guarantee of universal health care for our poorest citizens. And one out of every four children in the United States is born into poverty.

The economic consequences for New York City of the Medicare and Medicaid cuts are catastrophic. Over the next 7 years, Medicare and Medicaid cuts alone will cost the city of New York more than $24 billion. Mount Sinai and Beth Israel Medical Centers will, combined, lose $1 billion in Medicare and Medicaid funding. New York City could lose up to 140,000 jobs. Our local economy simply cannot absorb cuts of that magnitude.

New York City's most vulnerable children will also be drastically impacted by cuts to nutrition and protection programs which help them survive extreme poverty, neglect, abuse, and deprivation. The extremely successful School Lunch Program will be among the programs cut. So will the earned income tax credit, which will be reduced under this budget to effectively raise taxes by $400 dollars on the working poor.

All tolled, cuts to programs assisting New York City's children will be impacted by a staggering $25 billion over 7 years.

These cuts might be more palatable if they were absolutely necessary to balance the budget in 7 years, which is a sincere and honorable objective. But they are not necessary. They are reflections of the new majority's skewed priorities.

They're making these cuts because they are increasing defense spending by $8 billion more than even the Pentagon requested.

They're making these cuts because they refuse to cut $30 billion in corporate welfare that even the Republican House Budget Committee chairman says do not help the economy.

And they're making these cuts because they want a $245 billion tax cut that this country simply cannot afford right now. Only the working poor will be asked to pay more in taxes.

Mr. Speaker, there has been much rhetoric in this debate about balancing the budget for our children and grandchildren. But you cannot save children in the future by abandoning children in the present. This budget disinvests in all the things that prepare our children for a better future: nutrition, education, health care and protection from abuse and neglect.

This is not a thoughtful budget; it is a reckless budget. It is not a budget that fairly distributes the pain; it is a budget which punishes those least capable of absorbing the pain.

Mr. Speaker, I favor and have voted for reform and restructuring of our Government. But the restructuring in this bill is shortsighted, unfair, and unwise.

America did not become the greatest country on earth by deserting seniors in their time of need. Or by disinvesting in our children's education. Or by raising taxes on people who don't have two dimes to rub together. Or by denying health care and nutrition to our neediest citizens, especially our innocent children.

The American people believe in fairness. They will not suffer this budget lightly. Because there is nothing fair about this budget.

Mr. SABO. Mr. Speaker, I yield such time as he may consume to the gentleman from Maryland [Mr. WYNN].

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

Mr. WYNN. Mr. Speaker, I rise in opposition to this mean-spirited notion of a budget.

Mr. SABO. Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts [Mr. OLVER], a committee member.

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

Mr. OLVER. Mr. Speaker, I rise in opposition to the reconciliation legislation.

Mr. Speaker, the United States has the widest gap in the industrialized world between those who can readily afford housing, education, health care, and retirement security and those who must struggle every day to get by.

And the gap is growing faster in the United States than in any of the other G–7 countries.

Into this scenario, step congressional Republicans and the President with competing approaches to balance the budget—approaches which have a diametrically opposed set of priorities.

Republicans are for B–2 bombers and ballistic missile defense systems we don't need; in total, $33 billion in increased defense spending over what the Pentagon says it needs to defend the nation.

Republicans are also for big tax breaks to those earning over $100,000 a year; $245 billion in tax breaks in all.

The Republicans can only fit these tax breaks into their budget plan by taking away housing, nutrition, health care, and educational and economic opportunities from the very Americans who are struggling to build a better life for themselves.

To begin with, their budget takes over $400 billion in health care away from seniors and poor families by draconian cuts in Medicare and Medicaid, cuts that are not part of any kind of constructive reform of the Health care system which would allow it to accommodate reductions of this magnitude.

Other harmful cuts to families come in a variety of critical areas: $30 billion to veterans' benefits, including veterans' health care; nearly $20 billion in child nutrition; $15 billion in Federal workers' pensions; over $10 billion in agriculture support; $10 billion in student loans; $10 billion in winter heat assistance for elders and the poor; $10 billion in vocational and adult education; $3 billion in mass transit assistance; and $3 billion to keep our children's schools safe and drug-free—just to name a few.

Republicans also want to scale back the earned income tax credit [EITC] to the working poor by close to $32 billion, pushing low-wage earning families, who shouldn't be paying taxes in the first place, back into poverty, ensuring that they will no longer be able to make it on their own.

The President, on the other hand, in outlining his balanced-budget plan, has made it abundantly clear that he stands for a different set of priorities—priorities that lie 180 degrees from where Republicans stand.

The President is for student loans, safe schools, school lunches, health care for veterans, job opportunities for young adults, and income and health security for our Nation's elders.

We Democrats think these things are more important than giveaways to the wealthiest 10 percent of Americans, so we would not give big tax cuts, and we would hold down defense spending.

We believe in helping low-income, working families gain back some ground on their slipping standards of living.

But the Republicans don't care about that. They're not the least bit concerned about the growing gap between the haves and the have nots. They would make the gap much worse, taking us in the opposite direction from where we should be going.

Thus, for its terribly misplaced priorities, I oppose this reconciliation bill. For our future's sake, we should all oppose it.

Mr. SABO. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. BONIOR], the distinguished minority whip.

Mr. BONIOR. Mr. Speaker, this debate is not about who got to sit in the front or the back of the plane. It's not even about whether we balance the budget in 7 years, 8 years, or 10 years. The American people think this numbers debate is petty.

This debate is about the values we believe in . . . and the values we uphold . . . as we work to get to a balanced budget.

There's a reason why 75 percent of the American people oppose this budget today.

They don't want to cut Medicare to pay for tax breaks for the wealthy. They don't want to let Medicare whither on the vine.

They don't want to take college loans from kids . . . roll back 25 years of progress on the environment . . . or raise taxes on working families. But *that* is the price this budget asks us to pay.

This budget is so extreme that Speaker Gingrich had to manufacture a crisis . . . and shut down government . . . to try to force the President to accept it. Well, we know the President won't sign this budget.

Mr. KASICH. Mr. Speaker, point of order. Mr. Speaker, I would ask my colleagues to show the gentleman respect, let him make his talk, and show each other a little respect here. Let him finish.

Mr. SABO. I thank the gentleman from Ohio.

Mr. BONIOR. I would make a similar request when the gentleman from this side of the aisle speak; that we, in addition, show them the respect to have their arguments made in this Chamber.

The SPEAKER pro tempore (Mr. BOEHNER). The gentleman from Michigan [Mr. BONIOR] may proceed.

Mr. BONIOR. Mr. Speaker, I would ask the Chair, do I have any time remaining?

The SPEAKER pro tempore. The gentleman from Michigan has 1½ minutes remaining.

Mr. BONIOR. Mr. Speaker, the President won't sign a budget that dismantles Medicare. And he won't sign a budget that takes opportunity away from our kids.

The American people oppose the Gingrich budget because it does not reflect our values.

Six days from now, America will celebrate Thanksgiving. And we'll all give thanks that we live in a nation where our parents don't have to beg to see a doctor, where every child has the chance to go to school, and where we care enough about the environment to protect it. And we should not undermine that progress here today. We all know it's not easy to balance the budget.

But we reject the idea that we have to ask seniors to sacrifice their health care—and kids to sacrifice their opportunity—just so we can give a tax break to people who don't really need one.

Mr. Speaker, we must work to balance the budget. But the Gingrich budget is too extreme, too short-sighted, and too out of step with the values of the American people. And I urge my colleagues to reject it.

Mr. KASICH. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. ARMEY] the very distinguished majority leader.

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

Mr. Speaker, I had not anticipated that I would speak twice on this subject. Earlier I made the point this is big change. It is serious business. It is very important, and yes, in fact, it will make a big difference in the lives of the American people for generations to come.

When we face a change of this size it can be unnerving, and yes, there are those of us committed to this change that are concerned that perhaps the public might not understand, but the fact is that there are others who are equally concerned that the public will understand. That is why we are getting all this mean-spirited, extreme political rhetoric.

The time has come for us to get serious about the vote we are about to make, put aside any concerns we might have about the political rhetoric, understand the public does understand. To illustrate that point, let me read a note that was passed to a congressional aide on the Amtrak train this morning by a woman who had overheard a concerned conversation regarding how grave this moment is in the lives of America.

This woman said: ''Dear sir: I am a Federal employee. Please tell the Republicans to stick to their guns. We need a balanced budget.'' Put aside your concerns. The public knows and the public appreciates what we are daring to do on behalf of their children. Do not be bothered by the extreme, mean-spirited, personal political rhetoric.''

Mr. SABO. Mr. Speaker, I yield 4 minutes to the gentleman from Missouri [Mr. GEPHARDT], the distinguished minority leader.

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

Mr. GEPHARDT. Mr. Speaker, it should come as no surprise that I oppose this budget. I think that when we take one bad budget and reconcile it with another bad budget, we wind up with a bad budget.

The Republicans say that this bill is about balancing the budget for our children and our grandchildren, but the question we have to ask today and in the days ahead is not whether we have balanced the budget in 5 or 6 or 8 years. The question is whether we have the right balanced priorities in the way that we have balanced the budget: Is it

fair? Is it just/ Does it create a sense of equity and justice in our country, so that the people who live with the consequences of the budget will accept our decision?

In my view, this budget is not that. It asks too much, in my view, of people in the middle class and people trying to get into the middle class, the people that are really struggling in this country to get ahead, people who have almost given up on the American dream. It does too much to give privileges and breaks to people, frankly, who have done well, and in most cases are not even asking, are not even asking today to be advantaged.

I know my friends on this side will disagree, but in our view and lots of people's views, these cuts are deeply damaging to the health care system in this country, but more importantly, damaging to people. We believe that if the cuts go through as they are in the budget now in Medicaid and Medicare, that one-fourth of the hospitals in this country will close. They will close in the wrong places, the places we can least afford to have them close. Almost all of the hospital associations in the country have today said these cuts are too deep.

We think the increase in the premiums and the other changes in Medicare are unfair to senior citizens. We can say a lot of seniors have a lot of money, but a lot of them do not. Millions of widows live on their Social Security alone.

I met woman in Michigan who told us at one of the events there that she lives on $9,000 a year she gets from her Social Security, and that a doubling of her premium would devastate her monthly situation. We have to think about that person. There are flesh-and-blood human beings at the other end of this budget.

I have a family in my district whose son, in repairing the roof at age 15, fell off the roof, broke his neck. Now he lives in a wheelchair. He has to be fed by his parents. They both work. They did not have medical insurance. They came to our office so they could get him onto Medicaid, so he could be put for long periods of time in a nursing home, so he could be taken care of.

If the program was block granted and we put this choice in front of State legislatures and cut it by a third, do we take care of the seniors? Do we take care of the disabled? Do we take care of the children? It is an impossible choice, and one that we should not be putting on the States.

School lunches. I know it has been changed and hopefully made better. I sat with a woman in Ohio and she told me how she has had three children on school lunches while she could go back to school. She said, ''I am about now to go back to work.'' She said, ''When I get that job, because I could go to school and I had the school lunch program to help me, now I am going to be able to get my kids off of school lunch and be able to have it for somebody else.''

So I guess when we say we are balancing this for our children and our grandchildren, we have to ask an additional question: Are we balancing this budget in a way that is good for our children and our grandchildren?

When it comes to taxes, as I have said here on the floor before, this budget takes my breath away. How in the name of common sense and decency can we say to someone who is earning $25,000 a year, who is struggling to get off of welfare and into the work force, that their taxes will go up by, about, we think $300 a year on average, while we are giving a $15,000 tax break to somebody who is earning $300,000 or $500,000 a year? It is unfair.

In conclusion, Mr. Speaker, this budget is unbalanced in its priorities. It is unfair to the people in the middle class and people trying to get into the middle class. Ultimately the economic estimates that are on, and we have had this raging debate the last few days about 7 years and the economic estimates, but in truth we all know this is a 1-year budget. The estimates of what will happen in 7 years depends upon the fairness and the equity and the decency of what we do in this budget.

The President will veto this budget. Then we must come back. After that veto, the real work must begin. Then we must sit down together, as Americans who are all interested in the future of this country. We must work overtime, and as hard as humanly possible, to come up with an agreement. This Government runs by agreement and by consensus, not by dictation. We must come to an agreement.

I hope and pray that it will be a budget that does not overly damage important programs like Medicare and Medicaid, does not damage the education of our children through too severely cutting student loans and school lunches, and finally, that will be fair to the middle class more than it is fair to the people who have it made at the top.

If at the end of that we can say we have done that, then, truly, we will leave balanced this budget for our children and our grandchildren. Vote no on this budget today.

Mr. HOBSON. Mr. Speaker, a lot of people promised they would balance the budget. Nobody believed that it could be done, but one person believed and one person persevered. He persevered for the future of our children.

Mr. Speaker, I yield the balance of our time to the gentleman from Ohio, JOHN KASICH, my fellow Buckeye, and the chairman of the Committee on the Budget.

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Mr. KASICH. Mr. Speaker, let me say, I am glad I do not have to ask for unanimous consent to use these charts, because I think there would be more objection over here than there would be over there. I do not know, I say to the gentleman from Missouri [Mr. GEPHARDT], if you have this problem. Our people feel so passionately, they have all written my speech in big pieces, coming down and telling me how they feel. It has been a good debate. We keep saluting one another.

The gentleman from Minnesota [Mr. SABO] cannot help himself but to do right. He is a good man, and he deserves to be complimented because, at the end of the day, he cannot help himself. He has to do the right thing for our country, and I think he is a great guy.

Well, we have the gentleman from New York [Mr. SOLOMON], the gentleman from Texas [Mr. ARCHER] left the floor, and I do not know where my buddy, the gentleman from Louisiana [Mr. LIVINGSTON] is, and right here is the gentleman from Illinois [Mr. HYDE], and I can go on and on.

This stays for them, the warriors who never thought this day would come. These gentlemen, and the gentleman from Florida [Mr. YOUNG], it is a little present for all of them, what we are going to do here today.

They were the ones that were out there first, and they deserve an awful lot of credit for their hard work.

Mr. Speaker, the American people are watching this debate while the Government is closing down, and they were out in California and they stopped a guy on a bicycle, and they said, ''Did you know the Government closed down?'' He said, ''Look, I am riding my bike; do not bother me.'' He says, ''It is just those politicians.''

I think that both sides would agree with this. This is not business as usual. Frankly, both sides are fighting today, last week, and probably tomorrow, on deeply held principles. I mean, frankly, what the public does not like is when the politicians compromise their fundamental principles and then it becomes business as usual.

I deeply respect the passion with which you hold your views. I do not have any doubt that you are sincere in believing that you need to stand up for some folks. We are the same way. So, to the American people, understand this debate over principle is good. It is not business as usual; it is good because, for the first time in my lifetime, we are trying to make sure that this country realizes its destiny.

Now, folks, in the history of America, in the very beginning, 1776, all the way until now, guess what? We have had these fights over principles consistently. The North fought the South; it was about principles. We know about the Vietnam war. The fights in this Chamber were about principles.

However, I would inquire of my colleagues if they know what the bottom line has always been. At the end of the day, the people of this House, as Tip O'Neill said, were good people; the people of the country were good at the end of the day. We were able to stand on principle and at the end of the day reach some agreement and move the country forward, and we will at some point do it again.

Mr. Speaker, to the American people, this is what you sent us to do here, to stand up for our heartfelt beliefs.

To my colleagues on the Republican side, the Committee on the Budget members, you started it. My colleagues started it back last December. God bless them all for that they did. For my colleagues here, who have gone home, who had to walk across hot coals, the Washington Post was written for you. Read it. Send it to your wife, send it to your husband, send it to your children; because it is about principle, and they understand that we are making hard decisions that need to be made.

Now, our plan is described as extreme. Look, going from $443 billion on Medicaid to $791 billion, that is not extreme; that is a significant increase. Medicare going from $926 billion to $1.6 trillion, that is not extreme; that is an increase. Going from $492 billion in welfare to $878 billion, an increase over the next 7 years, that is not extreme; that is an increase.

The total Federal spending going from $9.5 trillion over the last 7 years to $12 trillion, a $2.5 trillion increase in spending, that is not extreme. In fact, many Americans are going to say, why is it going up so much?

Let me say to my colleagues, we are going to have a lot of debate here, and I want to say to my colleagues on the Democratic side, Mr. Panetta asked me the other day, why? Why are you doing this? I said, because, Mr. Panetta, we think this is the last best chance to do it.

We look into the future, 15 years down the road, and we wonder, if the country continues to slide economically, as the newspaper pointed out, when children buy a home, adult parents buy a home in 15 years, what are they going to buy, a shack? Or are they going to be able to buy what we bought? Are they going to be able to afford a college education? Are there going to be decent jobs left within the boundaries of this country?

Mr. Speaker, I say to my colleagues, we are sincerely convinced that if we do not forgo that extra $1 trillion in spending, we will collapse the country. We believe the country will melt down economically. And as I have said before, in good times, the rich get richer; in bad times, the rich get richer.

The only time the poor get rich is when the economy grows. That is our sincere conviction.

This is not about politics, this is not about the Republican Party, it is not about NEWT, it is not about me, it is not about GEPHARDT, it is not about the President. It is about all of us standing on principle to deliver what we believe is right for the United States of America, and at the end of the day, as we have through all of these terrific and tremendous arguments over principle, we will figure it out. We will figure it out.

I have one last chart I have to show you, because this one touched me. I was in Illinois, and a group of high school kids came to see me on a Saturday afternoon. There was a miracle going on. Northwestern was winning another football game.

This is a check. It is a little check, and I want to read it. It is 1996, U.S. Treasury, and it is written from the young people of America, pay to the order of the U.S. House of Representatives.

The amount? Thank you.

The memo? Our future is looking brighter.

Mr. Speaker, my favorite memo, my favorite little note of these young people who I am told stood in their classroom and applauded when they heard the balanced budget amendment passed in this House, my favorite one here says, ''Thanks, Bro.'' That is my favorite notation.

Look, we are going to struggle a little bit longer, we are going to fight a little bit more. I went to the Senate conference, and I said that single women with children are the most vulnerable people in our society, and we walk out of there with our earned income tax credit so that nobody will do worse, no one will do worse than the current law as we go into 1996. Why? Because we are compassionate in the treatment of people as well.

We think balancing this budget and slowing the growth of Federal spending is the key to making sure that, in fact, these young people's future continues to look brighter.

Mr. Speaker, God bless us all; let us pass the Balanced Budget Act of 1995.

Mr. MARTINI. Mr. Speaker, I rise today to share with my colleagues what a rare honor it is indeed to be able to vote today on such an historic piece of legislation. In fact, it is the embodiment of the principles I campaigned on just 12 months ago. The Balanced Budget Act of 1995 represents the very essence of what I believe in: a fiscally sound and responsible Federal Government that passes on a better America to its future generations. This truly is a defining moment in our Nation's history.

The Balanced Budget Act is not a smoke and mirrors sham attempt to fool the electorate. This budget is a real, honest plan that offers the people we serve the first balanced Federal budget in a quarter of a century. This bill is right for New Jersey, and more importantly, right for America. I am proud to cast my vote in favor of it.

All of this year we have been witnessing a debate between two competing visions. On one side there are the advocates of the status quo, and on the other, a group of legislators committed to offering real solutions to real problems.

Sadly, the advocates of the status quo have only been able to offer us echoes of the very sentiments that put our country in the red to begin with. Their answers to the very real questions we must face are, disappointingly, more of the same. They believe more spending, more taxes, and more debt are the answer to our budget ills. Well, they are wrong.

The taxpayers deserve better than that, Mr. Speaker. I am the last person to turn this debate into a rabidly partisan issue. Saving the future of our country should be above such partisanship. But regrettably, that is what our President and the Members of the other party have responded with. They insist on fueling the fires of skepticism and despair, choosing to resort to demagoguery and doomsday scenarios at a time when our constituents deserve more.

I suppose this reaction could be expected at such an historic time of change. As we stand on the threshold of truly monumental reform, it is only natural to experience a certain amount of anxiety about what comes next. But real leadership demands that the response to this anxiety be hard work and commitment, not homage to the failed policies of the past.

The defenders of the status quo serve as a very important and stark contrast to the Members of Congress who are about to cast their votes to solve our fiscal problems. I am ready to work in a serious, bipartisan fashion to obtain the real solutions we owe the people we represent.

I want to offer the residents of New Jersey's Eighth Congressional District the much-needed change they voted for in 1992, but have so far been refused. They were told they would get a balanced budget, the end of welfare as we know it, and tax relief for middle class families. They have received none of them to date. I, however, am ready to deliver where others have failed.

I want to balance the budget in order to relieve our children and our children's children of a crushing debt. I want to foster an opportunity society that creates jobs, lowers interest rates, and keeps the economy growing. On behalf of our constituents I want to knock $37,000 off of the price of a new home, $900 off the price of a new car, and $2,160 off of the price of a college education. Balancing the budget is not only a moral imperative, but good economic policy and we should do it now.

By voting ''aye'' today, I will also be working to reduce the tax burden on the American middle class. The size and scope of this tax cut has been and will continue to be a matter over which we can negotiate. But what a difference 2 years make, for it was only last Congress that the largest tax increase in American history was imposed after the people in power had campaigned on a tax cut for the middle class. That was disingenuous. The American family deserves to be allowed to spend more of their own money, Mr. Speaker. Passage of this tax cut represents more than a promise fulfilled, it is the right thing to do.

Similarly, the people are tired of watching our misguided welfare system trap more and more families into a vicious cycle of poverty and illegitimacy. Since 1965 we have made no dent in the Nation's poverty rate and have watched the illegitimacy rate quadruple. Campaigning on a platform of changing this dismal system is not enough. After $5 trillion and 30 years, enough is enough: we have no choice but to bring necessary reform to a system that needs an overhaul.

And finally we come to the subject of Medicare. We have proposed a fair and reasonable plan to address a very real problem: the bankruptcy of the Medicare trust fund. Creating a plan to save this program was not easy. It was done in an effort to maximize the effectiveness of its provisions and minimize the impact on current beneficiaries. At all times during the developmental process of the bill, the goal of its authors was to save a Government program that serves an important and often very

vulnerable population, not just for tomorrow, but well into the next century.

The Medicare Preservation Act accomplishes this goal, yet we have still not seen any recognition of that fact from the other side. The November 16 edition of the Washington Post said it best, Mr. Speaker, when it said, ''The Democrats, led by the president, chose instead to present themselves as Medicare's great protectors. They have shamelessly used the issue, demagogued on it, because they think that's where the votes are and the way to derail the Republican plans generally.'' Sadly I must agree. In defense of the status quo, we have seen only politics, not leadership.

Like many of my colleagues in this body, I have had the privilege of spending a lot of time recently with a group of men and women whom I deeply respect and admire, the veterans of our armed forces. I never cease to be impressed at how courageous and committed these people were in the face of such clear and dangerous crises to our Nation's safety. They fought bravely on our behalf, and were prepared to pay the ultimate price to keep our country safe and prosperous. They were successful in battle, and kept us safe from a dangerous world.

But history has shown us that great civilizations fall victim to the crises from within just as often as they fall prey to the threats from without. Sometimes these threats are much less visible. They might not be tangible or have a face or a name readily associated with it. But that makes these threats no less real, and perhaps even more dangerous.

The debate today is a perfect example of a very serious and deadly internal threat. Though it may not be apparent to Americans in their everyday lives, the effects of deficit spending and out of control growth in the Federal Government pose a very real and dangerous problem. We in Congress are charged with the duty of dealing with these problems, and this is what the debate today concerns. The inability of our Federal Government to get our fiscal house in order is the crisis, and the discipline to make the difficult but important choices that must be made to avert financial ruin is the only solution.

We must rise to this occasion and meet the challenge before us. This may be our last chance to do it. If we fail to carry out our vital mission, if we allow the misinformation and distortions to defeat our efforts, no Congress is the near future will have the courage to try what we are trying. On the contrary they will cower in fear of the political ramifications surrounding the process of setting reasonable spending priorities, much to the detriment of the people they supposedly should be serving. I take my obligations to govern more seriously, and refuse to back down at this important juncture.

Mr. Speaker, it is not difficult to figure out what the people want and deserve. Our constituents want a fiscally sound and responsible Federal Government. They don't want any more gimmicks or Washington doubletalk. They don't want us to look back. They just want to pass along to their children a future filled with prosperity and hope, not debt and despair. This Balanced Budget Act is the very reason I serve in Congress, and I will not let the President, my Democratic colleagues, or any of the naysayers around here deter me from the all-important goal of balancing our budget. I will stand firm on my principles.

Vote in favor of future generations, vote for this defining piece of legislation.

Mrs. MINK of Hawaii. Mr. Speaker, the compromise budget reconciliation bill agreed to by House and Senate Republicans fails the fairness test. While Republicans argue that their reconciliation bill maintains the ''glide path to a balanced budget by the year 2002,'' they conveniently gloss over the fact that this glide path descends from a $245 billion tax break for the rich to a deeper-than-necessary scale back in programs that benefit the poor, the middle-class, and the elderly.

TAXES

The gulf separating the richest from the poorest Americans has widened considerably over the past 20 years. While social historians, economists, and politicians cannot agree on the cause of this disparity, they do agree that the incomes and assets of the richest Americans grew considerably during the 1980's and early 1990's as the incomes and assets of poor and middle-class Americans stagnated. Yet, the Republicans direct much of the benefits of their $245 billion package of tax cuts to the rich—not to the poor of the middle-class.

The budget reconciliation bill includes a $16 billion 7-year reduction in the alternative minimum tax [AMT] which mainly benefits corporations and their stockholders. The bill refunds any AMTs that have to be paid temporarily.

The Budget Reconciliation Bill also includes a $500 per child tax credit for the years after 1995 and a $125 retroactive child tax credit for 1995. The bill phases out the credit for single parents with adjusted gross incomes of $75,000 and married couples with adjusted gross incomes of $110,000.

Unlike the AMT, the $500 per child credit is not refundable. Accordingly, the credit is of little or no benefit to moderate- or low-income families with minimal adjusted gross incomes. For example, a family with 3 children and a $1000 tax obligation can claim over $1000 in child tax credits, since the credit is not refundable. Yet, another family with 3 children but with a higher adjusted gross income and a tax obligation of, say, $5,000 can claim all $1,500 in child tax credits and reduce its tax obligation to $3,500.

As the previous example illustrates, Republicans are being disingenuous when they claim the child tax credit will benefit mostly middle class taxpayers. The Republican claim is true only to the extent that most taxpayers are middle class. What the Republican claim conveniently glosses over is the fact that most of the benefits of the child tax credit will go to the affluent.

With respect to the tax on capital gains, the reconciliation bill includes a 50 percent exclusion and inflation-indexing for individuals. The bill also lowers the corporate capital gains rate.

While I realize that it is not just the rich and affluent who report capital gains, the fact remains that by and large, capital remain concentrated in the hands of the very affluent. For example, Internal Revenue Service data for 1988 indicates that 87 percent of dollar capital gains were reported by taxpayers with incomes of over $100,000. And, these were not one-time capital gains. IRS data over a 10-year period indicates the most affluent 4 percent of taxpayers account for 70 percent of capital gains. Accordingly, the capital gains modifications in the reconciliation bill must be considered tax breaks for the rich.

As the reconciliation bill provides tax breaks for the affluent, it imposes a de facto tax increase on the working poor by scaling back $32.4 billion worth of the Earned Income Tax Credit [EITC] over 7 years. This scale back of the EITC is accomplished by rescinding a provision that provides the EITC to families without children, broadening the definition of what constitutes income for purposes of determining eligibility for the EITC, and reducing the maximum income at which families can receive the EITC.

When all is said and done, the benefits of the $245 billion package of tax cuts that lies at the heart of the Republican Budget Reconciliation Bill are tilted to the affluent. For example, the most affluent 10 percent of taxpayers get 40 percent of the tax package's benefits while the most affluent 12 percent gets 45 percent of the benefits. And, because of the scaling back of the EITC and the nonrefundable nature of the $500 per child tax credit, the taxes of the lowest-income earners will go up.

The concept of fairness and shared sacrifice is lacking in the budget reconciliation bill. This is underscored by the following:

WELFARE

The welfare reform compromise included in this budget bill is a package containing provisions far more brutal than provisions in either the House- or Senate-passed welfare plans. The net effect will add millions of children to the 14 million already living in poverty in this country,

Most egregious in this proposal is the elimination of entitlement status basic to the safety net of Federal programs supporting low-income families, and the conversion of these programs into State block grants. This decimates a system of support that has been in place since FDR, which had the approval of Presidents Reagan and Bush.

Regarding child care and cash assistance block grants, the proposal's further reductions to 75 percent from the Senate-passed 80 percent requirement in State ''maintenance-of-effort'' provisions allow States to withdraw an additional $3 billion without jeopardizing these block grants. The proposal also threatens State block grants with a mandate that States put at least half of their welfare caseload in jobs or work programs by 2003.

Revisions and cuts in the Supplemental Security Income [SSI] program by 2002 would deny or severely curb assistance to 300,000 or 80 percent of the low-income disabled children who would qualify for SSI under current eligibility rules, according to the Congressional Budget Office. The Republican proposal would save billions of dollars on the backs of children who are only allowed to be classified as ''moderately disabled''—including children with cerebral palsy, Down syndrome, muscular dystrophy, cystic fibrosis or AIDS.

Across-the-board reduction in the Food Stamp Program would reduce assistance by about one-fifth, the same as decreasing average benefits of 78 cents per person per meal to a mere 62 cents per meal. The proposal would increase homelessness among families with children, repealing a measure soon to take effect that would prevent these families from choosing between feeding and housing themselves. Another change makes benefits contingent on tougher work standards that

would terminate Food Stamps for many low-income individuals. In addition, the work program funding in the proposal is only sufficient to provide a handful of work slots to allow these people to maintain their eligibility.

Finally, legal, taxpaying immigrants are penalized with provisions to deny eligibility to SSI and Food Stamps and increase deeming periods for immigrant sponsors. States are given the option to cut legal immigrants for Medicaid, AFDC and Title XX Services. Immigrant children would be restricted from receiving school lunch and WIC benefits; WIC would also be denied to pregnant immigrants whose children would be born as Americans. These immigrants, by playing by our rules, rightfully deserve the assistance they need from the Federal government.

CHILD NUTRITION

This bill preys upon the most basic needs of children, by cutting $6 billion from child nutrition programs, including the school lunch and breakfast programs. What could be more basic than assuring that our children do not go hungry. The Republicans have found it more important to give tax cuts to the rich and reach a zero budget deficit than to feed poor children in our Nation.

Under the republican plan states will have the option of running the school lunch program as a block grant, eliminating the individual entitlement of low-income children to a free or reduced-price lunch. The bottom line is that cuts in this program will mean fewer children will receive fewer meals.

MEDICAID

This bill eliminates the guarantee to basic health care for the most needy children in our nation. For decades our national Government has upheld this commitment on the grounds that every child no matter how rich or poor deserves the chance to be healthy and survive in this world. The Republican plan rejects this commitment and replaces the national guarantee with a state block grant and cuts the funds to the states by $167 billion over seven years.

By terminating this guarantee for needy children and families, the republican Medicaid proposal jeopardizes the health care of 36 million individuals, most of whom are children. Republicans claim that they have protected children in poverty, yet under their plan while states are required to provide health services to women and children up to 100 percent of poverty it leaves it up to states the kinds of health services to be provided. With less money states will have no choice but to reduce services or limit eligibility.

In my State of Hawaii we will receive 27 percent less Medicaid funds in the year 2002, 10 percent less over the 7 year period. Can we make up the costs. The simple answer is no. Hawaii has taken the lead in implementing an innovative Medicaid program, which covers not only the Medicaid eligible population, but other who do not have health insurance. Instead of encouraging and rewarding states for such innovation, the Republican proposal will cut funds, and jeopardize the viability of our program.

Like the cuts in Medicare, the republican proposal singles out the elderly and their families to assume the greatest burden of the budget cuts. Medicaid is the primary funding source for long-term care in this nation. Some 52 percent of nursing home bills are paid for by the Medicaid program. Under current law, seniors are guaranteed Medicaid coverage of their nursing home bills once they have exhausted their own financial resources. However, the Republican bill terminates this guarantee of coverage and under the state block grant scheme, states are under no obligation to continue paying for long-term care services. Nursing home residents are at great risk of losing their funding source for long-term care, and their families will have to sacrifice everything to pick up the costs which average over $40,000 per year. The bill also allows states to place liens on the home, family farm or other real property of the nursing home resident and their spouse to recover nursing home costs.

MEDICARE

The Medicare Program continues to be targeted in the Republican's budget reconciliation bill in order to pay for tax breaks for the wealthy. The GOP is determined to carry out Medicare cuts of $270 billion to compensate for the revenues lost to the tax breaks. This is all with complete knowledge of the fact that the proposed Medicare cuts are $180 billion more than what the Medicare Trustees estimate is necessary to insure solvency until 2006.

The Republican Medicare Plan will put the traditional Medicare fee-for-service system at a distinct disadvantage. The Republican plan is designed to cause the Medicare system to, as one of my distinguished colleagues put it, ''whither on the vine.'' The Republicans admit that it attempts to encourage beneficiaries to move to managed care plans. What they conveniently neglect to say is that the youngest and healthiest will transfer to other plans while the oldest, most sickly and most costly to care for will be left in Medicare. This is certain to drive up cost-per-beneficiary in the Medicare system and later could become the base for Republican claims that the Medicare system is a failure. This Republican Plan will send the Medicare system into a downward spiral.

Republicans promote Medicare cuts by claiming that beneficiaries will have more choice. They claim that MedicarePlus plans would be required to offer at least the same benefits as the traditional Medicare program. The impression that health plans would be prevented from charging beneficiaries additional premiums for basic Medicare benefits is erroneous, however. It has been indicated, and the GOP has not denied, that the bill is intended to allow health plans to charge an additional premium if the price of benefits exceed Medicare's contribution.

The failsafe mechanism will also result in disadvantages for Medicare. The failsafe mechanism will automatically reduce payments to providers in the traditional Medicare fee-for-service sector but not from the managed care sector should spending limits fail to be met. Lower Medicare payments will discourage physicians from accepting Medicare patients thus encouraging beneficiaries to transfer to a managed care plan. I believe it is logical to infer that providers would be reluctant to accept Medicare beneficiaries should the payments not adequately compensate for the costs.

A horde of reductions will cripple various segments of the health industry. Payments to hospitals with a disproportionate share of low-income patients will be cut by 5 percent in fiscal year 1996, and will continue to be reduced until it is thirty percent below current levels in fiscal year 2000. Additionally, a single conversion factor will be used to determine the fee schedule for surgical services, primary care services and all other services. The current system of three conversion factors is intelligent because specialized and complicated services require more training and are more costly to perform.

Overall average annual growth in the Medicare program will be reduced from ten percent to about five percent. This is below even what the private sector calculates will be necessary. Hospital payment updates will be reduced by 2 percentage points in each of the next 7 years. The Indirect Medical Education adjustment will be reduced from 10 percentage points to 5 percentage points between 1996 and 2001. Payments for clinical laboratory services, ambulatory surgery, ambulance services and durable medical equipment—including oxygen—would be frozen for 7 years. This ''slowing of growth'' will prevent Medicare from keeping up with inflation and an increasing population.

This bill relaxes regulations that were created to prevent fraud and abuse. The Budget Reconciliation bill removes all prohibitions against physicians referring patients to entities in which they have a financial arrangement. It also makes it more difficult for the Federal Government to prove fraud for the purposes of imposing civil monetary penalties.

Additionally the quality of services provided would be threatened. Office labs would be exempt, for most services, from performance standards set by the Department of Health and Human Services. The bill grants States the power to establish regulations and standards for managed care organizations but it would waive these standards and regulations if a State failed to act on an application within 90 days or the Health and Human Services Department determined that the state imposed standards are unreasonable.

Finally, the GOP plan panders to powerful special interest groups, providing protections for physician fees under Medicare from any actual reductions from 1995 levels. Additionally the bill contains anti-trust exemptions for physician groups leaving beneficiaries susceptible to higher costs. Meanwhile Seniors, unprotected by such a powerful lobbying organization, will see their premiums double in 7 years.

The excessive detrimental effects of these cuts to Medicare alone should be enough to cause any compassionate member of Congress to oppose this bill. Even more so when bundled together with all of the other appalling cuts.

STUDENT LOANS

Cutting $5 billion from the student loan program is another example of the Republican's backward investment strategy in which providing tax cuts to the wealthy is more important than investing in the education and training of our nation's young people. Over the next 7 years the student loan program, the largest college aid program, will be squeezed to produce $5 billion of the funds necessary to meet the balanced budget target and provide tax cuts to the rich.

The result for students and parents will be reduced access to loans, which has helped educate 2 generations of students. The Republican plan caps the new Direct Student loan program, in which students get their loans directly from the Federal Government rather than through a bank, at 10 percent of the total student loan volume. While at the

same time they eliminate current financial incentives for banks and other lending institutions to participate in the traditional student loan program. Imposing increased fees on banks and guaranty agencies will only weaken the traditional student loan program and could cause institutions to leave the program, limiting access to student aid. And because the Direct Loan program is capped students many students will be turned away and nowhere else to go for aid.

HOUSING

The Budget Reconciliation Bill would attack the poor, elderly and disabled who depend on housing assistance. The bill reduces the annual subsidy increase provided to low income housing projects receiving Section 8 rental assistance. The Federal Housing Administration's [FHA] mortgage assignment and foreclosure relief would be reduced from 3 years to 1 year. Additionally, the bill would repeal the low-income housing credit after 1997.

ALASKA PROVISIONS

Our country's precious natural resources in Alaska are being doomed to decimation under another provision in the budget legislation before us. This bill includes language to open the 1.5 million acre Coastal Plain of the Arctic National Wildlife Refuge [ANWR] to oil and gas leasing. I strongly oppose this provision in its attempt to relax environmental restrictions on ANWR—the last remaining lands in America home to a rich mixture of wildlife: caribou, polar bears, grizzly bears, wolves and several migratory birds. Habitat for these endangered and threatened species must be conserved and managed as wilderness to save them from extinction.

This devastating attack on Alaska's natural resources seeks to provide fewer environmental safeguards than those supported in the past by Presidents Bush and Reagan. The language exempts ANWR leasing from basic environmental laws and laws governing gas and oil leasing. This effort by the new Majority to exploit ANWR's supposedly tremendous petroleum find is furthermore based on erroneous assessment—the U.S. Geological Survey recently reported that previous estimates were logged too high. This ANWR provision displays a lack of foresight and denial of understanding about the tragic oil and gas leasing would bring about.

Mr. CASTLE. Mr. Speaker, I strongly support the conference report to H.R. 2491. It is comprehensive legislation to finally balance the Federal budget. I believe it is the single most important thing we can do for the American taxpayer and the Nation. This bill begins a true effort to end deficit spending and ultimately reduce the mountain of debt that threatens our children's economic future.

This legislation completes the effort to reconcile mandatory spending with the Budget resolution's requirement to balance the budget by fiscal year 2002. It overhauls nearly every major Federal program except Social Security, and incorporates compromise versions of legislation passed earlier this year by the House, including welfare reform, Medicare reform, and tax relief for American families and businesses. Today's conference report vote is the culmination of Republican efforts to end the cycle of debt, deficit spending, and constantly growing Government that has come to epitomize the out-of-control practices of past Congresses. Republicans have shown that they can promote growth, strengthen defense, save, preserve and protect Medicare, provide working families with tax cuts, and advance personal responsibility unlike any other Democratically-controlled Congress in 40 years. Today, this new congressional majority delivers on this commitment to Americans.

Unfortunately, the President and most Democrats in Congress have not participated in this historic challenge because they have no plan and no desire to turn back the tide of yearly deficit spending that has continued since man walked on the moon. Contrary to what he has publicly stated, the President does not have a detailed plan that balances the budget, and has thus been AWOL—absent without leadership on our Nation's No. 1 mandated top priority. Not only has he not been present, he has not been willing to negotiate with Congress on a 7-year balanced budget. It is fine to fight over the priorities, but we must agree on the principle. Our plan is not perfect. In fact, there will never be a perfect plan. But our plan is a real plan toward balance, with real numbers, contrary to the President's. We have accepted the challenge, unlike the President and the Democrats in Congress.

The Balanced Budget Act of 1995 contains no draconian cuts. We are simply limiting the growth of Federal spending to a level we can afford. Over the next 7 years total Federal spending will increase by $3 trillion. During the 7 years from 1989 to 1995, Federal spending totaled $9.5 trillion. During the next 7 years, the Balanced Budget Act of 1995 calls for spending $12.1 billion. The Congressional Budget Office [CBO] has estimated that if Congress did not make any changes to the budget, spending would rise by 37 percent and revenues by 44 percent. Under the plan we are to vote on today, spending will rise by about 25 percent and tax revenues by 41 percent. Stop and think about these numbers. They seem to represent a reasonable path toward an objective that most all Americans share: a zero deficit. By contrast, the Congressional Budget Office reported that the general budget outline, the President offered as a balanced budget proposal would leave $200 billion deficits as far as the eye can see. Not even one Senate Democrat recognized President Clinton's plan as a legitimate budget and the Senate defeated it 96 to 0.

In 1995 Federal spending was $1.5 trillion. If current irresponsible spending policies were to continue, spending, according to the CBO, would be $2.1 trillion in 2002. That is an increase of $600 billion, or 40 percent. Under this legislation, spending will rise between 1995 and 2002 by $358 billion, or about 25 percent. This is slightly ahead of inflation if it increases 3 percent annually. Only in Washington would a $358 billion increase be called a cut.

The real question for voters assessing this 7-year balanced budget is where the additional $358 billion in Federal spending in 2002 is going. The answer is entitlements: Social Security will cost $146 billion more in 2002 than in 1995, Medicare—for the elderly—will cost $86 billion more and Medicaid—for the poor—will cost $35 billion more. Miscellaneous entitlements—food stamps, the earned income tax credit, military retirement and so forth will rise $63 billion. Add interest on the national debt, and the total additional spending exceeds $358 billion. By deciding to preserve and increase these entitlements, Congress had nothing left for increasing the discretionary side of the budget, where outlays will total $515 billion in 2002, down from $548 billion in 1995.

Defense comprises most of discretionary spending, and it will be flat at roughly $270 billion. Transportation spending will fall from $39 billion to $32 billion; education and training will drop from $39 billion to $35 billion; foreign aid and other spending on international affairs from $21 billion to $15 billion.

Of course, I have differed on some of the spending priorities, and have worked to include a greater priority and more Federal funding for education and training, the environment, housing, tax cuts for those families who earn below $95,000, and health care. We will continue to debate these priorities. But once we decided to balance the budget, keep Social Security intact and pare back expected tax revenues slightly, the choices are fairly limited. But we have agreed on the principle.

Consider Medicare. Medicare spending per beneficiary increases for $4,800 today to $6,700 in 2002. Today, the Federal Government spends $178 billion on Medicare. In 2002, the Federal Government will spend $274 billion—$86 billion higher than in 1995, an increase of more than 6 percent annually. Republicans are also making it more affordable for seniors to purchase long-term care insurance, and are providing families caring for a dependent elderly parent a $1,000 tax deduction.

The President's Medicare trustees have concluded that Medicare will be insolvent by 2002 if we postpone reform. The trustees report states that the Medicare hospital insurance [HI] program is ''severely out of financial balance and is unsustainable in its present form.'' In addition, Medicare part B, the supplemental medical insurance [SMI] program, must be reformed to ensure it can meet the needs of older Americans. The public trustees ''urge prompt, effective and decisive action'' to ensure the long-term financing of Medicare SMI.

Medicare part B may not be going bankrupt, because the Federal Government picks up 68.5 percent of the cost of Medicare part B premiums, and as long as the Federal Government is solvent, Medicare part B is technically solvent. On the other hand, costs in Medicare part B are increasing at a completely unsustainable rate, and the rate of growth simply must be slowed. It is growing at a rate our country cannot afford. It has grown at an average of 15 percent per year over the last 20 years. Medicare part B spending grew from $38.3 billion in 1989 to $58.6 billion in 1994. It is disingenuous for anyone to suggest that changes do not need to be made to Medicare part B.

The Republican budget plan recently passed by the House would save Medicare from bankruptcy by increasing spending $1,600 over 7 years for each beneficiary without threatening the program or adding debt for our children to pay. No one—not Democrats, not Republicans—invented Medicare's financial crisis. The program has been heading toward bankruptcy for years. During the last Congress, President Clinton created a bipartisan Commission on Entitlement and Tax Reform, on which I was selected to serve, to try to transcend politics and address entitlement programs in a responsible, bipartisan manner.

In forming the Commission, President Clinton said ''This Commission will be asked to grapple with real issue of entitlement reforms * * * Many regard this as a thankless task. It will not be thankless if it gives us a strong and secure and healthy American economy and society moving into the 21st Century.'' While the final report did not endorse specific proposals, it stated, ''We must act promptly to address this imbalance between the Government's promises and its ability to pay.'' However, neither the Democratic leadership in Congress or the President took further action. In contrast, congressional Republicans have bravely confronted the issue, recognizing that we simply must control the program's spiraling growth rate to guarantee the program well into the future. Republicans held 38 public hearings on Medicare and invited seniors' organizations, provider groups, and health care experts to submit their recommendations on how best to solve Medicare's fiscal crisis.

The Republican plan maintains the present beneficiary part B premium percentage at 31.5 percent of total premium cost. When enacted in 1966, Medicare part B participants paid for approximately 50 percent of the program costs through their monthly premiums. Its premium was set at 25 percent in 1982. Then in the 1990's, Congress spelled out specific dollar figures in law; the current $46.1 per month covers 31.5 percent of costs. The Balanced Budget Act would keep the percentage at 31.5 percent, and does not raise copayments or deductibles.

Medicare would be restructured to allow beneficiaries to purchase a private health plan with the Government paying the premium. This will allow Medicare beneficiaries to stay in the current system or to choose from a range of HMO's, PPO's, and MSA's, without a change in copayments or deductibles. Also, the plan generates savings by rewarding beneficiaries who report incidences of waste, fraud, and abuse and imposes significant penalties on anyone who defrauds Medicare. To ensure that Medicare savings are used only to strengthen Medicare, the Balanced Budget Act contains a lockbox. This provides additional legislative assurance that Medicare savings will be used only to save and strengthen Medicare.

In its entirety, the Balanced Budget Act is realistic, sensible and fair. It saves Medicare from bankruptcy and dramatically reforms the program.

The Balanced Budget Act also reforms Medicaid, the joint Federal-State matching entitlement program that pays for medical assistance for low-income persons who are aged, blind, disabled, members of families with dependent children, and certain other pregnant women and children. Within Federal guidelines, each State designs and administers its own program. The program meets an important need for a safety net, and the Balanced Budget Act recognizes this.

In fiscal year 1995, total Medicaid spending was $155 billion. The Federal Government spent $89 billion, and States contributed $66 billion. The Congressional Budget Office projects that 38.4 million persons will be enrolled in Medicaid in fiscal year 1966. Under current law, Medicaid costs are expected to grow at an average of about 10 percent per year over the next 7 years. CBO has projected that Federal Medicaid expenditures in fiscal year 2002 will be $178 billion. Based on current trends projected over the next 7 years, CBO estimates that the Federal Government will spend $954.7 billion on Medicaid.

This cannot be sustained. Both Congress and States are interested in curbing growth because the program is consuming increasing shares of the Federal and State budgets. This conference report addresses this issue by ending the open-ended entitlement nature of Medicaid and block granting funds to the States. States have considerable flexibility to meet the health care needs of their low income citizens. Under the Conference Report, States will be required to maintain spending on poor, pregnant women and children, nursing home residents, senior citizens who cannot afford to pay their monthly part B Medicare premiums, and the disabled. In addition, States are required to pay immunization costs for poor children. The Balanced Budget Act also combats fraud and waste by instituting routine audits and State fraud units to investigate fraud and abuse.

I am particularly pleased that the conference report has made significant changes to the House-passed funding formula, which was originally disadvantageous to States in the Northeast, including Delaware. Those States were only allowed to grow 2 percent a year, while other States were allowed to grow from 6 percent to 9 percent a year. Using 1994 as a base year also had a detrimental impact on these States. The conference report, however, is substantially more fair to the Northeast and I thank the leadership for being so willing to address the concerns voiced by myself and my colleagues from the so-called 2 percent States.

And with regard to education, this package recognizes that education should be one of our Nation's top priorities. The productivity and performance of our economy is inextricably entwined with the investments in education that we individually, and collectively, make as a Nation. According to a study by the Brookings Institution, over the last 60 hears, education and advancements in knowledge have accounted for 37 percent of our Nation's economic growth. Higher education is the surest ticket to a better future for our Nation's citizens, as it opens their horizons and increases their earning potential. Clearly, higher education is a valuable commodity and it behooves us to make it readily available to our young people, our veterans, and to all Americans.

For much of the 104th Congress, the debate on access to higher education has focused on Federal financial aid. I submit that this is an important component in making higher education accessible to students, but not the only component. I find it curious one of the most important determinants of student access, college tuition, is given so little attention. It is an indisputable fact that tuition costs are rapidly rising. I realize that over the last 3 years, tuition costs have been rising at roughly 6 percent, which is a vast improvement over prior years. Nevertheless, years of unchecked growth not entirely necessary growth, are bound to have left a legacy of inefficiency in our colleges and universities which ultimately needs to be addressed.

Financial aid programs do play an important role in making higher education accessible for many Americans. The Balanced Budget Act actually increases the volume of student loans by 50 percent over the next 7 years. Eligibility and access does not change; more loans will be available next year than ever in the history of the program. This package reforms the student loan program thereby saving $4.9 billion. Students, however, are not affected by the reform—their interest subsidies continue, their grace period remains intact, and origination fees are not increased. The package reduces subsidies for leaders, thereby requiring them to streamline and become more efficient. The package also preserves direct lending, in spite of its costliness to the Federal Government. However, the benefits from the competition in student loans will hopefully outweigh costs in the long run.

This conference report recognizes and preserves a national investment in higher education, while moving us toward the important goal of balancing our Nation's Federal budget. A highly educated and flexible work force, combined with a balanced budget, will ensure U.S. prosperity as we enter a new century of economic growth and competitiveness.

Each year that we continue to finance the Government with debt, we essentially steal from the economic prosperity of future generations, or more concretely, from our children, our students, and our grandchildren. This is wrong. It is wrong for us to send our bills to future generations simply because we lack the will or the desire to reduce spending. So we are here today with an important task.

Congressional Republicans believe that strong American families form the soul of our Nation, shaping our values while building our future. That is why this report targets the lion's share of tax relief—73 percent—to strengthen families through the most important moments of life: marriage, birth, education, illness, and the twilight for our elderly. The tax package provides good benefits to middle-income families so that overtaxed middle-income families don't have to wait for their share of the balanced budget bonus. I am pleased this report includes an income threshold for the $500 per-child tax credit for those individuals who earn $75,000 and those joint filers who earn $110,000. Twenty-nine million Americans will benefit from this credit.

Tax laws should not penalize people whose filing status changes because they fell in love and married. Married couples who claim the standard deduction—generally those with average incomes of $50,000—will receive 8 billion dollars' worth of relief from the marriage tax penalty, equating to about $217 of annual tax relief for 23 million taxpayers. More than 3 million self-employed Americans will receive a phased-in deduction of 50 percent of their health insurance costs.

Republicans also know that strong families need good jobs. That's why this report provides targeted tax relief aimed at the engine of economic growth—our private sector. Unlike the 1993 Democrat plan which raised taxes in the name of economic growth, the Balanced Budget Act of 1995 provides tax cuts so the private sector can create more high-paying jobs. This includes a 50 percent capital gains deduction, with a maximum capital gains tax rate of 19.8 percent for individuals. Six million of the nine million will have incomes less than $100,000 a year.

This historic legislation also makes a number of beneficial changes to the Personal Responsibility Act, the welfare reform bill that passed the House. The conference report increases to $800 million over 5 years the

amount of funding for supplemental grants to States for population increases—the House-passed bill contained $500 million.—The report, as one of my recommendations requires States, in order to receive the full temporary assistance block grant, to spend at least 75 percent of the amount they spent in fiscal year 1995 for the first 4 years—the House passed bill contained no such requirement.—It also establishes an $800 million contingency fund to provide matching grants to States with unemployment rates above specified levels—the House contained no such provision.

This report also includes modifications I supported and forwarded as recommendations to the House-passed prohibitions on cash aid under the family assistance block grant. It permits States to deny aid, rather than strictly prohibiting as in the House bill, to children who are born to an individual or family either currently receiving family assistance benefits or who received benefits at any point during the 10-month period leading up to the birth of the child. It also permits States to exempt up to 15 percent—up from 10 percent in the House bill—of their caseload for reasons of hardship from the 5-year limit on receiving cash benefits, a recommendation I forwarded to the welfare reform conferees as well.

Thus, there are beneficial changes that have been made as a result of this conference report. President Clinton has stated that he will not let balancing the budget serve as a cover for destroying the social compact. The truth is, if the Balanced Budget Act of 1995 becomes law, the social compact will actually be strengthened. Not only will we keep our commitment to the elderly and the poor on health care, we will also meet an even more important obligation to the public that was abrogated 30 years ago—to spend no more than we take in. This legislation demonstrates that Republicans are steadfast in our determination to do the most important thing we will ever do: balance the budget. I urge passage of the conference report and I respectfully urge President Clinton to join this effort and negotiate with Congress to enact legislation to balance the budget.

Ms. FURSE. Mr. Speaker, I would like to submit to the CONGRESSIONAL RECORD the following article written by Dr. Lawrence Korb, Assistant Secretary of Defense during the Reagan administration and current senior fellow in foreign policy studies at the Brookings Institution.

At this moment when we are attempting to balance our Federal budget, we cannot ignore the Pentagon budget. Dr. Korb provides excellent guidelines as to how we can responsibly achieve some savings there. His article appears in the November-December 1995 issue of Foreign Affairs.

OUR OVERSTUFFED ARMED FORCES

(By Lawrence F. Korb)

REASONS TO CUT MORE

Despite their differences, President Clinton and the Republican-controlled Congress have agreed on two things. The first is that the federal deficit should be eliminated by slashing federal spending rather than increasing taxes; indeed, both sides want to cut taxes. They have also agreed that projected levels of defense spending will not be part of any deficit reduction package. In fact, both the administration and Congress have called for increases for defense for the rest of the decade. In 1996 and 1997 alone Congress wants to add $20 billion to what the Pentagon requested, and it has established firewalls between defense and nondefense areas of the budget so that funds cannot be shifted to cushion cuts in social programs. Under the terms of the joint budget resolution Congress adopted in June, between 1995 and 2002 domestic discretionary funding will fall from $248 billion to $218 billion while military expenditures will rise from $262 billion to $281 billion.

With the demise of the Soviet threat and the emerging consensus on the need to deal with the deficit, one might have expected defense spending to bear some portion of the reductions, or at least not be increased. In the budget reduction plans of 1990 and 1993—both of which were much less severe than the current version—defense cuts played a major role. Moreover, by about a 2-to-1 margin Americans support reducing defense to bring down the deficit and oppose the Clinton-Republican plan to boost spending on the armed forces.

Proponents of a larger defense budget are quick to point out that military spending has declined for a decade and is now about 35 percent lower in real terms than in 1985. Or that the share of GDP consumed by defense (4.0 percent) is at a 70-year low. Or that the proportion of the federal budget that goes to defense is at its lowest level since Pearl Harbor. Or that the active force is smaller than at any time since the eve of the Korean War.

While all these statements are true and historically interesting, they are meaningless as a guide for policy. Defense spending should be measured against the efforts of potential adversaries and allies, not past U.S. administrations. According to figures from the International Institute for Strategic Studies, the United States will spend on national security this year more than three times what any other country on the face of the earth spends, and more than all its prospective enemies and neutral nations combined. Its $262 billion defense budget accounts for about 37 percent of global military expenditures; its NATO allies, along with Japan, Israel, and South Korea, account for 30 percent. The 15 other NATO nations will spend some $150 billion on defense in 1995. Russia, the second-biggest spender, will lay out about $80 billion, Japan about $42 billion, and China about $7 billion (though this last is subject to more than the usual debate over defense figures). The world's six rogue states—Iran, Iraq, Libya, Syria, North Korea, and Cuba—have a combined annual military budget of $15 billion.

Speaking at the National Policy Forum in May, Ronald Reagan's secretary of defense, Caspar Weinberger, illustrated just how distorted the debate has become. While acknowledging that the United States need not spend as it did during the Cold War, Weinberger maintained that Clinton was virtually disarming. But the United States will pay $15 billion more for defense this year, in inflation-adjusted dollars, than it did in 1980 at the height of the Cold War.

What accounts for this state of affairs? The military advocates and politicians who back an excessive defense budget stress three strategic and operational arguments: the new and multiple threats to U.S. interests that have arisen with the collapse of the Cold War order; what they claim is a crisis in military readiness; and a supposedly severe underfunding of agreed-on programs. All three arguments are flawed.

TWO WARS AT ONCE

The threat against which U.S. forces would be deployed has been vastly exaggerated. The Clinton military strategy, developed in the Pentagon's 1993 Bottom-Up Review of post-Cold War defense needs, postulates armed services capable of fighting and winning two major regional conflicts at the same time, one in southwest Asia and the other on the Korean peninsula. Even if one accepts the somewhat dubious proposition that two such wars will occur simultaneously, the number of U.S. troops said to be necessary to fight them is drastically inflated.

Since its unveiling, the Bottom-Up force structure has been criticized by many as inadequate to fight two major regional contingencies. These critics include highly placed politicians like Senate Majority Leader Bob Dole (R-Kan.) and South Carolina Republicans Strom Thurmond, chairman of the Senate Armed Services Committee, and Floyd Spence, chairman of the House National Security Committee. They argue that in a future Persian Gulf crisis the United States would have to send about as many divisions, tactical aircraft, and ships to the Gulf as it did in 1990–91. This assumes that the Iraqi military is as strong as it was when it invaded Kuwait and that the United States would once more stand by and let Saddam Hussein conquer his neighbor, then go in alone to oppose him. But if, for example, the United States reinforced its troops on duty in the Gulf, as it did in October 1994 when some Iraqi army units again moved toward Kuwait, 200,000 troops would be more than enough. Indeed, in October 1994 the dispatch of 13,000 additional troops to the Gulf was enough to stop Saddam's military buildup. Adding forces from Middle Eastern and European allies would provide an extra cushion.

These same critics of the Bottom-Up force structure take at face value the Pentagon's assumption that the United States would need 400,000 troops to roll back a North Korean invasion of South Korea. This is a startling number—more people than the United States deployed in the Korean War. At the outset of that so-called Forgotten War there was no South Korean military to speak of, and four months into the conflict the Chinese sent in one million men. Today South Korea has 650,000 well-equipped and well-trained troops, and it is difficult to conceive of China sending any troops to support a North Korean attack.

In an interview published in the October 1994 issue of Naval Institute Proceedings, then-Secretary of Defense Les Aspin, who conducted the Bottom-Up Review, said the Joint Chiefs arrived at the 400,000 figure by postulating that a South Korean soldier is 70 percent as effective as an American but that a North Korean is equally effective. A more reasonable calculation would be that the average North Korean soldier, less well trained and using older weapons, is half as effective as an American and somewhat less effective than a South Korean. That would drop the demand for U.S. troops in Korea to fewer than 200,000.

Thus even if two wars were to occur simultaneously, the United States would have to deploy only 400,000 troops to both theaters—about 16 percent of the current total force of 2.5 million active duty and reserve personnel, far less than the 30 percent most strategists would deem sound. Moreover, since no enemies of the United States took advantage of American involvement in the Korean, Vietnam, or Persian Gulf conflicts to launch an attack, one can question the validity of planning for two wars in the first place.

READY OR NOT?

Another reason for the unwillingness to consider reducing the Clinton defense program is the trumped-up crisis in military readiness, or the ability of units to perform as expected. Ever since the late 1970s, when the armed forces suffered a real readiness crisis because they had been allowed to become hollow—undermined by significant

numbers of unqualified and poorly trained people in the ranks—political leaders have lived in fear of appearing soft on the subject. Every secretary of defense since 1980 has said on taking office that readiness was his highest priority. Anytime President Clinton speaks about military issues, he too recites the readiness mantra.

Since March 1993, when Clinton reduced Bush administration defense-spending projections by less than two percent per year, the president's Republican critics have been warning about the looming crisis in readiness and the imminent return to the hollow military. Representative Floyd Spence argued in mid-1994 that readiness was already in a downward spiral; at about the same time John McCain (R-Ariz.) a member of the Senate Armed Services Committee, issued a report titled ''Going Hollow'' based on testimony by the military chiefs of the four services. Dick Cheney, Bush's defense secretary, was also writing and traveling around giving speeches about the hollow force.

Members of the Clinton administration inadvertently fanned the flames of the readiness fire. After receiving anecdotal reports of problems, new defense secretary Aspin in 1993 appointed a group of high-ranking retired officers to a readiness panel. After the November 1994 Republican congressional victory, the army leaked the news that three of its twelve divisions were not ready, and Secretary of Defense William Perry failed to note that the three were late-deploying divisions, that two of them were in the process of being disbanded, and that the problem occurred only because about $100 million in training funds had been diverted from these stateside units to support the invasion of Haiti.

Many alarmed by this fictitious crisis are unaware of what readiness means to the Pentagon, how it is measured by the military, and what caused the crisis of the late 1970s. Readiness is not a synonym for military preparedness or capability. Rather, it is only one of four components of military capability, and not necessarily the most important. Compared with the other three—force structure, modernization, and sustainability—it is the most arbitrary, subjective, transient, and easily manipulated. Thus a unit can be very ready but not capable if it is too small, too old, or unable to fight very long; the French military of 1939, among the most ready in the world, was easily overrun by the more capable German army. Readiness often lies in the eyes of the beholder: the rating officer. Finally, readiness can decline rapidly, at least on paper. For example, an army division that is fully manned and has all its equipment in good working order can be rated not ready if even one brigade misses or postpones a required training exercise.

The readiness crisis of the 1970s resulted from the poor quality of entering recruits, low retention rates, and lack of funding in the readiness account. Today the quality of recruits is high (96 percent are high school graduates, compared with 68 percent in 1980), and retention rates are so good that the Pentagon is forcing people to leave the service before they wish. Moreover, spending on readiness is not only 50 percent higher per military person that in the late 1970s, but higher than during the Reagan and bush years, when readiness indicators hit all-time highs. In 1995 the Clinton administration will spend $4 billion more on readiness than the Bush administration had projected.

Arriving at the final major argument for increasing military spending, some assert that Clinton's $1.3 trillion five-year defense program, unlike its predecessors, has been severely underfunded. Estimates of the shortfall range up to $150 billion in a report by the General Accounting Office, while the Pentagon admits to about $25 billion. But even if the higher figure is correct, this is not a new problem for defense planners; for example, a decade ago the Reagan-Weinbeger five-year defense program was underfunded by about $500 billion. Moreover, the figure is a technical estimate based on assumptions about inflation and projected costs overruns, and Clinton has pledged to make up the difference if his inflation estimates prove overly optimistic. In December of 1993 and 1994 he did just that, adding some $36 billion to his defense plan. If today's weapons systems face costs overruns, the Defense Department will adjust as it always has, by buying smaller quantities or stretching out the purchasing period. And it is difficult to believe, for instance, that the program for the current transport aircraft, the C–17, will experience more overruns than its infamous predecessor, the C–5, which cost so much more than expected that its maker, Lockheed, needed a federally guaranteed loan to avoid bankruptcy.

OVERWEIGHT BAGGAGE

Perhaps the most important reason defense has not been subjected to the same scrutiny as other federal programs is the political baggage the White House and many members of the Republican Congress carry. While there has always been a certain amount of politics and parochialism in the defense debate, they have rarely reached their present levels.

Clinton's widely publicized avoidance of military service during the war in Vietnam and his lack of foreign policy experience made him reluctant to confront the military on money matters or other major policy issues, or to risk being perceived as weak on defense. His unwillingness to stand firm on gays in the ranks or American involvement in Bosnia set the tone early for White House dealings with the Pentagon defense spending. In his original defense program, included in his March 1993 economic package, the president called for spending about $1.3 trillion on defense for 1994–98, or roughly $260 billion a year. But in the Bottom-Up Review the Pentagon argued that it could not meet its new objective of winning two simultaneous major regional wars with a mere $1.3 trillion. Rather than challenging the assumptions of the review or asking why $260 billion a year was not enough to oppose the rouge states that might start a conflict, Clinton promised to make up the shortfall.

In December 1993 the president added $11 billion to his defense program, and in his first State of the Union address in January 1994 he announced that there would be no further reductions in this plan. Shortly after the Republican victory in last year's congressional elections he called a press conference to reveal that he was adding another $25 billion to his defense program. Clinton's politically inept handling of the issue and his appointees' refusal to take any heat for him on it have compounded the problem.

The president's critics have made much of the fact that Clinton's $120 billion in defense cuts in the March 1993 plan were double what he promised during the campaign. But neither Clinton nor his supporters retorted that the critics were comparing apples and oranges. The campaign promises referred to defense programs through 1997, while Clinton's economic package ran through 1998, which accounted for $40 billion of the lowered figure for defense; the new administration's readjustment of the Bush program to reflect different assumptions about pay and inflation accounted for the final $20 billion. Nor did Clinton and his advisers advance the obvious comparison to the defense spending of America's friends and foes or point out that their plan kept military outlays at 85 percent of the average Cold War level, allocating more for defense in 1995 than Richard Nixon had for 1975. Finally, they did not mention that Bush shrank the five-year defense program he inherited from the Reagan administration by more than $300 billion and reduced his projected levels of defense spending each of his four years in office.

The Republicans too are victims of their own rhetoric and history. In their Contract with America—a major factor in their electoral triumph—the G.O.P. promised to restore the portions of national security funding they deemed essential to strengthening defense and maintaining America's credibility around the world, and pledged to reinstate a national missile defense system to protect against a limited or accidental nuclear attack. Because of this plank in their contract, and because they perceive Clinton as vulnerable on defense, Republicans were determined to jack up whatever number the president named for defense spending. The Republican plan sees Clinton's proposed $25 billion increase and raises him another $25 billion over the next seven years. Like Clinton, the Republicans upped the ante without specifying what programs needed to be funded or how the increase would affect national security.

One area on which Republicans seem determined to spend additional funds is the revival of the Strategic Defense Initiative, now known as National Missile Defense. Support for strategic defense has become a litmus test of loyalty to the Reagan legacy; for Republicans, National Missile Defense is the foreign policy equivalent of abortion. Thus, almost in lockstep, Republicans in Congress are voting to double the amount currently spent on defending the United States against a missile attack and to deploy the new system early in the next century. Republicans want to throw some $40 billion or $50 billion at a multi-site continental defense system although there are serious doubts about necessity and cost effectiveness and although such a system would violate the 1972 Anti-ballistic Missile Treaty, negotiated by a Republican president. Even Colin Powell, former chairman of the Joint Chiefs of Staff and potential Republican presidential contender, who has been a strong supporter of the Strategic Defense Initiative, has told Republicans that a national missile defense is entirely unnecessary.

GUNS AND JOBS

Yet another political reason for not cutting military spending is that both the administration and Congress increasingly view defense as a federal jobs program. Weapons programs like the B–2 bomber, the Seawolf submarine, and the V–22 Osprey, designed to combat the Soviet threat, live on because of the temporary economic problems that taking them out of production would cause. The two sides in the debate over whether to build a system are no longer hawks and doves but those who have defense contractors in their district and those who do not.

Clinton set the tone in the spring 1992 Connecticut primary. In a futile attempt to win that contest, he endorsed the $13 billion Seawolf submarine program based in Groton, Connecticut, which President Bush was trying to cancel. The program has been kept alive on Capitol Hill primarily by the largely liberal Democratic delegation from New England, despite the strenuous efforts of Republican hawks like John McCain of Arizona. When Bob Dole became a presidential candidate he too discovered the merits of this Cold War relic.

Four years ago two members of the House Armed Services Committee, liberal Ron Dellums (R–Calif.) and conservative John Kasich (R–Ohio), brokered a compromise on the B–2

strategic bomber, which had been developed to penetrate the highly sophisticated air defenses of the Soviet Union and drop nuclear bombs. Rather than kill the program outright because the Soviet threat was defunct, Congress would authorize production of 20 of the bombers at a cost of $44 billion so that the country could recoup its investment in research and development. Even the Air Force accepted this as reasonable. But as the production lien wound down the California delegation sprang into action, led by senior senator Dianne Feinstein, who inadvertently declared on the floor of the Senate that the B–2 should be saved because it delivered a heavy payroll (corrected the next day to ''payload''). Congress ordered Defense to study whether the department needed 20 more of the planes to prosecute its two-war scenario. The Institute for Defense Analysis, directed by General Larry Welch, a former head of Strategic Air Command and Air Force chief of staff, concluded that the answer was no. Kasich wrote an excellent piece, published in The Washington Post, making the case against continued production of the bomber. Nonetheless, in a close vote the House decided to proceed with the next 20 bombers, at a cost of at least $30 billion. Putting the bill over the top were 17 members of the Congressional Black Caucus concerned primarily about jobs in their districts.

HARDLY STREAMLINED

Again, it is largely politics that has kept cutbacks in the Pentagon's overhead lagging behind those in its force structure. A decade ago the Defense Department had enough bases to support a total force of 12 million people. Through the efforts of the Base Realignment and Closure Commission, which met in 1988, 1991, and 1993, the number of major excess bases was halved, from 140 to 70. This year the Defense Department was supposed to close the remaining 70 bases; as its comptroller noted, it cannot live without the projected savings from the last round of closures. But with one eye on the political calendar, the Clinton administration proposed shutting only 32. When the commission added two bases in politically crucial California and Texas to the administration's list, Clinton accused the commissioners, whom he had appointed, of political motives, and directed the Pentagon not even to begin phasing out McClellan Air Force Base in California and Kelly Air Force Base in Texas for five years and then to privatize the jobs. This will make it difficult to have another round of base closures or even to achieve the full savings from the current round. The Pentagon spends about $5 billion annually on unnecessary bases.

At about the same time the administration was playing politics with base closures, it missed another opportunity to streamline military operations. Early last year, under pressure from Congress, the Pentagon established a commission to analyze the roles and missions of the armed forces, essentially unaltered since 1948. Even though the nature of the threat and the nature of warfare have changed significantly in the last half century, the commission, headed by Deputy Secretary of Defense John White, found no duplication or overlap in the four armed services in such areas as close air support, space warfare, air strikes deep behind enemy lines, and defense against enemy aircraft and missiles. General Merrill McPeak, then the Air Force chief of staff, told the commission in the fall of 1994 that the division of roles and missions among the services was outdated and that the current defense program had more than enough money if the Defense Department would only organize itself rationally. But his fellow chiefs dug in their heels against major changes, and even McPeak's successor declined to support his position. The commission members, apparently not wanting to challenge the chiefs, contented themselves with a few bromides on privatization and jointness.

Finally, there are the unneeded units in the Army National Guard, which Clinton and Congress have conspired to retain. When the Cold War ended in 1990 the Bush administration wanted to cut the Army National Guard by roughly the same proportion as the active army, but the National Guard Association mounted a furious lobbying campaign on the Hill to forestall the cuts. During the 1992 campaign Clinton endorsed the association's position, and his Pentagon has maintained 42 combat brigades in the guard even though the Joint Chiefs' war plans, which formed the basis for the Bottom-Up force structure, call for only 15. The extra 27 brigades and 100,000 people cost about $3 billion annually.

HOW TO SAVE $40 BILLION A YEAR

In this year's debate over the size of defense appropriations, Speaker of the House Newt Gingrich (R-Ga.) stated that the present military budget is far above what is necessary to defend the nation. But, Gingrich says, the excess is a premium the United States pays to carry out its role as a world leader. The question then is how much above defense needs that premium should be.

The Clinton defense program, which will cost about $260 billion a year, calls for maintaining a total force of 2.5 million people, 1.5 million active and 1 million reserve. There will be 19 ground divisions, 12 carrier battle groups with 346 ships, 20 air wings, and 184 bombers. This conventional force will be backed by 3,500 strategic nuclear weapons.

This is the force considered necessary to win two major regional conflicts. However, taking a more realistic view of the threats in the Persian Gulf and Korea, the total force can safely be reduced to 2 million (1.3 active and 700,000 selected reservists), which could support 15 ground divisions, 9 carrier battle groups with 300 ships, 20 tactical air wings, and 150 bombers. In addition, the United States should lower the number of strategic nuclear weapons in its arsenal to 1,000. These manpower and force structure reductions alone would save about $15 billion a year. Readiness spending per military person can be pared down from Cold War levels because there is no longer danger of a sudden massive attack on U.S. forces. These two changes could save about $10 billion a year.

Spending on modernization can also be reduced. Given the technological edge of current U.S. weapons systems, there is no real need to procure larger numbers of next-generation weapons like tactical aircraft. For example, because the military can perform its mission of maintaining air superiority with upgrades of existing planes, instead of buying all 400 F–22 Stealth fighters for $72 billion as currently proposed, the United States should produce only 50 to 75 of the planes. This will enable the Pentagon to remain on the cutting edge of technology, and the planes will be available for sophisticated missions, as were the 55 F–117s bought in the 1980s and used so successfully in the gulf war. Similarly, since the Seawolf will be built, the United States can delay the follow-on Centurion-class submarines and keep the Los Angeles-class submarines in service to the end of their useful life. Finally, National Missile Defense can be retained as a research program, and if proliferation of nuclear weapons and ballistic missile technology makes deployment necessary, a $5 billion single-site system augmented by space-based sensors will be more than sufficient. These measures would save at least another $5 billion annually.

Completing the base closure process, rationalizing the roles and missions of the four services, and taking such commonsense steps as privatizing two-thirds of the maintenance work at the Pentagon instead of the current one-third could easily save another $10 billion.

Together these actions could lower defense spending by some $40 billion a year, bringing the annual defense budget down to about $220–$225 billion. It would take time to get there from here, so the savings would not come all at once. But if the nation reduced defense spending by $20 billion a year from its projected levels, the savings over seven years would be enormous. This would also free up funds to buy more airlift and sealift as well as more minesweepers and to invest in new concepts like missile-firing ships.

An annual defense budget of about $225 billion would be in keeping with the American public's preferences and the need for deficit reduction. It would also give the United States the wherewithal not only to defend itself but to play the role of world leader envisioned by Speaker Gingrich. It is not a dearth of money or forces, after all, that keeps the United States out of messy conflicts like the Balkans, but lack of leadership and will.

Mr. CONYERS. Mr. Speaker, this bill continues to constitute an unbridled attempt to bribe doctors by offering them legal goodies which have little to do with the underlying legislation and have no positive budget impact. The process has also been abhorrent—we only today received a several-thousand page bill, without any prior opportunity to review or debate its provisions in conference.

The bill continues to include a new antitrust exemption which protects physician networks from the usual per se rule against price fixing.

As the ''New York Times'' recently wrote, easing the rules for PSN's would ''invite doctors to engage in blatant anti-competitive behavior [and] allow doctors who have no intention of going into business together to conspire among themselves to impose high fees and needlessly expensive treatment practices on health plans using their services.'' This antitrust loophole is strongly opposed by both the Department of Justice and the Federal Trade Commission. Amazingly, the provision was included without any review, hearing, or consideration by the Judiciary Committee in either the House or the Senate, even though it constitutes one of the most far reaching antitrust changes adopted in the last 20 years.

The bill also continues to be weak on white collar fraud committed by doctors and other health care providers. Among other things, the legislation includes a shameful provision that changes the law to prevent private citizens form brining ''whistle blower'' suits against health care organizations that fraudulently receive funds from Medicare or Medicaid programs.

Considering the amount of money saved by these suits, it is difficult to understand why we are eliminating them. To date, the government has recovered nearly $1 billion dollars through these so-called ''qui tam'' actions. Moreover, some of the biggest health care fraud recoveries began as whistleblower suits. For example, a total of $139.8 million dollars was recovered from qui tam actions filed against National Health Laboratories, Metpath, and Metwest based on allegations that the Medicare program was overcharged for unnecessary laboratory tests.

This republican reconciliation bill has been bought and paid for through a series of backroom legal concessions granted to powerful

health care interests. If we adopt these provisions, Congress will be sending the special interests a message that any objections they may have to controversial legislation can be overcome by unrelated legal concessions. The ultimate victim will be the American public.

Mr. REED. Mr. Speaker, this Republican budget represents a set of values and priorities that are extreme, short-sighted, and out of touch with the direction in which Rhode Islanders and the American people want our country to move.

MEDICARE/MEDICAID

Perhaps the most glaring examples of the extreme provisions in this bill are the massive cuts in the Medicare and Medicaid programs. This bill represents nothing less than a reversal of a generation of guaranteed health care for our most vulnerable citizens. For more than 30 years, the Medicare and Medicaid programs have exemplified our national commitment to care for seniors, disabled Americans, and low-income Americans. In essence, it is the tangible evidence that, in the most affluent and productive country in the world, we would not let millions of Americans suffer because they were too old, too poor, or too ill to fend for themselves.

The cuts to the Medicare program represent the most sweeping changes to the program since its establishment in 1965. And what makes these cuts so objectionable is that they are not about reforming Medicare, they are about providing tax cuts for the rich. These cuts are three times what is needed to keep Medicare solvent.

Republicans claim that this budget enables Medicare to grow at a healthy rate. The truth is that this bill reduces Medicare growth by 33 percent below that of private sector health-spending growth. What kind of health care can the elderly purchase at these below-market rates when we all know that their health needs are much greater than those of the working-age population?

This bill also eliminates Medicaid. No longer will the 18 million children who currently qualify for Medicaid be guaranteed health care coverage. No longer will seniors who have entered nursing homes and exhausted their resources be guaranteed that they will be able to remain there. Republicans have substituted this guarantee with a block grant to States that cuts Federal spending by an average of 18 percent over the next 7 years. The State of Rhode Island will be faced with attempting to continue access to vital health care services with a 37-percent reduction in Federal Medicaid dollars—clearly a daunting, if not impossible, task.

EDUCATION/DIRECT LENDING

This bill also represents another example of accounting gimmicks used by Republicans to deliver on their promise of reaching their arbitrary budget targets. Republicans have created a special budget scoring rule for direct student loans. It is no wonder that the public has become so disenchanted with Congress—only Congress could change accounting rules so that a program that saved money last year is miraculously deemed to ''cost'' money this year.

The proposal to cap the direct loan program at 10 percent of total loan volume was not chosen because the program is not working; this program has achieved high grades from students, parents, and participating colleges and universities. Students and parents should know that the Republicans have chosen to reward banks instead of supporting the direct loan program which offers better service and more flexible repayment terms for students, simplified administration for schools, and greater accountability for taxpayers.

The proposal to cap direct loans at 10 percent of total loan volume eliminates the current choice that colleges and universities have between participation in the direct student loan program or the guaranteed student loan program. This year, 40 percent of student loans are direct loans—with 1,350 schools and approximately 2.5 million students participating in the program. In Rhode Island alone, there are 8 direct lending schools and 17,855 direct loans have been made. We must be clear—under this package, many colleges and universities that prefer the direct loan program would no longer be able to offer it to their students. It has been estimated that, as a result of this proposal, over 13,000 direct loans would be lost in Rhode Island. This cap denies colleges and universities the right to choose what is best for their students and undercuts free competition.

WELFARE

President Clinton and a majority of Democrats, including myself, have indicated a willingness to support meaningful welfare reform. But instead, Republicans have opted for a welfare reform plan that is just plain mean to women and children. I supported a welfare reform bill that was tough on work and fair to children. I supported a welfare reform bill that has work at its heart and did not shred the safety net for children.

Mr. Speaker, I urge my colleagues to reject this bill so that we may continue to work toward a balanced budget that reflects the priorities and values of the American people.

Mr. STOKES. Mr. Speaker, I rise in opposition to the conference report on H.R. 2491. This bill—is the $270-billion cut in Medicare, and—the $163-billion cut in Medicaid—measure that the Republican majority has been trying to force down seniors' throats. And, this is the Republican bill that will result in gutting billions of dollars from ''quality of life programs and services'' from education to school lunches.

Yes, this is the Republican budget that the majority leader proudly referred to, in January, when he said, ''The fact of the matter is once Members of Congress know exactly the pain the Government will live with in order to get to a balanced budget the knees will buckle.''

Let me assure my colleagues, the American peoples' knees will buckle as they see the Republicans' budget taking the food out of the mouths of hungry children; taking critical prenatal care away from pregnant women; taking health care coverage away from children; taking critical health care services away from seniors; and taking financial aid away from college students.

Mr. Speaker, I know the backs of seniors, children, and hard-working families in my district will weaken as the Republicans' budget buckle their knees. I know the knees of Ohio's seniors will buckle—as the Republicans' budget doubles their health care premiums. I know the knees of Ohio's children will buckle—as the Republicans' budget takes away their school lunches. I know the knees of Ohio's hard-working families will buckle—as the Republicans' budget increases their taxes.

It is a shame—that the Republicans will break the backs of seniors, children, and hard-working families just to give a tax cut to the rich. The Republican budget is bad for children, bad for seniors, bad for families, and bad for the country. Ramming a bad bill through the Congress is not only wrong, it is an insult to the American people.

Mr. Speaker, there is no tantrum big enough to justify the Republicans' shutting down the Government. There is no smoke and mirrors big enough to hide or disguise the pain, suffering, and hurt that would result from passage of the Republicans' budget. And, there is no Republican sound bit slick enough to hide the Republicans' tax break for the rich.

Mr. Speaker, there is no balance in the Republicans' budget. I strongly urge my colleagues to stand up for children, and to stand up for seniors. Vote ''no'' on the conference report to H.R. 2491.

Mr. TOWNS. Mr. Speaker, we should make no mistake, this reconciliation package removes the basic health safety net for America's neediest citizens, women, children, and the disabled for example, the conference report does not retain the Senate language which would have retained authority for CDC to continue the purchase of a discounted price of some of the vaccines necessary to immunize Medicaid children.

This agreement not only allows States to define how is ''disabled,'' this agreement also repeals the current law which guarantees payment of Medicare Part B premiums on behalf of elderly. As a Medicaid conferee, I am truly dismayed that the American people will face a tremendous setback in the quality of their health care delivery systems. I urge the President to uphold his commitment to veto this package in hopes that we can provide something better for those who are ''the least of these.''

Mr. HOYER. Mr. Speaker, I want to express my strong opposition to this omnibus bill. As a supporter of the Balanced Budget Amendment to the Constitution, I like the title but not the contents.

As the details of this plan are made available to the American people, I believe they will join resoundingly with President Clinton in rejecting this extreme package.

I remain committed to insuring our Nation's fiscal integrity. As I have said before, our obligation to our future and our children demands decisive action to affect a disciplined conduct of the fiscal business of this country.

But this Republican package is not the answer. It is quite simply an attack on the middle class and poor Americans.

It cuts $270 billion from Medicare over 7 years and would force seniors to pay higher part B premiums.

The bill cuts $170 billion from the Medicaid program. This, combined with a cut in the earned income tax credit that is even more severe than in the original House bill, would have dramatic consequences for less-fortunate Marylanders.

The Republican plan for welfare reform, included in this bill, is tougher on kids than it is on deadbeat dads. Their plan is weak on work provisions and ought to be rejected.

The bill before us places a cap on direct student loans and makes major cuts in farm programs.

An especially disturbing provision of this Republican bill is its attack on hard-working Federal employees. The measure saves more

than $10 billion from increased taxes on Federal employees and other provisions that will dramatically decrease their benefit packages.

I want to balance the budget and I believe we can do it in 7 years. The Orton-Stenholm substitute which we offered on this floor would have achieved a balanced budget without devastating America's working people. That alternative would have provided more than $850 billion in deficit reduction over seven years through real spending reductions.

Most importantly, the Democratic alternative did not cut funding for seniors and for our children. It was a realistic bill that used honest numbers, shared sacrifice, sound priorities, and common sense to get us to a balanced budget in 2002.

In my view Thomas Jefferson was right when he said:

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

Balancing the budget is the responsible and the essential thing to do. But the American people should not be fooled that the Republican plan is the best way, the only way, or even an acceptable way to do that.

The Republican measure before us is so severe because of the additional cuts necessary to fund $245 billion in tax breaks. I believe the appropriate time to consider tax reductions is when we have balanced the budget. And, most importantly, I believe those reductions should benefit working Americans, not the wealthiest of Americans.

Mr. Speaker, we have only 2 hours of debate on a measure that, if enacted, would be a major step backwards for our Nation. I am glad the President has committed to vetoing it and I hope that we will defeat it here in the House.

Mr. LAZIO of New York. Mr. Speaker, I am proud to support the Balanced Budget Act of 1995. We have proven that we can do what's right for our children, our parents, and our grandparents—and balance the budget. However, as chairman of the Housing and Community Opportunity Subcommittee, I am concerned that the Low Income Housing Tax Credit [LIHTC] is not part of the reconciliation package.

As chairman of the Subcommittee on Housing and Community Opportunity, I am troubled by the sunsetting of the Low Income Housing Tax Credit Program. This sunsetting will impact America's ability to provide safe, affordable housing for our working families. My hope is that there will be an opportunity in the not-too-distant future to reinstate the LIHTC Program.

Congress created the LIHTC Program to provide an effective, efficient mechanism for encouraging private investment in badly needed housing. The program leverages a small amount of Federal support into successful housing development for low-income, working families. Almost half of the rental housing produced and virtually all of the housing currently being built for low-income families is a result of the Tax Credit Program. In addition, the LIHTC Program generates nearly 100,000 jobs and 3.1 billion in construction wages annually.

The LIHTC Program is not a corporate welfare program. The program, in fact, is a terrific example of incentives—long-term incentives—that work. The sunsetting of the LIHTC Program may very well inhibit investor enthusiasm just as businesses have begun to invest personal and financial resources in the program. Over the past 2 years, businesses like USAA, San Diego Gas and Electric, IBM, and Chevron have begun to take an active role in building affordable housing for low-income families. The LIHTC Program is the catalyst. Sunsetting the program at this time may have the effect of weakening the confidence of business in the overall private-public partnership that is central to many of this Congress' actions.

The effect of sunsetting this program on the long-term, low-income housing industry and availability of affordable housing, is also problematic. Because housing providers require substantial time to put together a financing and development package and to work with State authorities, sunsetting the program might limit the scope of developments in the pipeline.

The LIHTC Program is vital to housing in this country. I strongly urge this House to consider the need for, and effectiveness of, the LIHTC Program in future deliberations. I plan to hold hearings on the LIHTC Program early next year. Chairman ARCHER, for whose judgment I have the highest regard, has indicated a willingness to work with me on this issue. I recognize we must balance the need for affordable housing with the need for tax revenue. However, I am hopeful that we can work together and give the LIHTC Program a new birth.

Mr. GUNDERSON. Mr. Speaker, today as the House considers the conference report on the Seven-Year Balanced Act of 1995, we move one step closer to a goal I have supported for a long while. The first bill I cosponsored as a freshman Representative in 1981 amended the U.S. Constitution to require a balanced Federal budget. At that time, I firmly believed it was time to get our fiscal house in order, when the deficit was $79 billion and the national debt stood at $994 billion.

Fifteen years later, the deficit has grown to $206 billion—nearly 3 times of what it was in 1981. The national debt was jumped to $4.9 trillion or nearly 5 times the 1981 level. Further, in fiscal year 1995, we spent $234 billion on interest on the national debt alone. That's 17 percent of the Federal budget. It also represents more than we spent on education, job training, child nutrition, and public works projects combined.

Unless we balance the budget, interest on the debt will continue to eat into spending on other worthwhile Federal programs. Just look at how interest on the debt dwarfs our spending on certain vital human resources programs: In fiscal year 1995, we spent 66 times more on interest on the national debt than we did on the Head Start Program. We spent 32 times more on interest on the national debt than we did on the title I programs which benefit disadvantaged grade-school kids. We spent 149 times more on interest on the national debt than we spent on all elementary and secondary school improvement programs. We spent 158 times more on interest on the national debt that we did on Federal aid to vocational education, 180 times more than on the JOBS Program to get people off welfare, and 212 times more than on Job Corps. Clearly this is a distorted sense of priorities.

If we continue our spending priorities for the next 7 years, the deficit would balloon from $210 billion in fiscal year 1996 to $349 billion. That's a 66 percent increase. The national debt would increase by $1.7 trillion during that same period.

Just as increased debt interest threatens programs, the lack of balance between our coveted entitlement programs and discretionary programs is alarming. Entitlement programs such as Social Security, Medicare and Medicaid make up 64 percent of the Federal budget. Discretionary programs, such as defense, education and job training make up only 36 percent. This disparity is growing and without significant changes in spending priorities, by 2012 entitlement spending will consume the entire budget.

THE SEVEN YEAR BALANCED BUDGET ACT OF 1995

I believe that we have made the right choices to put this country on a path toward a balanced budget. Back in June, the House approved the budget blueprint that laid the foundation for this change. Today, we actually implement the changes necessary to slow the rate of Federal spending over the next 7 years.

Over the next 7 years we will reduce spending growth and reduce the Federal deficit by a total of $1.2 trillion. But it is important to note that slowing the rate of growth in spending is not a cut. The numbers amply demonstrate this assertion.

Over the last 7 years, between 1989 and 1995, we spent a total of $9.5 trillion. Over the next 7 years, while balancing the budget, we will spend $13.3 trillion. That's 2.6 trillion more than in the past 7 years. If we do nothing, we would spend $13.3 trillion over 7 years. We are not cutting the budget, but are finally putting our own house in order within a reasonable time frame.

A comparison between spending levels in fiscal year 1995 and levels in fiscal year 2002 shows the effect of imposing fiscal discipline. Under current assumptions, spending would increase by $600 billion or 40 percent. Under the assumption of a balanced budget, spending would increase by $358 billion or 24 percent. Only in Washington would a $358 billion increase be called a cut.

A LOOK AT KEY AREAS FOR THE THIRD DISTRICT

A quick review of the provisions of the Seven Year Balanced Budget Act reveals challenging but acceptable changes in Medicare, student loan funding and tax policy. It also reveals a glaring deficiency—the failure to reform Federal dairy programs.

MEDICARE

The Medicare Program has continued to grow exceedingly fast in recent years. The Medicare trustees reported earlier this year that without strengthening the system, Medicare will go broke by 2002. I believe that the budget package maintains the vital commitment to health care for seniors while ensuring that the program will be around far into the future.

Under the budget package, average per beneficiary spending would increase from $4,800 to $6,700 over the next 7 years, or a $1,900 increase per retiree. Most importantly, premiums would remain at 31.5 percent of part B costs. Just as they have since the program was started, premiums would increase slightly every year.

STUDENT LOAN REFORM

The student loan program has provided essential opportunities to those who wish to further their education. But in order to preserve those opportunities far into the future, the House and Senate agreed to reduce the costs of the student loan program by $4.9 billion over 7 years.

Perhaps what is most important about the House-Senate agreement is that it does not increase costs to students or parents. The plan does not eliminate the in-school interest subsidy for undergraduate or graduate students. It does not eliminate the 6-month grace period for students leaving school to begin repaying their loan. It does not modify eligibility or access to student loans, not does it increase the origination loan fee paid for by students.

Now, let's look at what the plan would do. The budget package would cap the administration's direct student loan program at its current 10 percent level of the student loan volume. As many know, I do not believe the Government should become banker to students. At a time when Congress is trying to refocus the role of the Federal Government toward functions that it does well, the direct loan program heads in the wrong direction.

The budget package would also gain savings from banks, secondary markets and guaranty agencies by lowering reimbursement fees for defaulted loans and other technical changes. Finally, the package would limit certain administrative expenses borne by the Department of Education. I am confident that the budget package does the most to help the budget at the least cost to students, parents and schools.

PRO-GROWTH TAX POLICY

The budget package agreement between the House and Senate provides for $245 billion in tax cuts over 7 years, just 2 percent of the Federal budget. Like many of us, I was genuinely leery of providing tax cuts at the very time we are trying to balance the budget. However, as we are limiting the growth in Federal programs, we still need to promote economic growth in the private sector. The tax package accomplishes this in a reasonable fashion.

The conference agreement would impose a 50-percent capital gains tax cut for individuals and a 25-percent reduction for corporations retroactive to January 1, 1995. There is a misperception that a capital gains tax is important only to rich people, but actually most capital gains deductions are taken by middle class families. In 1993, the last year for which we have data, 60 percent of the tax returns claiming capital gains had adjusted gross incomes below $50,000, and 77 percent had adjusted gross incomes of below $75,000.

Many in western Wisconsin will benefit from the reduction in the capital gains taxes. Most important among these is the retiring farmer that wants to sell his farm and rely on the proceeds for retirement income. At the present time, he must pay a 38-percent tax. Homeowners and small businesses—the businesses that create the most jobs—will also benefit from this middle-class initiative.

The package before us will also benefit western Wisconsin because it includes expanded individual retirement accounts to spur savings. People would be able to contribute taxable amounts to the account, and then after 5 years would be able to withdraw money tax-free for certain purchases, including first-time home, long-term care expenses, post-secondary needs, and retirement income. This account is pro-savings, pro-investment and pro-growth.

The package also includes a tax credit of $500 per child under 18 years for all individuals with income below $75,000 a year and all people filing joint returns with incomes below $110,000. Although uneasy with the House-passed version which allowed tax cuts for families with incomes of up to $200,000, I find the reduced income limit is much more acceptable.

REFORM OF FEDERAL DAIRY PROGRAM

What is most troubling about the package brought to us today is that it is devoid of any reform whatsoever in Federal dairy programs. The Congressional Budget Office has consistently estimated that artificial incentives to produce fluid milk in Federal milk marketing orders, the so-called class I differentials, cost taxpayers over $100 million in additional spending on the dairy price support program and the Dairy Export Incentive Program [DEIP] annually.

Obviously, class I differentials which are set by statute without regard to class I utilization also increase the cost of milk in grocery stores to consumers and the cost of the Federal WIC and special milk programs by millions of dollars annually. Their only purpose today is to provide additional revenue to dairy producers in a couple of areas of the country at the expense of producers in other areas as well as taxpayers and consumers around the country.

Simply stated, there is no single Federal program more in need of substantial reform than Federal milk marketing orders. Even the most ardent advocates of the order system acknowledge that fact. That's why our country and our constituents cannot afford to let a small minority of Members forestall these reforms when the time comes to put a second balanced budget package together.

In sum, today we are one step closer to our central goal of balancing the budget. A balanced budget will ensure sustained growth for the future, more opportunity for education, job growth and a better competitive position in the world market. I look forward to the day when we can say that we took the high road toward fiscal responsibility and put our national fiscal house in order.

Mr. HASTINGS of Washington. Mr. Speaker, I rise in strong support of this package.

Balancing the Federal budget is not about keeping tidy books, it is about saving our children's future. A child born today will pay $187,000 in taxes, just to pay their share of interest on the debt. According to the President's own budget, our children and grandchildren will face lifetime tax rates of over 80 percent to pay our bills.

Budget deficits sap private investment and drive up interest rates. Debt service costs the average taxpayer nearly $800 a year in taxes. Ending these deficits is the most important economic program this Congress can pass.

Under our plan, the budget is balanced not through cuts as some have alleged but through reductions in the rate of spending growth. Under our plan, revenues continue to climb even after our tax relief is enacted and even using conservative economic growth estimates. There are no smoke and mirrors here. If this plan is enacted, we will reach a balanced budget in the year 2002.

A balanced budget will lower interest rates by as much as 2 percent. Families, farmers, small businesses, students, anyone who buys a home or finances a car will benefit from this legislation. A family with an average mortgage of $75,000 will save $37,000 in interest over the life of the loan, an annual savings of $1,200. A student with an average loan of $11,000—over 10 years—will save $2,160 in interest over the life of the student loan, an annual savings of $216. A family buying a $15,000 car will save $900 in interest over the life of the car loan, an annual savings of $225.

What is more, balancing the budget will allow us to finally start reigning in the ballooning Federal debt and reducing the huge sums we spend on interest—$227 billion this year alone—on the debt.

This is a historic day. We are going to pass the first balanced budget in more than a quarter century. This blueprint will give American families the right to keep more of their hard earned money, lead to lower interest rates and security for our seniors.

Mr. Speaker, in 1994, the American people spoke loudly and clearly about changing the direction of Government—away from unending deficits, away from out-of-control spending and soaring debt, and away from big Government policies that waste taxpayers' dollars. I am proud of this Congress—the first Congress in years to truly keep its word with the American people.

Mr. SCHAEFER. Mr. Speaker. I rise today in strong support of the conference report to accompany H.R. 2491, the Seven-Year Balanced Budget Act of 1995.

As my colleagues know, I was the House sponsor of the Balanced Budget Amendment to the U.S. Constitution, which overwhelmingly passed the House earlier this year. Though this effort subsequently stalled in the Senate by just one vote, its large margin of victory in the House showed that the 104th Congress is serious about carrying out the mandate given to it by the American people last November.

Mr. Speaker, I want to congratulate Mr. ARCHER and all the House and Senate conferees who put together this conference report. They have done an outstanding job in crafting this budget plan—one which guides us toward a balanced budget by the year 2002. Our children and grandchildren should be especially thankful, for with each step we take toward a balanced budget, we lighten the future financial burden they will have to bear. I do not want our grandchildren to be saddled with the bill for the carefee spending of this generation.

I would like to express my particular appreciation to Mr. ARCHER and to the conferees for heeding the call of 85 Members of Congress representing 31 States who joined me in a letter calling for the retention of the wind and closed-loop biomass energy production tax credit. This tax credit, as you know, was supported by a large majority of Members as part of the Energy Policy Act of 1992 and was scheduled to expire in 1999. It is estimated that the repeal of the tax credit would have raised less than $20 million per year.

We supported the retention of this tax credit because wind and biomass energy are becoming increasingly competitive providers of electricity to American consumers. In reliance of the tax credit, the wind and biomass industries have spent over $100 million on technology development, marketing and product development. I believe its repeal would have

jeopardized the many small, entrepreneurial firms around the country which had placed faith in the tax credit running its full term.

Mr. Speaker, someday our grandchildren will thank us for balancing the budget. Today's vote on the conference report to accompany H.R. 2491 is an important vote for a balanced budget.

And someday, Mr. Speaker, when fossil fuels become scarcer and more expensive, I believe our grandchildren will also thank us for having the foresight to lay the groundwork for the development of important renewable energy sources such as wind and biomass.

Thank you, Mr. Speaker.

Mrs. MORELLA. Mr. Speaker, the Balanced Budget Act is an important step toward achieving a balanced budget. This debate, however, is far from over. I have been involved in negotiating changes from the original House version, and this budget represents a substantial improvement.

After voting against the House Reconciliation Bill, I lobbied for specific improvements, and a significant number of important changes were made. This bill continues the higher education direct lending program, restores the grace period for interest payments on student loans for the first 6 months, and provides a tax deduction for interest on student loans. The package improves Maryland's Medicaid funding formula, restores Federal nursing home standards, increases funding for welfare reform block grants and the school lunch program, and lowers the income level at which the $500 per child tax credit is phased out to $75,000 for single parents and $110,000 for married couples.

This budget is a good first start—but we still have more work to do. I am committed to finding common ground with the President and Congressional leaders to further improve this package. Further improvements are needed to insure an adequate safety net for our low-income families and elderly, and the provision to open up the Arctic National Wildlife Refuge to oil drilling must be removed. I still have deep concerns about enacting a tax cut before the budget is balanced. The lower threshold for the child tax credit in this package is an improvement, and the size of the tax cut and the tax relief for lower-income Americans will be an important component of any compromise.

Balancing the budget is one of the most important actions Congress can take to improve the Nation's economy. We are saddling our children with our debt, and that's not fair. Unless we rein in spending, children born today will pay $187,000 in taxes just to pay for their share of interest on the debt. A balanced budget would mean less Government borrowing and lower interest rates for consumers.

Congress has attempted to lower the deficit and failed several times. During the 1980's, Congress enacted Gramm-Rudman-Hollings I and II, and in 1990 we enacted the Budget Enforcement Act. These measures were passed to control deficit spending, yet we still face deficits that are spiraling out of control and a $4.9 trillion debt.

Up until now, Congress has avoided tough votes on the programs that comprise over half of the budget: entitlements. Entitlements, along with interest on the debt, are the fastest growing parts of our budget. Medicare constitutes 11 percent of the budget, and its costs rise approximately 10 percent annually. This budget limits the growth of Medicare, and responds to the Medicare Trustees Report that stated that the Medicare part A Trust Fund will be bankrupt by 2002. In fiscal year 1995, interest on the debt encompassed 15.3 percent of the Federal budget and it continues to grow. The same year, we spent only 16.5 percent of the budget on all science, education, transportation, housing, urban development and other non-entitlement domestic programs combined. Do we really want to be spending important resources on interest on the debt instead of making investments in our future? These are tough decisions, but the consequences of doing nothing are much more severe.

This vote moves the process forward toward a balanced budget. I commend the Conference Committee for the improvements that have been made, and I look forward to working on a bipartisan basis with the President to finalize a package that achieves our common goal while also protecting our most vulnerable populations.

Mr. LEACH. Mr. Speaker, I rise to express concern with the ''Medi-goguery'' and ''Mega-social splintering'' involved in debate of the week on the House floor.

With regard to Medicare, credible arguments can be made for holding the program at current levels of spending, increasing it somewhat, or increasing it substantially. The Republican option is one of taking an approach in between the last two alternatives—that is, increasing spending at over double the projected inflation rate for the next 7 years, and in this process reforming the system so that rural counties, which now get one third the reimbursement of many urban areas, will receive an annual Medicare reimbursement increase three to six times the inflation rate. For these rural areas the Republican approach is substantially more generous than the status quo endorsed by the President.

While politically attractive in the short run, the President's Medicare approach would lead to early insolvency in the system itself. The Republican approach may be more controversial, but it is thoroughly irresponsible to suggest, as has been done on the House floor, that a plan that increases per-recipient Medicare spending from $4,800 to $6,700 in 7 years implies ''gutting'' the program. Those who make this kind of fear-inducing claim should be held to account by the American public.

With regard to the socially divisive argument employed by liberals in the balanced-budget debate, it is credible to make a case against a tax cut at this time or to oppose particular ingredients of the Republican tax cut approach. But when senior leadership of the Democratic party describe it as a ''tax cut for the rich,'' they are misleading the American people.

It is true that the capital-gains reduction, which is designed to unlock assets and spur economic growth, disproportionately benefits high-income individuals, but it is a very small part of the Republican tax-cut package. The main ingredients are the following:

A $500 per child per family tax credit for families with annual incomes under $110,000. According to the Tax Foundation, those earning below $75,000 will receive almost $87.5 percent of the Family Tax Credit;

A tax credit of up to $145 to married couples who file joint tax returns to offset the current ''marriage tax penalty'';

The deductibility of up to $2,000 in IRA contributions for each spouse, including homemakers;

Repeal of the 1993 tax increase on Social Security benefits;

The provision of tax incentives for the purchase of long-term health care insurance;

The provision of a refundable tax credit of up to $5,000 for families adopting a child; and

An increase over five years in the earnings limit for those receiving Social Security benefits to $30,000.

The brunt of these tax cuts are clearly aimed at the middle-class.

With regard to the tax cut package, two perspectives should be kept in mind: First, the Republican approach rolls back only 30 to 40 percent of the total tax increases put in place by President Clinton in 1993 and leaves untouched the increases in the top rates established by the Democrats; second, while $245 billion may seem a large sum for a tax cut, it should be seen in the context of the 7 years over which it will be spread. During this period the GNP will be in the $50 trillion range. The tax package is thus more modest and more middle-class directed than the rhetorical imagery suggested on the House floor.

As for other priorities, I am convinced that the Republican approach of restricting spending increases to 3 percent a year—an inflation adjusted freeze—makes sense, although I might prefer some of the programmatic numbers to be shifted, particularly in the area of education.

Whereas the rhetoric of the President's party is to accentuate age group division and thus socially divide the country, it is impressive that the changes Congress has in mind for programs like Medicare do not precipitate generational division.

The argument that the young and the old have a vested interest in Democratic deficits is open to question. It is the young, after all, who will be spending their working lives paying for past legislative excesses. It is they who will benefit most from lower interest rates; they who would prefer to save for a home and to provide for their kids' education than pay taxes to legislators to take care of interest on the national debt.

As for the baby-boom generation—those 40 to 55—they deserve a solvent Medicare system upon retirement. And the elderly deserve to be protected from the ravages of inflation, which so capriciously robs them of their savings.

Mr. Speaker, as I have repeatedly stressed, no age group in America, young or old, has a vested interest in fiscal profligacy.

But working Americans' of all ages have a stake in establishing a more responsible fiscal policy. It is simply incontrovertible that the economy will create more jobs for more people with lower interest rates made possible by lower deficits.

In one sense, the difference between the parties does not appear great, with the Republicans advocating a 3 percent a year growth in spending and the Democrats 5½ percent. But since the 2½ percent differential is accumulative, the approximate $30 billion deficit difference in the first year grows to approximately a $200 billion difference in the seventh year. Over the full 7 years, the Democratic approach thus adds over $800 billion more to the deficit than the Republican alternative and leaves a gap at the end of the period comparable to the one at the beginning, whereas

the Republican approach leads to a balanced budget.

Finally, it would appear that the national spotlight is on the personality and ambition aspects of the issues, whereas the historic point is that the Congress is attempting to reestablish fiscal discipline. This personality interplay underscores the difficulties of hubris in the American political process.

The President, for instance, appears to have made a mistake in the middle of negotiations with Congress to accede to an interview with Dan Rather in which Rather pinned him down on whether he could accept a ''clean'' continuing resolution—precisely as the President requested that the Republicans give him—with the only stipulation being a 7 year balanced budget—which from time to time the President has endorsed.

Once he encapsulated his veto intention into a firm sound-bite, rational reconsideration became impossible. The pride of utterance preceded the capacity to review quietly and thoughtfully what was on the table and the best interests of the Government and average American citizen took a back seat to prideful exclamation.

Likewise, Republicans should be cautioned about expressing putsch-like intentions which misunderstand the nature of the constitutional process whereby, however weak a particular legislator may perceive this President, the Presidency itself is a profoundly important institution that should not be eviscerated.

Republicans may be right that a re-ordering of fiscal priorities is in order, but there is no call for delegitimizing government. The American national interest requires respect for process as well as outcome.

Ms. DUNN of Washington. Mr. Speaker, today we take a historic step in reducing the size of the Federal Government, providing families and employers with badly needed tax relief, and providing for a balanced budget in 7 years. We are building a path to the future that restores both hope and opportunity for all Americans—now and in the future.

We are dramatically changing the fiscal direction of our country. From a path of out-of-control growth of Government to a path of sustained expansion of the economy and job creation. Achieving a balanced budget will produce lower interest rates, higher productivity, improved purchasing power for all Americans, more exports and accelerated long-term growth. That will revive the American dream.

In addition to reducing Government spending and eliminating the deficit, we are providing incentives for growth of our economy. Two years ago, the Clinton administration imposed the largest tax increase in the history of our Nation, placed squarely on the backs of the American people. Those tax increases took real money out of the pockets of real American families.

This budget resolution unlocks the door to a prosperous, deficit-free future. Real incomes will grow faster, long-term interest rates will fall significantly, and Americans can once again look forward to their children doing better than they.

Our balanced budget is about more than just accounting and tidy bookkeeping. Budget deficits sap private investment, drive up interest rates, and debt service costs the average taxpayer nearly $800 a year in taxes. Ending these deficits is the most important economic program this Congress can enact. In my district, a family from Eatonville with an average mortgage of $75,000 will save $37,000 in interest over the life of the loan—an annual savings of $1,200. A University of Washington student with an average loan of $11,000—over 10 years—will save $2,160 in interest over the life of the student loan—an annual savings of $216. A Issaquah family buying a $15,000 car will save $900 in interest over the life of the car loan—an annual savings of $225.

Mr. Speaker, our Nation is at a crossroads. There are two competing visions of America's future. We can either adhere to the status quo as the President suggests—which means higher taxes on families, more spending, more debt, fewer jobs, and less opportunity for our children—or we can embark on a new responsible course by balancing our Nation's budget, cutting taxes, and restoring hope, confidence, opportunity, and prosperity.

It has not been easy making the tough choices needed to reach a balanced budget, but they are decisions that we have been willing to confront. They have been decisions that we had no choice but to confront—to do anything less would have been to neglect our responsibility as elected representatives. I cannot and will not turn my back on my country's future. I urge my colleagues to support the Balanced Budget Act of 1995.

Mr. FRELINGHUYSEN. Mr. Speaker, today, November 17, Congress will approve a historic plan which balances the Federal budget in 7 years. This is the critical debate about the future of the United States—are we going to balance the budget or aren't we?

I am as frustrated as anyone over the temporary shutdown of some Federal agencies. Indeed, this gridlock adds yet another reason for good citizens to lose faith in government. Nonetheless, I was elected to keep a number of promises, the most important being balancing the budget. We are actually doing this, not just talking about it. The way to restore faith in our system of government is to keep promises—especially this one.

America has a clear choice: we can continue to spend beyond our means, borrow from our children's futures, and run up the public debt over $5 trillion. Or, we can balance the budget with reasonable changes in programs, slow exploding costs of various entitlements, root out waste, fraud, and abuse, and yes, determine whether government must do everything for everyone.

Having listened to thousands of people in our area and answered more than 25,000 letters, I think I know the answer: balance the budget, carefully and with compassion.

When the rhetorical fog lifts, America will see an accurate and complete picture of our vision for this country. We are making fundamental changes to the Federal Government. We will balance the budget, reform welfare, and preserve Medicare and Medicaid, all the time spending more, not less. That's right, despite all the talk about cuts, the Government will spend $300 billion more over the next 7 years and still balance the budget by the year 2002. There is nothing extreme about keeping the public trust.

I am here in Washington, keeping my promises to the people of the 11th Congressional District who have written and called in saying ''hang tough,'' ''hold your ground,'' balance the budget.

Our children and grandchildren deserve nothing less.

Mr. SERRANO. Mr. Speaker, I rise in emphatic opposition to the Republican conference report on budget reconciliation that is before the House today.

The House passed a bad bill, and Republicans in conference have made it much, much worse. Thank goodness Democrats don't have to answer for that mess. The only bright spot is that, after the President vetoes this horror, we will be able to step back and, hopefully on a bipartisan basis, do a better job.

All thinking Members agree that we must bring the Federal deficit under control, but reaching balance in 7 years requires the kind of mindless slashing the Republicans propose rather than thoughtful changes over a longer period. But the Republicans insist on 7 years and on their misguided priorities and won't even permit our side to offer an alternative.

It is ridiculous that the Republicans' crown jewel is a $245 billion tax cut favoring corporations and the wealthy when they say balancing the budget is so important. It only makes tax increases for working families and deeper cuts in spending necessary.

But the moral flaws in this bill are more fundamental.

For decades, we have recognized a national commitment to the most vulnerable among us—children, families, the elderly, immigrants, the working poor, the sick and disabled. The Republicans end that commitment and make people in desperate circumstances the subjects of State-run experiments. No longer will children and families in dire straits be guaranteed some modest assistance. It will be up to the States to decide who is eligible and for what. This is not just bad public policy, it is immoral.

Republicans say this bill is necessary to save future generations from debt, but in this bill they punish the children who are our future, unless their parents are already well-off.

Far from encouraging work and supporting efforts to attain self-sufficiency, the Republicans pull the safety net out from under the working poor and raise taxes on 13 million working families. They cut health care coverage, child care, school nutrition, food stamps, and other supports, provide no resources for jobs and job training, threaten the viability of pension funds, and make it far more expensive for the children to improve their futures through higher education.

The Republicans continue the ongoing immigrant-bashing that began with H.R. 4, denying public assistance on the basis of legal immigration status, even denying immigrant children school breakfasts and lunches. This is outrageous. We know immigrants don't come here for public assistance; they come to join family members and to provide a better life for their children. They work, they pay taxes, they participate in community life, and they play by the rules. Why should they be treated as second-class citizens?

The Republicans make huge, untested changes in our health care system, threatening the health of our population as well as the ability of our urban and rural hospitals to survive. Unless States are willing to invest substantial amounts of their own funds, millions of low-income people, from the youngest children to the oldest seniors, will lose coverage for health care and long-term care. Seniors could even be thrown out of nursing homes if they run out of money, and that's after their spouses are evicted from their homes and

their adult children are forced to divert all their resources from their own families.

Many of the national programs the Republicans are gutting were created because some States were unable or unwilling to provide the most basic safety net for their vulnerable populations without Federal support. Now, the Republicans undo that by dumping huge new responsibilities on the States with no time to plan, establish new programs and bureaucracies, or hire and train State employees.

Who knows how quickly—even whether—States can rise to meet these new challenges.

Mr. Speaker, there is a great deal more to condemn about this bill, but I am out of time. In closing, I strongly urge my colleagues to reject this terrible conference report.

Mr. BORSKI. Mr. Speaker, I rise today in opposition to the House-Senate conference report on H.R. 2491, the Republican Budget Reconciliation Act. This legislation cuts from the heart of the programs and benefits that matter most to working and retired Americans in order to give huge tax breaks to wealthy individuals. The House should defeat this disgraceful bill and instead consider a reasonable budget plan that reduces the deficit in a fair and equitable manner.

Despite the outcry from Americans—young and old—across the country, the bill we have before us today has not changed much since it was first approved by the House. H.R. 2491 still cuts Medicare by $270 billion and Medicaid by $165 billion in order to lavish $245 billion in tax breaks to wealthy Americans. It still raises taxes on working Americans who benefit from the earned income tax credit—the best incentive we have for rewarding work and discouraging welfare. And it still slams the door on the future of our Nation's children by cutting student loans.

Since Speaker GINGRICH unveiled his budget, my office has been deluged with letters and phone calls from concerned senior citizens in my congressional district—the 20th oldest in the Nation. Approximately 100,000 of my constituents rely on Medicare. They are not fooled, Mr. Speaker, by the claims that this budget will reform Medicare and Medicaid and give them more choices in the health care. They know quite well that the opposite is true: The Republican budget will require them to pay more—for fewer choices and lower quality care.

A large portion of the Medicare cuts included in H.R. 2491 come directly out of the pockets of senior citizens. The bill will double the premiums currently paid by seniors for Medicare coverage, from $46 to about $90 per month. For the average senior citizen, whose annual income is only $13,000 a year, this is hardly small change. For seniors at or below the poverty line, the Federal law which pays for their Medicare out-of-pocket expenses will be repealed.

Under H.R. 2491, seniors will pay more, but receive far, far less in quality care and choice of service. In Philadelphia, our health care system and entire economy will be endangered by these insidious cuts. Many hospitals in my district, whose beneficiaries are predominantly Medicare and Medicaid patients, may have no alternative but to shut their doors. Health care workers—as many as 25,000 in Philadelphia and up to 6,000 in my district—will be at risk of losing their jobs. The hospitals that do survive will be forced to shift their costs to their customers who have private insurance.

As their out-of-pocket costs rise, and hospitals close, senior citizens will have fewer places to turn for their health care needs. Doctors will flee the traditional Medicare system to join the MedicarePlus Program created under the bill, under which insurance plans could charge seniors additional fees above and beyond what Medicare pays for. Those seniors who do not join MedicarePlus will be susceptible to the $36 billion unspecified fail safe Medicare cuts that are included in H.R. 2491. These cuts will automatically reduce payments to providers in the fee-for-service sector—but not in the MedicarePlus plans.

Senior citizens—and their children and grandchildren—will take an equally harsh hit by the Medicaid cuts included in H.R. 2491. In Pennsylvania, 65 percent of all long-term care costs are paid for by Medicaid. After our seniors have exhausted their lifetime savings, they rely on Medicaid to pay for the nursing home care they so desperately need. With the costs for a modest nursing home averaging about $4,000 a month, it is easy to understand how typical Philadelphia seniors could easily drain their savings in a short time.

Under the majority's budget, that safety net that Medicaid provides is eliminated. H.R. 2491 repeals the Federal guarantee that Medicaid will pay for nursing home care for seniors who have exhausted all their assets. As a result, seniors will need to seek other sources to pay for their long-term care. Inevitably, this burden will fall on the shoulders of their children and grandchildren.

While H.R. 2491 strips away the guarantees that Medicare and Medicaid provide to seniors, it also threatens the ability of their children and grandchildren to fulfill the American dream. The Republican budget disinvests the tools that American families need to work for a living, maintain self-sufficiency, and provide for a better future for their children.

H.R. 2491 actually increases the taxes on the earned income of more than 14 million working American families—including 21,000 in my congressional district. The budget increases taxes for these families through a series of reductions in the highly successful earned income tax cuts [EITC] program. This program provides a refundable tax credit to lower income, working Americans in order to keep them off welfare and in the work force.

H.R. 2491 also unfairly targets middle-income American families by cutting Federal student aid and child nutrition programs. It forces up to 1,000 colleges and universities across the country out of the Federal Direct Student Loan Program, cutting the number of direct loans available by about 1.9 million. It also cuts child nutrition programs, including school lunches and breakfasts, which allow our children to start each day well-nourished and ready to learn.

The majority in Congress claims that all of this pain for our Nation's working and retired families is needed to balance the budget in 7 years. Ironically, by 2002, this budget will still borrow money—$115 billion from the Social Security trust funds. According to the Congressional Budget Office, this budget runs a $105 billion deficit if you exclude the trust funds surplus. How can you call a budget balanced if it still relies on borrowing?

This raid of the Social Security trust funds adds insult to injury for the working families in my district who work longer and longer hours for less pay. While H.R. 2491 cuts the benefits and raises the taxes of these families, it borrows their hard-earned Social Security retirement benefits—and then gives billions of those dollars to those who have contributed the lowest percentage of their income into the Social Security trust funds.

Mr. Speaker, H.R. 2491 is not a balance budget measure. It is an attempt to redistribute the wealth of this Nation—from hard-working, middle-income Americans to the wealthiest individuals and corporations of this country. The very wealthiest American families—those earning over $350,000—will receive a tax windfall of $14,050 a year, while families with incomes under $50,000 will see a $648 loss.

H.R. 2491 achieves this huge transfer of wealth by enacting the Speaker's crown jewel—the $245 billion tax breaks for wealthy Americans. More than 52 percent of the tax benefits go to families with incomes over $100,000 per year, and 28 percent go to families with income over $200,000. H.R. 2491 also weakens the alternative minimum tax, which will result in a $16 billion windfall for large corporations.

Mr. Speaker, I do not believe it is fair to slash vital programs like Medicare, Medicaid, and student loans, while at the same time giving big tax give-aways to the highest paid individuals. Working Americans and senior citizens did not cause the budgetary program we now face. Our deficits resulted from the failed trickle-down policies of the eighties, which benefited the rich at the expense of the rest. Any serious and fair deficit reduction measure should seek to reverse those policies—not repeat them.

Mr. EVANS. Mr. Speaker, this Republican budget will destroy economic opportunity for millions of hard working men and women. They have made a choice to balance the budget on the backs of seniors, students, veterans, and the working poor.

They speak of sacrifice and responsibility, yet they are forcing low- and middle-income Americans to shoulder this burden while they give the wealthy and corporate America over $245 billion in tax breaks.

I have introduced legislation that would reduce the deficit by closing loopholes that the wealthy and corporate America use to dodge their responsibility of paying taxes and reducing the deficit.

While my bill eliminates more than $6 billion in tax loopholes that allow corporations to manipulate the foreign tax credit system, the Republicans choose to rob our children by slashing school lunch programs by the same $6 billion.

While my bill closes more than $1.6 billion in tax loopholes that give foreign investors complete capital gains exemptions and interest-free bonds, the majority cheats students of a college education by slashing direct lending for student loans by $1.6 billion.

While my bill closes more than $23 billion in tax breaks that allow multinationals to increase profits by decreasing their U.S. tax liability, the majority slashes the same amount from the earned income tax credit, seizing any opportunity from working families to stay off welfare.

We need balanced judgment in cutting spending wisely. But we cannot do that when the only choice before us is to leave loopholes for multinationals virtually untouched and economic opportunity for millions of Americans out of reach.

Mr. MILLER of California. Mr. Speaker, I rise in strong opposition to the conference report. On the basis of the flawed natural resources provisions in title V alone, Members should reject this misguided legislation.

This is not a serious effort to balance the Federal budget. The conferees have both ignored opportunities to raise real revenues by reducing wasteful subsidies, and missed a chance to improve the management of our public resources.

Instead, this conference report resorts to sacrificing a national wildlife refuge to oil exploitation, sanctioning the continued giveaway of miner-rich public lands at a fraction of their fair market value, and providing even more corporate welfare for subsidized irrigators. This bill undermines serious efforts at reform, such as those that have passed the House on a bipartisan basis in recent years, by providing inconsequential revenues to qualify their proindustry, antienvironmental policies for the sound efforts at modernizing resource management and saving the taxpayers billions of dollars.

The President has remained firm in his commitment to veto any budget reconciliation bill which would open the Arctic National Wildlife Refuge to oil and gas development. To include ANWR in this bill not only denies Members an opportunity to full debate and amendments under an open rule, but is an exercise in futility.

The majority of the revenues in this title are assumed to come from oil and gas leasing of ANWR. But don't bank on it, There's a phony bait and switch going on here.

To start with, don't believe the accuracy of CBO's assumption of $1.3 billion in Federal revenues from ANWR. Those estimates were based on old projections of $40 a barrel oil, currently less than half that price. By contrast, the administration projects just $850 million in Federal revenues, assuming a 50-percent share goes to the State of Alaska.

What the conference report doesn't tell you is that the State of Alaska currently is entitled to a 90-percent share under the Statehood Act of 1958, and Congress may not be able to change that entitlement unilaterally to 50 percent as the conference report proposes. If an all-but-guaranteed lawsuit reduces the Federal share to only 10 percent—a lawsuit predicted by the senior Senator from Alaska as well as the chairman of the House Resources Committee, among others—the Treasury would receive only $260 million instead of the estimated $1.3 billion, using CBO's estimates.

And if the administration's lower estimates are correct, then the Treasury will only receive $170 million. That's one-tenth the amount purported to be in this reconciliation bill.

The conference report further resorts to trickery in the sections of the bill addressing mining law. The Conferees pretend this is real mining reform and that the taxpayers will finally get a fair return from those who have profited royalty free from public minerals for the last 123 years.

But on Wednesday of this week, 230 Members voted to recommit the Interior appropriations conference report in part because the mining provisions in the budget bill were deficient. Now, these very same provisions that Members have rejected are back before us today, insulated from amendment.

The mining language purports to abolish the patenting of public lands for pennies. What the Conference Report really does is to grandfather both the existing patent applications and many existing claim holders, exempting them from any royalties. Patent holders would only have to pay for the public's resources based on the surface value of the land, which is like selling Fort Knox for the value of the roof.

The few mining companies that don't make it through the patenting loophole don't need to worry much either. They would pay only the surface value for the mineral-rich land. The 5 percent net royalty is so riddled with deductions that payments would be just $12 million over 7 years according to CBO. Twelve million dollars for billions of dollars in gold, silver and other valuable minerals. By contrast, in 1993 the House passed a comprehensive mining reform bill that would have collected $90 million annually according to CBO.

The conference report also includes more corporate welfare for western irrigators. It approves a prepayment proposal that will allow water districts to prepay at a discounted rate the highly subsidized debt that they owe the Treasury for reclamation projects, thereby exempting themselves from the requirements of Federal reclamation law. That means that these farmers, who have grown rich on the subsidies provided by the taxpayers of this Nation that were intended for small farmers, would be relieved from paying the unsubsidized cost for Federal water that is delivered to more than 960 acres of irrigable land.

By allowing prepayment at a discounted rate, the notorious irrigation subsidies will be locked in place forever. Only the largest and wealthiest irrigation districts will be able to participate in this program.

This bill also contains a very harmful and unwise decision to transfer land from the Bureau of Land Management to the State of California for use as the Ward Valley low level radioactive waste disposal facility. This issue has been under intense debate and scientific scrutiny for some time. The National Academy of Sciences review panel raised some concerns about the safety of the site and recommended additional tests before moving forward with the construction of the facility.

Secretary Babbitt was involved in final negotiations with the State of California, but those talks broke apart when the State inexplicably refused to provide assurances that the safety tests would, in fact, be conducted by the State prior to construction. And since those talks broke off last month, additional scientists have admitted concealing information about radioactive seepage at another facility run by the Ward Valley contractors in Nevada.

This provision is wholly inappropriate to the reconciliation bill because the tiny amount of funding involved—$500,000—is insignificant in budgetary terms. This is a fig leaf being used to drag through a major policy decision that could have serious safety implications for millions of Americans. The Senate version of this amendment was removed for procedural reasons, but it has sneaked back into this reconciliation bill. It is yet another example of the Republican majority trampling over sound science and environmental concerns to do the bidding of private industry.

It is instructive to note what is not in this legislation. We could have ended double subsidies to farmers who receive federally subsidized water to grow surplus crops that we are paying other farmers not to grow. We could have eliminated below-cost national forest timber sales that cost more to administer than they raise in revenue. I offered these amendments and others in the Rules Committee which would have raised over $1.5 billion in 7 years—more than even the illusory revenues that the conference report assumes from ANWR.

Simply put, the natural resource provisions of this legislation are an outrageous abuse of the public trust. The President will be fully justified in vetoing the conference report.

Mr. BUYER. Mr. Speaker, Winston Churchill once observed that sometimes doing our best is not enough. Sometimes we have to do what is required. The fundamental issue at stake between the Clinton administration and Congress is not just about balancing the budget but about our future as a nation, as a people. In passing the Balanced Budget Act, we will have done our best—we have done what is required.

The President has been talking about balancing the budget for 1,261 days, yet we see nothing. He sent two budget bills to the Congress this year, neither balancing the budget. In fact, the second would create a deficit of $210 billion in 2002, the same year our budget is projected to reach zero.

While the supporters of this plan to balance the budget are fighting for change, the President is fighting for the status quo. We want to cut spending; the President wants to keep spending. Before the year is out, America's debt could top the $5 trillion mark. Every Hoosier child born today will pay a whopping $187,000 in taxes just to underwrite their share of the public debt, a debt to which they were not a party.

This Balanced Budget Act takes a giant step in a new direction and the middle class is the big winner. It leaves more money with the people who earned it, rather than with a Washington bureaucracy that spends it. As a result of this legislation, a Fifth District family will pay $2,400 less a year on a $75,000 home mortgage, $1,000 less over the 4-year period on a new car loan, and almost $2,000 less on a student loan.

President Clinton wants to spend more of our money, borrow more from our children, have more bureaucrats in Washington, and have more power over our lives. This is the fight. Morally, we cannot continue to spend money that we simply do not have and continue to hand the bill to our children and grandchildren.

This is a historic moment for America. I support this measure because it is vitally important to put our country on sound fiscal ground. We can assure the American Dream for all families, but most importantly ensure that our children have a future. Balancing the Federal budget is the most important issue that faces our country. The Balanced Budget Act puts America on the path to a balanced budget and America will be all the better because of it.

Mr. METCALF. Mr. Speaker, I rise to express my support for the low-income housing tax credit. A week ago, I presented the Speaker with a list of 129 Members who signed my letter supporting maintaining the permanent status of this vital program. I ask that this letter with the signatures be submitted into the RECORD after my remarks.

The low-income housing tax credit is a market driven program which provides affordable housing for many disadvantaged families.

Ending the permanent status would make it difficult for local government, investors, and developers to make appropriate long-term planning decisions. Consequently, this would undermine the effectiveness of this program and reduce the number of participants willing to build affordable housing.

The Balanced Budget Act we are debating today will sunset this program. I am disappointed that the conferees did not accept the Senate version. However, I believe that we will find a resolution to this issue in the future. We must continue to provide affordable housing to the families and communities most in need.

I would like to thank all the Members who signed my letter.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, October 30, 1995.

HON. NEWT GINGRICH,
Speaker of the House,
Capitol, Washington, DC.

DEAR SPEAKER GINGRICH: We are writing to express our concerns regarding the elimination of the permanent status of the Low-Income Housing Tax Credit (LIHTC) in the Reconciliation bill and the possibility of sunsetting this program at the end of 1997.

Since its inception in 1986, the LIHTC has been successful at attracting private investment for affordable rental housing. Both nonprofit and for-profit developers compete for these credits to construct or renovate affordable housing for low income individuals. According to the National Association of Home Buildings, this program creates approximately 90,000 jobs a year, resulting in $2.8 billion in wages and $1.3 billion in tax revenue.

The LIHTC is a decentralized program administered by states according to their specific housing needs. The LIHTC is successful because it is a market driven program, free of interference from Washington. Investors exercise strict business discipline over the operation and development of this housing. As you know, building housing requires a great amount of time. A developer or builder needs adequate time to obtain the appropriate forms and meet building codes before constructing or renovating a unit. Ending LIHTC permanent status would make it difficult for state and local governments, investors and developers to make appropriate long-term planning decisions. Consequently, this would hinder the effectiveness of this program and reduce the number of participants willing to invest in, and build affordable housing.

We would like an opportunity to review all tax credits next year. However, we see no reason why we can't achieve this task while maintaining the permanent status of LIHTC. Once the GAO reports its recommendations, we can make administrative changes to safeguard this program.

We are asking you to please restore the permanent status of the Low-Income Housing Tax Credit. This credit is a form of a tax block grant which provides state and local governments with the resources to meet housing needs. The Low-Income Housing Tax Credit is a valuable program and critical in providing affordable housing for our citizens.

Sincerely,

JACK METCALF.
RICK LAZIO.

HOUSE OF REPRESENTATIVES,
Washington, DC, November 10, 1995.

HON. NEWT GINGRICH,
Speaker of the House,
Capitol Bldg., Washington, DC.

DEAR MR. SPEAKER: On Tuesday, November 7, 1995, my colleagues and I sent you a letter of support for maintaining the permanent status of the Low-Income Housing Tax Credit. Since then, additional members have asked to be included on this letter. Please add the signees below to the original 116 members who support the LIHTC.

I plan to submit the original letter with the updates signess into the record. Thank you for your attention to this important matter.

Sincerely,

JACK METCALF.

LOW INCOME HOUSING TAX CREDIT, MEMBERS SIGNING MR. METCALF'S LETTER TO SPEAKER GINGRICH

Member, Republicans: Mr. Lazio, Mr. Young (AK), Ms. Johnson (CT), Mr. McCrery, Mr. Nethercutt, Mr. English, Mr. Camp, Mr. Chrysler, Mr. Baker (LA), Mr. Fox, Mr. LoBiondo, Mr. Smith (NJ), Mr. Bereuter, Mr. Calvert, Ms. Roukema, Ms. Chenoweth, Mr. Ney, Mr. Hayworth, Mr. Klug, Mr. Torkildsen, Ms. Kelly, Mr. Blute, Mr. Hoke, Mr. Whitfield, Mr. Foley, Mr. Bunn, Mr. Walsh, Mr. Barrett (NE), Mr. Salmon, Mr. Taylor (NC), Mr. Castle, Mr. Bono, Mr. King, Mr. Jones (NC), Mr. Horn, Mr. Weller, Mr. Bateman, Mr. Davis, Mr. Knollenberg, Mr. Longley (ME), Mr. Bilbray, Mr. Tate, Ms. Morella, Mr. Cunningham, Mr. Gilman, Mr. Forbes, Mr. Bartlett (MD), Mr. Heineman (NC), Ms. Seastrand, Mr. Shays, Mr. Upton, Mr. Rogers, Mr. Boehlert, Mr. Bachus, Mr. Quinn, Mr. Funderburk, Mr. Flanagan, Mr. Colbe, Mr. Lewis (KY), Mr. Moorhead, Mr. Doolittle, Mr. Hobson, Mr. Bryant, Mr. Diaz-Balart, Mr. Dickey, Mr. Ehlers, Mr. Canady, Mr. Bonilla, Mr. White, and Mr. Crapo.

Additions: Mr. Cooley, Mr. Gilchrest, Mr. Hutchinson, Mr. Gunderson, Mr. Lewis (CA), Mr. McHugh, and Mr. Callahan.

Member, Democrats: Mr. Matsui, Ms. Kennelly, Mr. Barrett (WI), Mr. Luther, Mr. Holden, Mr. Pomeroy, Mr. Baldacci, Mr. Berman, Mr. Rush, Ms. Lofgren, Mr. Fattah, Ms. Meek (FL), Mr. DeFazio, Mr. Oberstar, Mr. Evans, Mr. Johnson (SD), Mr. Dicks, Mr. Costello, Mr. Williams, Mr. Bentsen, Mr. Barcia, Mr. Vento, Mr. Minge, Ms. DeLauro, Mr. Lantos, Mr. Frank (MA), Mr. Wyden, Mr. Menendez (NJ), Mr. Stupak, Mr. Frost, Mr. Meehan, Mr. Clay (MO), Mr. Markey, Mr. Lewis (GA), Mr. Reed, Mr. L.F. Payne, Mr. Farr, Mr. Mascara, Mr. Browder, Mr. Mfume, Mr. Abercrombie, Mr. Hilliard, Mr. Deutsch, Mr. Gutierrez, Mr. Torricelli, and Mr. Conyers.

Additions: Mr. Wynn, Ms. Woolsey, Mr. Ford, Ms. Eshoo, and Mr. Hinchey.

Member, Delegate: Mr. Victor O. Frazer.

Mr. LATOURETTE. Mr. Speaker, the primary focus of the 104th Congress has been to tackle the immoral and ever-growing Federal debt. This Congress has embarked on a historic plan to balance the budget in 7 years, or by 2002.

For far too long, the Congress has thought only of today, with little thought of tomorrow. For decades, the Congress has irresponsibly continued to pour truckloads of money into programs that provide marginal results at best, programs which overlap services, and programs which provide services no longer needed.

America recognizes that what we are doing in Washington—scaling back government, reversing decades of fiscal irresponsibility, is a revolutionary process, and one that is often painful. All I have asked in this budget process is that we go about it fairly, that we level with the American people and refrain from the monkey business of the past.

Recently, I was one of ten Republicans in the House to vote against the House-authored version of the budget. While I wholeheartedly agree with the necessity of balancing the budget in 7 years, I could not in good conscience support that version of the budget because it contained numerous favors to special interests. I promised my constituents that if a majority of my concerns were addressed and corrected, I would support final passage of the budget plan.

No legislation is perfect, and the Balanced Budget Act of 1995 is no exception. On the whole, however, I feel this is a budget plan that is fair; it is based on real numbers and it enables us to reach our goal of balancing the budget in 7 years. Furthermore, many of my concerns have been addressed and corrected. Nursing home standards have been restored; problems with the Medicaid funding formula have been fixed, including a spousal impoverishment clause; several environmental areas of concern are now addressed, and greater protections have been added to the pension provisions area.

We could wrangle over the details for years to come, but the clock is ticking and we must address our country's horrific debt now. In the coming 7 years, the lives of all Americans will be changed as a result of having a balanced budget. Economists agree a balanced budget will lead to falling trade deficits, rising productivity and a higher standard of living for Americans. Reductions in interest rates will be substantial. For example, the 30-year Treasury bond, now at 6.4 percent, could decrease by as many as 2 percentage points.

Lowered borrowing costs will be tremendous for business investment and other areas of the economy sensitive to changes in interest, including housing and the automotive industry—something vital to the economy of northeast Ohio. Also, a balanced budget is expected to free up billions of dollars for our States and cities. A Senate Budget Committee study shows that $919 million will be freed up for Ohio, and $56 million for Cleveland.

What will a balanced budget mean to you on a personal level? How will it impact your daily lives? Here are some of the highlights:

Interest on home loans for the average 30-year mortgage will drop as much as 2.7 percentage points, according to a National Association of Realtors study. With a 30-year $50,000 mortgage at 8.23 percent, families would save more than $1,000 annually, or more than $32,400 over the life of the loan.

Interest on car loans will drop by as much as 2 percentage points, according to a Joint Economic Committee study. Hence, if you take out a 5-year $15,000 loan at 9.7 percent, you will see an extra $900 in savings for your family budget. Meanwhile, interest on student loans also will drop as many as 2 percentage points, according to an Economic and Educational Opportunities Committee study. If your son or daughter borrows $11,000 at 8 percent interest, they will pay $2,167 less for schooling.

When our goal of a balanced budget is realized in 2002, the changes in our economy will be significant. Companies will be able to invest in new equipment and productivity will rise; this will lead to higher wages and better living standards. Best of all, a balanced budget will help create an estimated 6.1 million new jobs, according to a Joint Economic Committee study. These jobs will benefit the middle-class, welfare recipients, and high school and college graduates.

It is time we, as Americans, return to a life of fiscal responsibility; the Federal Government should and can be a role model. Americans are conditioned to believe Washington only does what is right for itself, not for America. This Congress is different. This Congress is committed to putting the needs of America and its financial future first, above all else, including our own re-elections. I am proud to vote for the Balanced Budget Act of 1995, a vote for the future of America.

With a balanced budget, we can return to an America we can all be proud of, one where every American has an opportunity to succeed, and one where all Americans can provide for their families and save for their futures. A balanced budget is truly our last, best hope to restore the American dream.

Mr. JOHNSON of South Dakota. Mr. Speaker, I rise in strong opposition both to the pending budget reconciliation bill and to the parliamentary rules under which it is being considered.

It is wrong to consider this wide-ranging legislation without the opportunity for any amendment or even for an alternative bill or recommittal motion. While I am a strong supporter of balancing the Federal budget, I will not permit myself to be forced by these rigid rules to support the outrageous budget priorities contained within this bill.

By spending $245 billion in tax favors, this legislation creates a situation where it has become necessary to cut deep into Medicare, Medicaid, education, and even to kill the entire farm program altogether. These are radical budget priorities that do not make sense to South Dakota families. It is particularly offensive to me that this legislation substantially increases income tax liabilities for families making less than $30,000 per year but provides a tax cut bonanza for millionaires.

There is no doubt in my mind that President Clinton will veto this budget reconciliation bill, and it is my hope that we can then begin a serious bipartisan effort at balancing the Federal budget in a manner which is fair to middle class and working families, the elderly, veterans, and rural America.

Mr. POSHARD. Mr. Speaker, I rise in opposition to the budget before us today and in strong support of the more reasonable alternative which I cosponsor along with many of my moderate Democratic colleagues.

We are at a momentous time in our Nation's history. It does appear the will exists to put this country on stable financial ground and balance our Federal budget.

There is no alternative. Our country cannot manage a debt of $5 trillion and billions of dollars in red ink in our annual budgets. unless we act, shortly after the turn of the century our tax dollars will go entirely to entitlement programs and interest on the national debt. There will be no money for environmental protection, transportation, law enforcement, education, medical research, or any of the other functions of government upon which people rely.

But I reject the notion that there is only one way to accomplish this goal—the option before us today. There is a better way—the coalition budget which I support.

Our budget restores the fiscal integrity to the Medicare trust fund and controls spending in that program by $170 billion to help us reach a balanced budget. That is in stark contrast to the $270 billion in Medicare controls in the Republican plan. That is $100 billion more than necessary to maintain the program, $100 billion which will be used to pay for tax cuts for wealthy Americans. This will be a tremendous burden on Medicare beneficiaries and will put hospitals in my district out of business. This is the most substantial argument against the Republican plan, and I will not vote for a budget which takes so much from the Medicare Program and gives it away in tax cuts.

The changes in the earned income tax credit hits the 19th District harder than any district in the State of Illinois. The list of concerns is long.

I've voted for a balanced budget amendment and now cosponsor a bill which will get us to balance in 7 years, as scored by the Congressional Budget Office. It is better for the American people in health care, education, agriculture, and the host of domestic needs which are important to our people. And it represents the broad middle ground where most Americans live their daily lives.

I will vote against this budget today because I know we can do better. I urge the President to work with us to balance the budget in 7 years. If we are to have a tax cut, I urge the Republicans to lower the income limits and let us target those breaks to the working people of this country.

We can reach an agreement that respects our obligation to care for our people and, at the same time, rid this nation of its burdensome debt. We are not there yet. I am voting against this bill today in the hope that we will get there with a better bill.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise today in strong opposition of the Republicans' Balanced Budget Act for fiscal year 1996. The Republican budget is a noncaring budget, it has no compassion for the American people and is one that the American people cannot be proud of. It not only balances the budget on the back of the disenfranchised, the measure is nonresponsive to the housing, health, education, environment, and employment training needs of the American people.

The Republicans' budget reconciliation holds our elderly hostage to their compromised health care condition and economic status, we need a budget that treats the elderly with the dignity and respect that they not only deserve—but have earned. We need adequate funding that provides for the older Americans' programs including essential nutrition programs, low-income home-energy assistance, and assisted housing. And of course we must ensure that Medicare is preserved.

The lives of more than 2 million Medicare seniors in Texas would be dramatically impacted, and by the year 2002 each Medicare senior in Texas would be asked to pay an additional $1,122 out-of-pocket expenses. Each would be forced to pay $4,000 more for fiscal years 1996 through 2002 to make up for the cuts. We want the future to be free but not on the backs of seniors and those most vulnerable.

The Republicans' budget proposal which forces our elderly to choose between food and heat, does not improve their quality of life. We need a budget that is kind to our Nation's children including those yet to be born. And one that provides adequate funding for healthy start, child care, and Head Start. Our children are our future. They have placed their future in our hands, we cannot sacrifice the trust.

In addition, we need a budget that strengthens support for higher education, student aid, trio, education for the disadvantaged, school reform, biomedical research, and community infrastructure. I have heard the voice of the American people and they want us to respond with a sound budget that is fair, responsible, and overturns the Republicans' assault on our Nation's most vulnerable citizens—the children, the elderly, the veterans, and hard-working families.

Mr. ALLARD. Mr. Speaker, when I ran for Congress in 1990, I made one principle commitment to the people of Colorado, I would do everything I could to balance the Federal budget. That is why I am so proud to stand here today.

The process of balancing the budget began last fall with the Contract With America. Despite intense criticism from the media and the liberals, the voters liked our contract, and they elected the first Republican Congress in 40 years.

After we won our majority, we did something really shocking: we kept our contract. The pundits said we never would. They said we couldn't actually balance the budget. They were wrong.

Immediately after the election, those of us on the Budget Committee set to work on a massive 6-year plan to restore fiscal discipline to our Government. We worked through the spring under the enthusiastic leadership of our Chairman JOHN KASICH. We never gave up.

This plan was then endorsed by our full conference and implemented by the Appropriations Committee and the authorizing committees. It was a monumental achievement. It is the proudest achievement that I have been part of in my 5 years in Congress.

Today, we will make history, we will balance the Federal budget for the first time in 33 years.

This new Congress has kept its commitment to our children and grandchildren. We said we would balance the budget, and we did it. The only remaining obstacle to a balanced budget is President Clinton. He has stated time and time again that he supports a balanced budget. Again, the truth will come out this weekend when he is presented with this plan. He has no intention of balancing the budget.

Judging by the rhetoric of those who oppose this plan one might get the impression that it contains devastating cuts. This charge indicates how far removed from reality the defenders of deficits have drifted. This budget does not cut spending at all, it simply slows the rate of increase.

Let me review some very important numbers. Over the last 7 years Federal spending totaled $9.5 trillion. Over the 7 years of this balanced budget plan, 1996–2002, the Federal Government will spend a total of over $12 trillion. Where I come from that is an increase, and it is a very substantial one.

Even the Washington Post has recognized the courage of our budget, particularly in the area of Medicare. We have made very modest changes in Medicare, and in the process we have saved the program from bankruptcy. Spending per beneficiary will rise from the current $4,800 to $6,700 per year. Let me quote from today's Post editorial:

> If the Democrats play the Medicare card and win, they will have set back for years, for the worst of political reasons, the very cause of rational government in behalf of which they profess to be behaving.

Mr. Speaker, we know the Democrats have already played the Medicare card, let's just

hope they don't win. We want to save Medicare, our opponents want to postpone the tough choices for another day. By then it may be too late.

It is important to keep in mind why we must balance the budget. This endeavor is about much more than numbers. It is about the future standard of living for our children.

I have been particularly gratified by the large number of letters I have received from constituents who say ''just do it.'' They realize that some sacrifice will be required of them, but they want the budget balanced.

Last year, we made a Contract With America. This balanced budget represents the very essence of that contract—a Federal Government that will be smaller, less intrusive, and more efficient.

We have kept our contract, and this has restored faith in our form of government. It proves that Promises Made—Promises Kept was much more than just another campaign slogan.

Mr. DOYLE, Mr. Speaker, when I came to Congress last January the people sent me here with instructions to stop the partisan bickering and work toward solutions. The people of western Pennsylvania continue to tell me that they want a balanced Federal budget. Well this Democrat supported a Balanced Budget Amendment which the other body did not pass. This Democrat supported a plan to balance the budget in 7 years which did not include a $245 billion tax cut when we can least afford one. The Gingrich budget is not fair and is not one I can support. People in western Pennsylvania do not understand why one-half of the burden is placed on senior citizens and students, while one-half of those who benefit from the tax cuts have annual incomes or more than $100,000. The American people are willing to share the sacrifice for as many years as it takes to balance the budget, but they will not support a budget that unfairly targets senior citizens, students, and low-income families, to award a tax cut for those with upper incomes. Let's stop the partisan grandstanding and work together to find a fair budget that can win the long-term support of the American people. Mr. Speaker, I urge my colleagues to defeat the Gingrich budget.

Mr. COYNE. Mr. Speaker, I rise today to oppose this conference report on the budget reconciliation bill.

The core provisions of the bill are still the same as the bill passed by the House. The conferees cut Medicare, Medicaid, antipoverty programs, and the earned income tax credit deeply in order to pay for tax cuts that primarily benefit the well-to-do. This legislation makes life more difficult for the most vulnerable members of our society in order to provide benefits to people who need help the least. Consequently, this bill is still completely unacceptable.

The conference report on reconciliation contains $80 billion in cuts in welfare and $30 billion in cuts in the earned income tax credit. The low-income housing tax credit is eliminated after 1997. Most low-income working families will not be helped by the bill's much-touted family tax credit. That is no way to make work pay. Republicans used to say ''a hand-up, not a hand-out''. Now that they have won control of Congress and they do not have to worry about additional handouts, it appears that they want to withdraw the hand-up as well.

The new majority wants to make $170 billion in cuts in Medicaid as well. Is there any doubt that the health of poor children, impoverished senior citizens, and disabled Americans will suffer as a result? Does anyone really believe that health care services in poor neighborhoods will improve after these changes are enacted? Does anyone really think that emergency rooms in inner cities will remain open when they lose money as a result of these cutbacks? These cuts are simply irresponsible.

The Republicans in Congress want to make $270 billion in cuts in Medicare as well. These premium increases would be hard for many low-income seniors to meet. Seven dollars a month does not sound like much to many people, but to someone living on a couple of hundred dollars a month, that premium increase would be a real hardship. Moreover, the shift to managed care that is encouraged—or should I say imposed—by the bill will compel many senior citizens to give up their choice of doctor in order to keep their medical bills from going up. They may also find it more difficult or expensive to see the specialist they need—or to get the most effective treatment for a particular ailment.

In addition, I have deep concerns that the shift to managed care will actually end up costing the taxpayer money in the long run—rather than saving money. The proposed Medicare-plus system has the potential to create a real problem with adverse selection. Healthy individuals can be expected to take advantage of private managed care plans, leaving the older, sicker Medicare beneficiaries in the fee-for-service plan. The sickest 10 percent of Medicare beneficiaries account for 70 percent of total program costs. It is unlikely that any of these beneficiaries would switch to managed care plans, or to medical savings accounts linked to high-deductible insurance plans. The cost to Government of providing insurance to the sickest people will increase as the risk pool shrinks to the most expensive cases.

In short, Mr. Speaker, this is no way to balance the budget. It is shortsighted, unwise, and inequitable. If this bill is adopted by Congress—and I anticipate that it will be—I hope that President Clinton will veto it. Then we can get down to the tough but necessary job of working out a fair, thoughtful, responsible budget plan.

Mr. KIM. Mr. Speaker, I rise today in strong support of H.R. 2491, the Balanced Budget Act.

The bill we are considering today is truly historic. For too many years, politicians have promised to balance the budget without achieving results to back up their rhetoric. The reason for this is simple: It is easy to promise to balance the budget, but it is incredibly hard to actually make the spending cuts needed to do so.

But this year is different. Last November, the American people said enough to empty promises and hollow rhetoric and elected a Republican Congress committed to balancing the budget. And Republicans have put our money where our mouths are. We have brought to the floor today a bill that makes real spending cuts that the Congressional Budget Office has certified will balance the budget by 2002.

Let me say that it hasn't been easy to get to this point. Almost every special interest group in this city that has a place at the Federal trough has tried to stop us. Since last January when Republicans took control, the media said it couldn't be done. And, most important, my Democratic colleagues have pulled out all the stops to protect the big government empire that they have built over the last 40 years.

But we have persevered, and we are here today with a bill that does exactly what we said we would do: Balance the budget by 2002.

You don't have to take my word for it though—let's look at what the Balanced Budget Act really does:

The Balanced Budget Act saves $900 billion—nearly a trillion dollars—over 7 years by reducing the rate of growth of—not cut—Federal spending. That's because we don't actually have to cut Federal spending to reduce the deficit. All we have to do is let Government spending grow slower than tax revenues and we can balance the budget.

And that's exactly what the Balanced Budget Act does. Under our plan, Federal spending will still grow—but by $900 billion less than it would if Congress did nothing. The result is a balanced budget in 2002.

Much of these savings are achieved by reducing the rate of growth of entitlement programs. As my colleagues know, much of the reason for the current budget crisis has been the inability of Congress to address the exploding cost of entitlement programs. Spending on such programs as Medicare and Medicaid makes up over two-thirds of the Federal budget and will soon consume the entire budget if Congress does not act.

The Balanced Budget Act finally addresses this problem. The bill fulfills our promise to leave Social Security alone but reforms all other entitlement programs.

The most important reforms occur in Medicare and Medicaid. Under the bill, Medicare spending growth will be reduced from its current 10% growth rate to about 6% a year. Medicaid spending growth will be reduced from 11% to 7% a year. By reducing the rate of growth in this way, we will save $270 billion in the Medicare Program and $160 billion in Medicaid.

More important, by slowing the growth of Medicare, the Balanced Act saves the Medicare Program from bankruptcy. As many of my colleagues are aware, the Medicare trustees, three of whom were appointed by President Clinton, recently warned that the Medicare trust fund would be bankrupt by 2002 if Congress did not act.

In response to this dire situation, Republicans have proposed a plan to save Medicare from bankruptcy. By attacking waste and fraud, giving seniors the option of joint a private health insurance plan, and slowing the growth of payments to doctors and hospitals, the Balanced Budget Act keeps Medicare solvent until 2011—the year the baby boomers

start to retire. In doing so, the Balanced Act ensures that Medicare will continue to be available for current and future generations of seniors.

But make no mistake about it: Even with these growth reductions, spending will still grow considerably in Medicare. Per-person spending in Medicare will increase from $4,800 today to $6,700 in 2002—a 43 present increase. Total spending on the Medicare Program will increase from $160 billion today to $247 billion in 2002. The fact is, under the Republican budget, Medicare will remain one of the fastest growing programs in the Federal budget.

In short, the Balanced Budget Act imposes much needed restraint on the growth of Federal spending—while still allowing vital programs to grow substantially. In addition, the bill provides a reasonable and fair plan to protect Medicare from the financial disaster.

But this bill does more than just reduce Federal spending and save Medicare: The Balanced Budget Act also provides much-needed tax relief for the middle class.

As my colleagues know, this bill provides $245 billion in tax cuts targeted toward middle class families making less than $110,000 per year. This tax credit will provide $147 billion in tax relief for middle class families, making up 60 percent of the tax cuts in the bill. The bill also provides tax credits to help for health care expenses, establishes tax incentives to help small businesses, and makes needed reforms to estate tax rules. Finally, the bill substantially reduces capital gains taxes—which are taxes on job-creating savings and investment.

These tax cuts are reasonable and fair. Predictably, however, our opponents are trying to gain political advantage by accusing us of providing a tax cut for the rich. Let me assure you that nothing could be farther from the truth. Under our bill, 65 percent of the tax cuts will go to families making less than $75,000 per year. much of the rest of the tax cuts go toward helping small businesses or establishing incentives for the creation of middle class jobs.

Finally, let's keep these tax cuts in perspective. While they are important for middle class families, they are not massive: The tax cuts in the Balanced Budget Act represent less than 2 percent of Federal revenues over the next 7 years.

In short, the bill provides badly needed tax reductions that will help average Americans—particularly working families—make ends meet. These tax cuts are not a giveaway. They are a rebate to working Americans of some of the cost that liberal big government policies have imposed on them over the last 40 years.

In sum, Mr. Chairman, the Balanced Budget Act is a reasonable and fair approach to balancing the Federal budget for the first time in a generation. The bill reduces the rate of growth of Federal spending while still preserving funding for vital programs. The bill provides much needed tax relief for the middle class, who for too long have shouldered too much of the cost of big government. and, most important, the bill keeps our promise to balance the budget by 2002.

Finally, let me finish by saying a few words about why we are undertaking this massive and politically risky project. the fact is, if we do not get Federal spending under control, we risk leaving our children and grandchildren with a mountain of Federal debt that will never be able to be repaid. If we do nothing, our children will face a country with higher interest rates, lower economic growth and fewer jobs than there would be under a balanced budget. If we do nothing, the safety net that supports the poor, the elderly, and the disadvantaged will collapse under the sheer weight of Government debt.

My Democratic colleagues accuse us of lacking compassion, but I say to them: How compassionate is it to borrow from our children and leave them to pay the bills? How compassionate is it to duck the hard choices, just to make things more difficult for those who come after us?

Mr. Chairman, it is time to face the music. Balancing the budget will not be easy or painless, but it must be done. The Balanced Budget Act is the way to do it. I urge my colleagues to support the bill.

Mrs. VUCANOVICH. Mr. Speaker, I rise in strong support of the conference report to H.R. 2491, the Seven-Year Balanced Budget Act.

We are balancing the budget today, Mr. Chairman, and instead of fear mongering and scare tactics, we have solutions. We have solutions to preserving and protecting Medicare, we have solutions to reducing the overwhelming tax burden on every American, we have solutions to returning government back to the States where it serves the people best, and, most important, we have solutions to eliminating this crushing debt our generation is in danger of leaving our children and grandchildren.

Mr. Chairman, in balancing the budget, we have listened to the pleas of the Clinton Medicare Board of Trustees and we save Medicare from bankruptcy. Seniors can breathe easy knowing that Medicare will be there for them and their children when they need it. Seniors will get increased benefits and will have more choice of how to obtain health care services.

On a personal note, Mr. Speaker, this bill provides Medicare coverage for oral cancer drugs for breast cancer patients, something the President has vetoed twice in the past week. As a breast cancer survivor, I am thankful that we are giving women another chance at life.

A good life is what we are trying to give all of our citizens. That is why the biggest falsehood of all is that this bill will hurt our children and our poor. The welfare and Medicaid provisions ensure that Federal funding goes to people who need it, rather than endless bureaucracies. States can finally put their ideas to the test while ensuring the health and welfare of low income children, seniors, and the disabled. And the taxpayer can feel good about providing a hand up, not a handout.

This is a historic vote, Mr. Chairman, because this vote will decide whether we leave our children the American dream or hand them the American debt. The choice is simple. Support this bill. Thank you Mr. Chairman.

Mr. SKAGGS. Mr. Speaker, I support balancing the budget. But I support doing it the right way. So, I cannot support this conference report.

Last month, when the House debated this bill, I voted to balance the budget the right way. I voted for the Democratic alternative. That alternative provided for balancing the budget in 7 years, without tax cuts we can't now afford, without undue cuts in Medicare and Medicaid, without raising taxes on lower income workers, and while making possible investments we need to keep our country strong in the future.

This is sharp contrast to this Republican bill, which I oppose. Under the Republican plan, the budget would be balanced in 7 years, but there the similarity ends. It includes a tax cut we cannot afford, most of which goes to the wealthy who least need it. And it sacrifices important parts of our future—including the future of our young people and priceless natural resources—for short-term savings.

To pay for their tax cuts, the Republicans' bill cuts Medicare and Medicaid more than necessary, with over half of the total spending cuts coming from those important programs. It also actually raises taxes on lower income workers, by revising the earned income tax credit. This will hurt 4 million low-income childless workers. It will also mean that some surviving spouses, who get Social Security, will lose EITC dollars, as will some older people with dependents—including some grandparents who care for dependent grandchildren. Remember, the earned income tax credit goes only to working people with low incomes—it helps keep people on the job, not on welfare.

The Republican bill also makes deep cuts in student loans, by nearly $10 billion over the next 7 years. In other words, it reduces our investment in America's future and makes it more difficult for our young people to get the education and training that they will need to get good jobs in an increasingly competitive marketplace.

And the Republican bill would sacrifice the wilderness and wildlife values of the Arctic National Wildlife Refuge's coastal plain, by opening it to oil and gas drilling—hoping for a gusher of oil company cash and hoping that the State of Alaska will accept a smaller share of that gusher than is now provided for by law.

Compared to this Republican bill, the substitute I supported would have cut about $100 billion less in Medicare, $100 billion less—that is, less than half as much—in Medicaid, $40 billion less in direct assistance to individuals, $10 billion less in student loans, $9 billion less in agriculture, and about $80 billion less in other discretionary spending. It would not have opened the Arctic refuge's coastal plain. And it still would have balanced the budget in 7 years.

Some may ask, how could that be possible? Mr. Speaker, it is possible. It's possible if we refuse to dig the hole of Federal debt deeper—that is, by refusing to cut taxes before we can afford to. And by ending billions of dollars' worth of particularly ill-advised subsidies to corporations.

That's the right way. That's the way that reflects better priorities and wiser policies than the Republican bill. That's what we should do.

We should maintain the earned income tax credit, which used to enjoy strong bipartisan support as an effective, nonbureaucratic way to enable lower income people to work their way into the middle class. We should close tax loopholes that let multinational corporations manipulate their books to avoid paying

their fair share of U.S. taxes and end other corporate welfare.

We should protect Medicare and Medicaid, and not—like the Republicans—be driven to cut them deeper than necessary in order to pay for a misguided tax cut.

We should provide adequate resources for nutrition, education, transportation, research, and crime control. We should make real welfare reforms, with flexibility for States, a crackdown on fraud, and enough funding for day care, training, and the other needs of people moving off welfare and into jobs. We should maintain funding for student loans, while protecting the benefits of Federal retirees and veterans' compensation.

We should protect the wilderness and wildlife of America's last untouched stretch of Arctic coastline, the coastal plain of the Arctic National Wildlife Refuge, and we should put an end to corporate welfare, including bargain-basement sales of the gold, silver, and other hardrock mineral resources of our public lands. The Republican bill goes the wrong way here.

So, Mr. Speaker, while this Republican bill is called a reconciliation measure, I can't be reconciled into thinking that it's anything but bad for the country. We can do better—in fact, we have a duty to do better. We should reject this Republican bill and instead do what should be done—balance the budget, but the right way.

Mr. PORTER. Mr. Speaker, this is a defining moment in our Nation's history, a moment when we say goodbye to the irresponsibilities of the past and hello to living within our means, to smaller, more efficient government, to spending targeted at achieving results, and ultimately to lower taxes.

We have had a welfare system that doesn't work, and this bill aims to reform it. We have had student financial assistance that leaves the taxpayers holding the bag on millions of dollars of loan defaults, and this bill aims to fix that.

We have had a Medicare system that while providing the best health care in the world has done so at an unsustainable cost that we know we must change to protect the integrity of the system, and this bill aims to provide increases in Medicare funding but at a slower rate and choices for seniors in health care delivery that will help to drive down costs. We have had a Medicaid system whose costs have spiraled out of control leaving many of our States' budgets in shambles, and this bill leaves the States essentially in charge of how best to serve their poor but with substantial Federal help.

But, most of all, this legislation defines a change from serving each special interest in our country regardless of the cost and asking our children and grandchildren to pay the bills to being responsible for the bottom line and paying ourselves for the benefits we receive. America's private sector has largely reinvented itself in the wake of the cold war victory of freedom over communism. Now, government must do the same thing. It will mean higher standards of personal responsibility for each of our people, higher standards that will change our society and make certain that we remain the strongest economy on Earth and preserve the compact that each succeeding generation will live better than the last.

Many, unfortunately our President among them, apparently will have to be carried kicking and screaming into this future and find it extremely difficult to give up the special interest politics that has dominated America for so long a time. They refuse to understand that with rights go responsibilities and with all the rights and privileges enjoyed by the American people, all of us have responsibility for the Nation as a whole. All of us must give something of ourselves to make our society work. That's what this debate is all about. A balanced budget, yes, but more, a profound change in personal accountability for every person in our country that, in the end, will make it better and ensure the opportunities and mobility which are the genius of our system.

The SPEAKER pro tempore (Mr. BOEHNER). Pursuant to House Resolution 272, the previous question is ordered on the conference report.

The SPEAKER pro tempore. The question is on the conference report.

Pursuant to House Resolution 245, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 237, nays 189, not voting 7, as follows:

[Roll No. 812]

YEAS—237

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Gingrich
Goodlatte
Goodling
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Montgomery
Moorhead
Morella
Myers
Myrick
Nethercutt
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Petri
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—189

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Bonior
Borski
Boucher
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Filner
Flake
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gibbons
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hamilton
Hastings (FL)
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson-Lee
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lincoln
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Mfume
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Poshard
Rahall
Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Sisisky
Skaggs
Skelton
Slaughter
Smith (NJ)
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Tanner
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates

NOT VOTING—7

Brewster
Collins (IL)
Fields (LA)
Harman
McDermott
Neumann
Tucker

□ 1528

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 1530

GENERAL LEAVE

Mr. KASICH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the conference report on H.R. 2491, just considered.

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

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 440) ''An Act to amend title 23, United States Code, to provide for the designation of the National Highway System, and for other purposes.''.

PROVIDING FOR CONSIDERATION OF H.R. 2606, PROHIBITION ON FUNDS FOR BOSNIA DEPLOYMENT

Mr. SOLOMON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 273 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 273

Resolved, That upon the adoption of this resolution it shall be in order without intervention of any point of order to consider in the House the bill (H.R. 2606) to prohibit the use of funds appropriated to the Department of Defense from being used for the deployment on the ground of United States Armed Forces in the Republic of Bosnia and Herzegovina as part of any peacekeeping operation, or as part of any implementation force, unless funds for such deployment are specifically appropriated by law. The previous question shall be considered as ordered on the bill and any amendment thereto to final passage without intervening motion except: (1) one hour of debate on the bill, which shall be equally divided and controlled by the chairman and ranking minority member of the Committee on National Security; (2) one motion to amend by the minority leader or his designee, which shall be considered as read, and shall be separately debatable for one hour equally divided and controlled by the proponent and an opponent; and (3) one motion to recommit, which may include instructions only if offered by the minority leader or his designee.

SEC. 2. Notwithstanding any other provision of this resolution, if the minority leader or his designee announces that an amendment will not be offered, there shall be an additional period of one hour of debate equally divided and controlled by the chairman and ranking minority member of the Committee on National Security.

The SPEAKER pro tempore. The gentleman from New York [Mr. SOLOMON] is recognized for 1 hour.

Mr. SOLOMON. Mr. Speaker, for the purposes of debate only, I yield 30 minutes to the distinguished gentleman from Ohio [Mr. HALL], pending which I yield myself such time as I may consume. During consideration of the resolution, all time yielded is for debate purposes only.

(Mr. SOLOMON asked and was given permission to revise and extend his remarks and include extraneous material.)

Mr. SOLOMON. Mr. Speaker, House Resolution 273 is a modified closed rule providing for consideration of the bill H.R. 2606, a bill prohibiting the use of funds to deploy United States ground troops in Bosnia and Herzegovina unless specifically appropriated by law.

The rule provides for consideration of the bill in the House, instead of the Committee of the Whole, without intervening point of order. The previous question is considered as ordered on the passage of the bill without intervening motion except as follows:

First, 1 hour of debate is provided, equally divided and controlled by the chairman and ranking minority member of the Committee on National Security.

Second, one minority substitute is allowed if offered by the minority leader or his designee—debatable for 1 hour; and

Third, one motion to recommit is permitted which, if containing instructions, may only be offered by the minority leader or his designee.

Finally, the rule provides that if the minority substitute is not offered, there shall be an additional hour of debate on the bill, equally divided between the chairman and ranking minority member of the National Security Committee.

Mr. Speaker, let me conclude this procedural discussion of the rule by thanking the ranking minority member, Mr. MOAKLEY, for suggesting the option of an additional hour of debate if the minority chooses not to offer a substitute.

I thought, as did my majority committee colleagues, that this was an excellent idea because it will allow this House to have the kind of serious debate that this issue deserves, regardless of whether there is any alternative proposal from the minority side.

Moreover, I would point out that the right of the minority to offer a further amendment in the motion to recommit with instructions is still preserved by this rule. That would be debatable for the usual 10 minutes.

On the bill itself, Mr. Speaker, I would like to express my complete support for Mr. HEFLEY's responsible attempt to induce the President of the United States to consult Congress before he sends American ground troops into Bosnia.

Let me be clear: this legislation does not bar the President from sending troops to Bosnia. What it does is assert the constitutional prerogative of the Congress when it comes to the power of the purse.

This legislation requires the President to come to Congress, make his case for the mission, and gain favorable approval of the appropriation of funds for the mission.

Mr. Speaker, this is not only constitutional, but it is wise policy.

We need more debate here in Congress on the vital issue of Bosnia, because once again, (as has been the case several times since this administration took over) we stand on the verge of putting our young men and women in harm's way in a civil war where America has no vital national interest.

Mr. Speaker, American soldiers should only be deployed to zones of conflict when and if vital American national interests are at stake.

Mr. Speaker, American foreign policy has always been to come to the defense of sovereign democratic allies that came under external military attack. Bosnia does not meet this test.

Despite instigation and support from Serbia & Russia, the Bosnian tragedy is essentially a civil conflict.

And Members of this House, we should not get directly involved in a civil conflict—especially one that is so complicated and ancient as the one in Bosnia—and which occurs in a place where America has no vital interests such as oil supply lines or shipping lanes.

As heart-wrenching as this tragedy has been, and as despicable as the Serb aggression and tactics have been, this conflict does not justify the loss of American lives, not even one.

It is certainly not something I can justify to my constituents, who have sons and daughters that may not come home.

Mr. Speaker, the answer to this conflict today, is the same as it has always been: to lift the arms embargo, and let the Bosnian victims defend themselves against the Serb aggression.

The problem since 1991 has been a military imbalance of power in favor of the Serbs.

Mr. Speaker, the arms embargo froze the balance in favor of the aggressor.

This was a strategic and moral blunder.

Only when the Serbs are confronted by an equally capable armed force will they negotiate in good faith. Then, the Bosnians, Serbs, and Croatians will work out their own deal.

And in fact, both the Bosnians and the Croatians have proved of late that this is the correct strategy.

Both Bosnia and Croatia have recently scored impressive gains on the ground, made possible by weapons they have received through holes in the embargo, when we looked the other way, proving that they can take care of themselves, if we let them.

But what does the President want to do? Rather than following this scenario to its logical conclusion, and enabling the Bosnians to score even more gains, this administration now seeks to rein in the Bosnians, lock in the current status quo, which still favors the Serbs, and send young Americans to enforce an unjust and inherently unstable ''peace.''

And American men and women will be in the middle of this hornet's nest, courtesy of the Clinton administration.

Mr. Speaker, peace could be near in Bosnia. The Bosnians, with a little outside support in the form of lifting the embargo, could be a match for the Serbs, whose strength has been massively overestimated.

Let us allow the Bosnian people to do the job that they want to do and can do better than we can.

There is a lot at stake here. If we intervene in this kind of affair, what will stop us from doing it again in places like Chechnya, in places like even Northern Ireland?

Ladies and gentlemen, American foreign policy, I will repeat one more time, has always been to encourage, support and defend our democratic treaty allies around this world against outside military aggression. That is what we need to continue to do and not get into this business of Nation building and country building. We have no business risking American lives doing that.

THE AMENDMENT PROCESS UNDER SPECIAL RULES REPORTED BY THE RULES COMMITTEE,[1] 103D CONGRESS V. 104TH CONGRESS

[As of November 17, 1995]

Rule type	103d Congress		104th Congress	
	Number of rules	Percent of total	Number of rules	Percent of total
Open/Modified-open [2]	46	44	54	65
Modified Closed [3]	49	47	20	24
Closed [4]	9	9	9	11
Total	104	100	83	100

[1] This table applies only to rules which provide for the original consideration of bills, joint resolutions or budget resolutions and which provide for an amendment process. It does not apply to special rules which only waive points of order against appropriations bills which are already privileged and are considered under an open amendment process under House rules.

[2] An open rule is one under which any Member may offer a germane amendment under the five-minute rule. A modified open rule is one under which any Member may offer a germane amendment under the five-minute rule subject only to an overall time limit on the amendment process and/or a requirement that the amendment be preprinted in the Congressional Record.

[3] A modified closed rule is one under which the Rules Committee limits the amendments that may be offered only to those amendments designated in the special rule or the Rules Committee report to accompany it, or which preclude amendments to a particular portion of a bill, even though the rest of the bill may be completely open to amendment.

[4] A closed rule is one under which no amendments may be offered (other than amendments recommended by the committee in reporting the bill).

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS

[As of November 16, 1995]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 38 (1/18/95)	O	H.R. 5	Unfunded Mandate Reform	A: 350–71 (1/19/95).
H. Res. 44 (1/24/95)	MC	H. Con. Res. 17	Social Security	A: 255–172 (1/25/95).
		H.J. Res. 1	Balanced Budget Amdt	
H. Res. 51 (1/31/95)	O	H.R. 101	Land Transfer, Taos Pueblo Indians	A: voice vote (2/1/95).
H. Res. 52 (1/31/95)	O	H.R. 400	Land Exchange, Arctic Nat'l. Park and Preserve	A: voice vote (2/1/95).
H. Res. 53 (1/31/95)	O	H.R. 440	Land Conveyance, Butte County, Calif	A: voice vote (2/1/95).
H. Res. 55 (2/1/95)	O	H.R. 2	Line Item Veto	A: voice vote (2/2/95).
H. Res. 60 (2/6/95)	O	H.R. 665	Victim Restitution	A: voice vote (2/7/95).
H. Res. 61 (2/6/95)	O	H.R. 666	Exclusionary Rule Reform	A: voice vote (2/7/95).
H. Res. 63 (2/8/95)	MO	H.R. 667	Violent Criminal Incarceration	A: voice vote (2/9/95).
H. Res. 69 (2/9/95)	O	H.R. 668	Criminal Alien Deportation	A: voice vote (2/10/95).
H. Res. 79 (2/10/95)	MO	H.R. 728	Law Enforcement Block Grants	A: voice vote (2/13/95).
H. Res. 83 (2/13/95)	MO	H.R. 7	National Security Revitalization	PQ: 229–100; A: 227–127 (2/15/95).
H. Res. 88 (2/16/95)	MC	H.R. 831	Health Insurance Deductibility	PQ: 230–191; A: 229–188 (2/21/95).
H. Res. 91 (2/21/95)	O	H.R. 830	Paperwork Reduction Act	A: voice vote (2/22/95).
H. Res. 92 (2/21/95)	MC	H.R. 889	Defense Supplemental	A: 282–144 (2/22/95).
H. Res. 93 (2/22/95)	MO	H.R. 450	Regulatory Transition Act	A: 252–175 (2/23/95).
H. Res. 96 (2/24/95)	MO	H.R. 1022	Risk Assessment	A: 253–165 (2/27/95).
H. Res. 100 (2/27/95)	O	H.R. 926	Regulatory Reform and Relief Act	A: voice vote (2/28/95).
H. Res. 101 (2/28/95)	MO	H.R. 925	Private Property Protection Act	A: 271–151 (3/2/95).
H. Res. 103 (3/3/95)	MO	H.R. 1058	Securities Litigation Reform	
H. Res. 104 (3/3/95)	MO	H.R. 988	Attorney Accountability Act	A: voice vote (3/6/95).
H. Res. 105 (3/6/95)	MO			A: 257–155 (3/7/95).
H. Res. 108 (3/7/95)	Debate	H.R. 956	Product Liability Reform	A: voice vote (3/8/95).
H. Res. 109 (3/8/95)	MC			PQ: 234–191 A: 247–181 (3/9/95).
H. Res. 115 (3/14/95)	MO	H.R. 1159	Making Emergency Supp. Approps	A: 242–190 (3/15/95).
H. Res. 116 (3/15/95)	MC	H.J. Res. 73	Term Limits Const. Amdt	A: voice vote (3/28/95).
H. Res. 117 (3/16/95)	Debate	H.R. 4	Personal Responsibility Act of 1995	A: voice vote (3/21/95).
H. Res. 119 (3/21/95)	MC			A: 217–211 (3/22/95).
H. Res. 125 (4/3/95)	O	H.R. 1271	Family Privacy Protection Act	A: 423–1 (4/4/95).
H. Res. 126 (4/3/95)	O	H.R. 660	Older Persons Housing Act	A: voice vote (4/6/95).
H. Res. 128 (4/4/95)	MC	H.R. 1215	Contract With America Tax Relief Act of 1995	A: 228–204 (4/5/95).
H. Res. 130 (4/5/95)	MC	H.R. 483	Medicare Select Expansion	A: 253–172 (4/6/95).
H. Res. 136 (5/1/95)	O	H.R. 655	Hydrogen Future Act of 1995	A: voice vote (5/2/95).
H. Res. 139 (5/3/95)	O	H.R. 1361	Coast Guard Auth. FY 1996	A: voice vote (5/9/95).
H. Res. 140 (5/9/95)	O	H.R. 961	Clean Water Amendments	A: 414–4 (5/10/95).
H. Res. 144 (5/11/95)	O	H.R. 535	Fish Hatchery—Arkansas	A: voice vote (5/15/95).
H. Res. 145 (5/11/95)	O	H.R. 584	Fish Hatchery—Iowa	A: voice vote (5/15/95).
H. Res. 146 (5/11/95)	O	H.R. 614	Fish Hatchery—Minnesota	A: voice vote (5/15/95).
H. Res. 149 (5/16/95)	MC	H. Con. Res. 67	Budget Resolution FY 1996	PQ: 252–170 A: 255–168 (5/17/95).
H. Res. 155 (5/22/95)	MO	H.R. 1561	American Overseas Interests Act	A: 233–176 (5/23/95).
H. Res. 164 (6/8/95)	MC	H.R. 1530	Nat. Defense Auth. FY 1996	PQ: 225–191 A: 233–183 (6/13/95).
H. Res. 167 (6/15/95)	O	H.R. 1817	MilCon Appropriations FY 1996	PQ: 223–180 A: 245–155 (6/16/95).
H. Res. 169 (6/19/95)	MC	H.R. 1854	Leg. Branch Approps. FY 1996	PQ: 232–196 A: 236–191 (6/20/95).
H. Res. 170 (6/20/95)	O	H.R. 1868	For. Ops. Approps. FY 1996	PQ: 221–178 A: 217–175 (6/22/95).
H. Res. 171 (6/22/95)	O	H.R. 1905	Energy & Water Approps. FY 1996	A: voice vote (7/12/95).
H. Res. 173 (6/27/95)	C	H.J. Res. 79	Flag Constitutional Amendment	PQ: 258–170 A: 271–152 (6/28/95).
H. Res. 176 (6/28/95)	MC	H.R. 1944	Emer. Supp. Approps	PQ: 236–194 A: 234–192 (6/29/95).
H. Res. 185 (7/11/95)	O	H.R. 1977	Interior Approps. FY 1996	PQ: 235–193 D: 192–238 (7/12/95).
H. Res. 187 (7/12/95)	O	H.R. 1977	Interior Approps. FY 1996 #2	PQ: 230–194 A: 229–195 (7/13/95).
H. Res. 188 (7/12/95)	O	H.R. 1976	Agriculture Approps. FY 1996	PQ: 242–185 A: voice vote (7/18/95).
H. Res. 190 (7/17/95)	O	H.R. 2020	Treasury/Postal Approps. FY 1996	PQ: 232–192 A: voice vote (7/18/95).
H. Res. 193 (7/19/95)	C	H.J. Res. 96	Disapproval of MFN to China	A: voice vote (7/20/95).
H. Res. 194 (7/19/95)	O	H.R. 2002	Transportation Approps. FY 1996	PQ: 217–202 (7/21/95).
H. Res. 197 (7/21/95)	O	H.R. 70	Exports of Alaskan Crude Oil	A: voice vote (7/24/95).
H. Res. 198 (7/21/95)	O	H.R. 2076	Commerce, State Approps. FY 1996	A: voice vote (7/25/95).
H. Res. 201 (7/25/95)	O	H.R. 2099	VA/HUD Approps. FY 1996	A: 230–189 (7/25/95).
H. Res. 204 (7/28/95)	MC	S. 21	Terminating U.S. Arms Embargo on Bosnia	A: voice vote (8/1/95).
H. Res. 205 (7/28/95)	O	H.R. 2126	Defense Approps. FY 1996	A: 409–1 (7/31/95).
H. Res. 207 (8/1/95)	MC	H.R. 1555	Communications Act of 1995	A: 255–156 (8/2/95).
H. Res. 208 (8/1/95)	O	H.R. 2127	Labor, HHS Approps. FY 1996	A: 323–104 (8/2/95).
H. Res. 215 (9/7/95)	O	H.R. 1594	Economically Targeted Investments	A: voice vote (9/12/95).
H. Res. 216 (9/7/95)	MO	H.R. 1655	Intelligence Authorization FY 1996	A: voice vote (9/12/95).
H. Res. 218 (9/12/95)	O	H.R. 1162	Deficit Reduction Lockbox	A: voice vote (9/13/95).
H. Res. 219 (9/12/95)	O	H.R. 1670	Federal Acquisition Reform Act	A: 414–0 (9/13/95).
H. Res. 222 (9/18/95)	O	H.R. 1617	CAREERS Act	A: 388–2 (9/19/95).
H. Res. 224 (9/19/95)	O	H.R. 2274	Natl. Highway System	PQ: 241–173 A: 375–39–1 (9/20/95).
H. Res. 225 (9/19/95)	MC	H.R. 927	Cuban Liberty & Dem. Solidarity	A: 304–118 (9/20/95).
H. Res. 226 (9/21/95)	O	H.R. 743	Team Act	A: 344–66–1 (9/27/95).
H. Res. 227 (9/21/95)	O	H.R. 1170	3-Judge Court	A: voice vote (9/28/95).
H. Res. 228 (9/21/95)	O	H.R. 1601	Internatl. Space Station	A: voice vote (9/27/95).
H. Res. 230 (9/27/95)	C	H.J. Res. 108	Continuing Resolution FY 1996	A: voice vote (9/28/95).

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS—Continued

[As of November 16, 1995]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 234 (9/29/95)	O	H.R. 2405	Omnibus Science Auth	A: voice vote (10/11/95).
H. Res. 237 (10/17/95)	MC	H.R. 2259	Disapprove Sentencing Guidelines	A: voice vote (10/18/95).
H. Res. 238 (10/18/95)	MC	H.R. 2425	Medicare Preservation Act	PQ: 231–194 A: 227–192 (10/19/95).
H. Res. 239 (10/19/95)	C	H.R. 2492	Leg. Branch Approps	PQ: 235–184 A: voice vote (10/31/95).
H. Res. 245 (10/25/95)	MC	H. Con. Res. 109	Social Security Earnings Reform	PQ: 228–191 A: 235–185 (10/26/95).
		H.R. 2491	Seven-Year Balanced Budget	
H. Res. 251 (10/31/95)	C	H.R. 1833	Partial Birth Abortion Ban	A: 237–190 (11/1/95).
H. Res. 252 (10/31/95)	MO	H.R. 2546	D.C. Approps.	A: 241–181 (11/1/95).
H. Res. 257 (11/7/95)	C	H.J. Res. 115	Cont. Res. FY 1996	A: 216–210 (11/8/95).
H. Res. 258 (11/8/95)	MC	H.R. 2586	Debt Limit	A: 220–200 (11/10/95).
H. Res. 259 (11/9/95)	O	H.R. 2539	ICC Termination Act	A: voice vote (11/14/95).
H. Res. 261 (11/9/95)	C	H.J. Res. 115	Cont. Resolution	A: 223–182 (11/10/95).
H. Res. 262 (11/9/95)	C	H.R. 2586	Increase Debt Limit	A: 220–185 (11/10/95).
H. Res. 269 (11/15/95)	O	H.R. 2564	Lobbying Reform	A: voice vote (11/16/95).
H. Res. 270 (11/15/95)	C	H.J. Res. 122	Further Cont. Resolution	A: 229–176 (11/15/95).
H. Res. 272 (11/16/95)	MC	H.R. 2606	Prohibition on Funds for Bosnia	

Codes: O-open rule; MO-modified open rule; MC-modified closed rule; C-closed rule; A-adoption vote; D-defeated; PQ-previous question vote. Source: Notices of Action Taken, Committee on Rules, 104th Congress.

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

Mr. HALL of Ohio. Mr. Speaker, I yield myself such time as I may consume.

(Mr. HALL of Ohio asked and was given permission to revise and extend his remarks.)

Mr. HALL of Ohio. Mr. Speaker, House Resolution 273 is a modified closed rule which will allow consideration of H.R. 2606, a bill to prohibit funds appropriated to the Department of Defense from being used to deploy United States ground forces in Bosnia and Herzegovina for peacekeeping operations.

As my colleague from New York, the chairman of the Rules Committee, Mr. SOLOMON, described, this rule provides 1 hour of general debate, equally divided and controlled by the chairman and ranking minority member of the Committee on National Security.

Under this modified closed rule, the minority leader or his designee may offer one motion to amend, debatable for 1 hour.

Mr. Speaker, this is more than a vote on sending troops overseas. It is a vote on whether this Nation stands behind a peace process that has a chance to stop the terrible war in Bosnia which has raged for 4 years.

Now is not the time to take up this issue. As we speak, the leaders of Croatia, Bosnia, and Serbia are engaged in peace talks at Wright-Patterson Air Force Base outside Dayton, OH. These talks, under the sponsorship of the U.S. Government, are the best and last chance for peace in the Balkans.

This bill, coming at this time, will seriously undermine the peace negotiations in Dayton and could lead to renewed bloodshed in Bosnia.

Securing peace in Bosnia is in the national interest. The conflict in this region represents the most dangerous military threat to Europe in the last 50 years. Two world wars during this century were the result of failing to secure the peace in Europe and we must take every reasonable step to prevent this from happening again for the sake of our own national security.

Earlier this year, I traveled to Bosnia and Herzegovina and saw first hand the savage war that is tearing that region apart. I met women and children who were forced out of their homes and who were petrified that their missing fathers, husbands, and sons had ended up in some mass grave. I saw pain, suffering, and tragedy. That trip convinced me more than ever the importance of establishing peace in the region and the possibility of the United States serving as an essential link in the peace process.

It also convinced me that the United States can play a pivotal role in establishing humanitarian assistance to the people of this region as part of a negotiated peace settlement.

Nobody denies that Congress has a critical role in approving use of United States Armed Forces for peacekeeping in the Balkans. We have found from experience that a successful U.S. military action requires the approval of the American people and their representatives in Congress.

The President shares this view. In a November 13, 1995, letter to Speaker GINGRICH, the President promised that he will ask Congress for an expression of support for United States participation in a NATO-led implementation force in Bosnia promptly if and when the parties have initialed a genuine peace agreement. After initializing an agreement, he assured us and I quote:

> There will be a timely opportunity for Congress to consider and act upon my request for support before American forces are deployed in Bosnia.

During my term as a House Member, one of the great moments in this Chamber was the debate over sending U.S. troops to participate in the Gulf war. After lengthy and sincere debate, the House supported President Bush's request.

The House action came in response to a specific request by President Bush for congressional approval after the President had developed his objectives in the Gulf. Congress didn't jump the gun by forcing a vote before the President was ready.

Congress did not even take up the issue until President Bush had already deployed a half million U.S. troops to the Persian Gulf. Congress waited. Congress gave the President a chance. Congress even let the President send a half million troops, ready to fight a war, and then and only then did Congress debate the issue. We waited because we didn't want to tie the President's hands.

By contrast, President Clinton has promised Congress that he will come back to us before any troops are deployed.

We need to wait until the President has had time to reach a peace agreement. Then and only then can we carry out the kind of serious debate of which this body is capable.

I have faith in the President and his negotiating team led by Assistant Secretary Richard Holbrooke. I believe that a peace agreement can be reached. But that won't happen if Congress gets in the way too early.

Passage of this bill will hurt the peace process. If we pass this bill now, we will tie the President's hands and reduce his ability to negotiate a peace with the warring factions.

My community of Dayton, OH, has a special interest in this process. I represent a portion of Wright-Patterson Air Force Base, which is the site of the proximity talks between the Balkan leaders.

We are honored that the State Department chose our community as the site of the talks. We have a great deal of pride in hosting the talks. We would like the Dayton talks to be remembered as a pivotal moment in world peace, not a footnote to the history of warfare in this turbulent region.

Mr. Speaker, the modified closed rule sets fair conditions for debating this critical issue of war and peace. My objection is directed toward the bill and its consideration at this time.

We must vote to give peace a chance. We must not jeopardize the opportunity to end the fighting. Vote against the bill, against the suffering and tragedy in Bosnia.

FLOOR PROCEDURE IN THE 104TH CONGRESS; COMPILED BY THE RULES COMMITTEE DEMOCRATS

Bill No.	Title	Resolution No.	Process used for floor consideration	Amendments in order
H.R. 1*	Compliance	H. Res. 6	Closed	None.
H. Res. 6	Opening Day Rules Package	H. Res. 5	Closed; contained a closed rule on H.R. 1 within the closed rule	None.
H.R. 5*	Unfunded Mandates	H. Res. 38	Restrictive; Motion adopted over Democratic objection in the Committee of the Whole to limit debate on section 4; Pre-printing gets preference.	N/A.
H.J. Res. 2*	Balanced Budget	H. Res. 44	Restrictive; only certain substitutes	2R; 4D.
H. Res. 43	Committee Hearings Scheduling	H. Res. 43 (OJ)	Restrictive; considered in House no amendments	N/A.
H.R. 2*	Line Item Veto	H. Res. 55	Open; Pre-printing gets preference	N/A.
H.R. 665*	Victim Restitution Act of 1995	H. Res. 61	Open; Pre-printing gets preference	N/A.
H.R. 666*	Exclusionary Rule Reform Act of 1995	H. Res. 60	Open; Pre-printing gets preference	N/A.
H.R. 667*	Violent Criminal Incarceration Act of 1995	H. Res. 63	Restrictive; 10 hr. Time Cap on amendments	N/A.
H.R. 668*	The Criminal Alien Deportation Improvement Act	H. Res. 69	Open; Pre-printing gets preference; Contains self-executing provision	N/A.
H.R. 728*	Local Government Law Enforcement Block Grants	H. Res. 79	Restrictive; 10 hr. Time Cap on amendments; Pre-printing gets preference	N/A.
H.R. 7*	National Security Revitalization Act	H. Res. 83	Restrictive; 10 hr. Time Cap on amendments; Pre-printing gets preference	N/A.
H.R. 729*	Death Penalty/Habeas	N/A	Restrictive; brought up under UC with a 6 hr. time cap on amendments	N/A.
S. 2	Senate Compliance	N/A	Closed; Put on Suspension Calendar over Democratic objection	None.
H.R. 831	To Permanently Extend the Health Insurance Deduction for the Self-Employed.	H. Res. 88	Restrictive; makes in order only the Gibbons amendment; Waives all points of order; Contains self-executing provision.	1D.
H.R. 830*	The Paperwork Reduction Act	H. Res. 91	Open	N/A.
H.R. 889	Emergency Supplemental/Rescinding Certain Budget Authority	H. Res. 92	Restrictive; makes in order only the Obey substitute	1D.
H.R. 450*	Regulatory Moratorium	H. Res. 93	Restrictive; 10 hr. Time Cap on amendments; Pre-printing gets preference	N/A.
H.R. 1022*	Risk Assessment	H. Res. 96	Restrictive; 10 hr. Time Cap on amendments	N/A.
H.R. 926*	Regulatory Flexibility	H. Res. 100	Open	N/A.
H.R. 925*	Private Property Protection Act	H. Res. 101	Restrictive; 12 hr. time cap on amendments; Requires Members to pre-print their amendments in the Record prior to the bill's consideration for amendment, waives germaneness and budget act points of order as well as points of order concerning appropriating on a legislative bill against the committee substitute used as base text.	1D.
H.R. 1058*	Securities Litigation Reform Act	H. Res. 105	Restrictive; 8 hr. time cap on amendments; Pre-printing gets preference; Makes in order the Wyden amendment and waives germaneness against it.	1D.
H.R. 988*	The Attorney Accountability Act of 1995	H. Res. 104	Restrictive; 7 hr. time cap on amendments; Pre-printing gets preference	N/A.
H.R. 956*	Product Liability and Legal Reform Act	H. Res. 109	Restrictive; makes in order only 15 germane amendments and denies 64 germane amendments from being considered.	8D; 7R.
H.R. 1158	Making Emergency Supplemental Appropriations and Rescissions	H. Res. 115	Restrictive; Combines emergency H.R. 1158 & nonemergency 1159 and strikes the abortion provision; makes in order only pre-printed amendments that include offsets within the same chapter (deeper cuts in programs already cut); waives points of order against three amendments; waives cl 2 of rule XXI against the bill, cl 2, XXI and cl 7 of rule XVI against the substitute; waives cl 2(e) od rule XXI against the amendments in the Record; 10 hr time cap on amendments. 30 minutes debate on each amendment.	N/A.
H.J. Res. 73*	Term Limits	H. Res. 116	Restrictive; Makes in order only 4 amendments considered under a ''Queen of the Hill'' procedure and denies 21 germane amendments from being considered.	1D; 3R
H.R. 4*	Welfare Reform	H. Res. 119	Restrictive; Makes in order only 31 perfecting amendments and two substitutes; Denies 130 germane amendments from being considered; The substitutes are to be considered under a ''Queen of the Hill'' procedure; All points of order are waived against the amendments.	5D; 26R.
H.R. 1271*	Family Privacy Act	H. Res. 125	Open	N/A.
H.R. 660*	Housing for Older Persons Act	H. Res. 126	Open	N/A.
H.R. 1215*	The Contract With America Tax Relief Act of 1995	H. Res. 129	Restrictive; Self Executes language that makes tax cuts contingent on the adoption of a balanced budget plan and strikes section 3006. Makes in order only one substitute. Waives all points of order against the bill, substitute made in order as original text and Gephardt substitute.	1D.
H.R. 483	Medicare Select Extension	H. Res. 130	Restrictive; waives cl 2(1)(6) of rule XI against the bill; makes H.R. 1391 in order as original text; makes in order only the Dingell substitute; allows Commerce Committee to file a report on the bill at any time.	1D.
H.R. 655	Hydrogen Future Act	H. Res. 136	Open	N/A.
H.R. 1361	Coast Guard Authorization	H. Res. 139	Open; waives sections 302(f) and 308(a) of the Congressional Budget Act against the bill's consideration and the committee substitute; waives cl 5(a) of rule XXI against the committee substitute.	N/A.
H.R. 961	Clean Water Act	H. Res. 140	Open; pre-printing gets preference; waives sections 302(f) and 602(b) of the Budget Act against the bill's consideration; waives cl 7 of rule XVI, cl 5(a) of rule XXI and section 302(f) of the Budget Act against the committee substitute. Makes in order Shuster substitute as first order of business.	N/A.
H.R. 535	Corning National Fish Hatchery Conveyance Act	H. Res. 144	Open	N/A.
H.R. 584	Conveyance of the Fairport National Fish Hatchery to the State of Iowa.	H. Res. 145	Open	N/A.
H.R. 614	Conveyance of the New London National Fish Hatchery Production Facility.	H. Res. 146	Open	N/A.
H. Con. Res. 67	Budget Resolution	H. Res. 149	Restrictive; Makes in order 4 substitutes under regular order; Gephardt, Neumann/Solomon, Payne/Owens, President's Budget if printed in Record on 5/17/95; waives all points of order against substitutes and concurrent resolution; suspends application of Rule XLIX with respect to the resolution; self-executes Agriculture language.	3D; 1R.
H.R. 1561	American Overseas Interests Act of 1995	H. Res. 155	Restrictive; Requires amendments to be printed in the Record prior to their consideration; 10 hr. time cap; waives cl 2(1)(6) of rule XI against the bill's consideration; Also waives sections 302(f), 303(a), 308(a) and 402(a) against the bill's consideration and the committee amendment in order as original text; waives cl 5(a) of rule XXI against the amendment; amendment consideration is closed at 2:30 p.m. on May 25, 1995. Self-executes provision which removes section 2210 from the bill. This was done at the request of the Budget Committee.	N/A.
H.R. 1530	National Defense Authorization Act FY 1996	H. Res. 164	Restrictive; Makes in order only the amendments printed in the report; waives all points of order against the bill, substitute and amendments printed in the report. Gives the Chairman en bloc authority. Self-executes a provision which strikes section 807 of the bill; provides for an additional 30 min. of debate on Nunn-Lugar section; Allows Mr. Clinger to offer a modification of his amendment with the concurrence of Ms. Collins.	36R; 18D; 2 Bipartisan.
H.R. 1817	Military Construction Appropriations; FY 1996	H. Res. 167	Open; waives cl. 2 and cl. 6 of rule XXI against the bill; 1 hr. general debate; Uses House passed budget numbers as threshold for spending amounts pending passage of Budget.	N/A.
H.R. 1854	Legislative Branch Appropriations	H. Res. 169	Restrictive; Makes in order only 11 amendments; waives sections 302(f) and 308(a) of the Budget Act against the bill and cl. 2 and cl. 6 of rule XXI against the bill. All points of order are waived against the amendments.	5R; 4D; 2 Bipartisan.
H.R. 1868	Foreign Operations Appropriations	H. Res. 170	Open; waives cl. 2, cl. 5(b), and cl. 6 of rule XXI against the bill; makes in order the Gilman amendments as first order of business; waives all points of order against the amendments; if adopted they will be considered as original text; waives cl. 2 of rule XXI against the amendments printed in the report. Pre-printing gets priority (Hall) (Menendez) (Goss) (Smith, NJ).	N/A.
H.R. 1905	Energy & Water Appropriations	H. Res. 171	Open; waives cl. 2 and cl. 6 of rule XXI against the bill; makes in order the Shuster amendment as the first order of business; waives all points of order against the amendment; if adopted it will be considered as original text. Pre-printing gets priority.	N/A.
H.J. Res. 79	Constitutional Amendment to Permit Congress and States to Prohibit the Physical Desecration of the American Flag.	H. Res. 173	Closed; provides one hour of general debate and one motion to recommit with or without instructions; if there are instructions, the MO is debatable for 1 hr.	N/A.
H.R. 1944	Recissions Bill	H. Res. 175	Restrictive; Provides for consideration of the bill in the House; Permits the Chairman of the Appropriations Committee to offer one amendment which is unamendable; waives all points of order against the amendment.	N/A.
H.R. 1868 (2nd rule)	Foreign Operations Appropriations	H. Res. 177	Restrictive; Provides for further consideration of the bill; makes in order only the four amendments printed in the rules report (20 min each). Waives all points of order against the amendments; Prohibits intervening motions in the Committee of the Whole; Provides for an automatic rise and report following the disposition of the amendments.	N/A.
H.R. 1977 *Rule Defeated*	Interior Appropriations	H. Res. 185	Open; waives sections 302(f) and 308(a) of the Budget Act and cl 2 and cl 6 of rule XXI; provides that the bill be read by title; waives all points of order against the Tauzin amendment; self-executes Budget Committee amendment; waives cl 2(e) of rule XXI against amendments to the bill; Pre-printing gets priority.	N/A.
H.R. 1977	Interior Appropriations	H.Res. 187	Open; waives sections 302(f), 306 and 308(a) of the Budget Act; waives clauses 2 and 6 of rule XXI against provisions in the bill; waives all points of order against the Tauzin amendment; provides that the bill be read by title; self-executes Budget Committee amendment and makes NEA funding subject to House passed authorization; waives cl 2(e) of rule XXI against the amendments to the bill; Pre-printing gets priority.	N/A.

FLOOR PROCEDURE IN THE 104TH CONGRESS; COMPILED BY THE RULES COMMITTEE DEMOCRATS—Continued

Bill No.	Title	Resolution No.	Process used for floor consideration	Amendments in order
H.R. 1976	Agriculture Appropriations	H. Res. 188	Open; waives clauses 2 and 6 of rule XXI against provisions in the bill; provides that the bill be read by title; Makes Skeen amendment first order of business, if adopted the amendment will be considered as base text (10 min.); Pre-printing gets priority.	N/A.
H.R. 1977 (3rd rule)	Interior Appropriations	H. Res. 189	Restrictive; provides for the further consideration of the bill; allows only amendments pre-printed before July 14th to be considered; limits motions to rise.	N/A.
H.R. 2020	Treasury Postal Appropriations	H. Res. 190	Open; waives cl. 2 and cl. 6 of rule XXI against provisions in the bill; provides the bill be read by title; Pre-printing gets priority.	N/A.
H.J. Res. 96	Disapproving MFN for China	H. Res. 193	Restrictive; provides for consideration in the House of H.R. 2058 (90 min.) And H.J. Res. 96 (1 hr). Waives certain provisions of the Trade Act.	N/A.
H.R. 2002	Transportation Appropriations	H. Res. 194	Open; waives cl. 3 0f rule XIII and section 401 (a) of the CBA against consideration of the bill; waives cl. 6 and cl. 2 of rule XXI against provisions in the bill; Makes in order the Clinger/Solomon amendment waives all points of order against the amendment (Line Item Veto); provides the bill be read by title; Pre-printing gets priority. *RULE AMENDED*.	N/A.
H.R. 70	Exports of Alaskan North Slope Oil	H. Res. 197	Open; Makes in order the Resources Committee amendment in the nature of a substitute as original text; Pre-printing gets priority; Provides a Senate hook-up with S. 395.	N/A.
H.R. 2076	Commerce, Justice Appropriations	H. Res. 198	Open; waives cl. 2 and cl. 6 of rule XXI against provisions in the bill; Pre-printing gets priority; provides the bill be read by title..	N/A.
H.R. 2099	VA/HUD Appropriations	H. Res. 201	Open; waives cl. 2 and cl. 6 of rule XXI against provisions in the bill; Provides that the amendment in part 1 of the report is the first business, if adopted it will be considered as base text (30 min); waives all points of order against the Klug and Davis amendments; Pre-printing gets priority; Provides that the bill be read by title.	N/A.
S. 21	Termination of U.S. Arms Embargo on Bosnia	H. Res. 204	Restrictive; 3 hours of general debate; Makes in order an amendment to be offered by the Minority Leader or a designee (1 hr); If motion to recommit has instructions it can only be offered by the Minority Leader or a designee.	ID.
H.R. 2126	Defense Appropriations	H. Res. 205	Open; waives cl. 2(l)(6) of rule XI and section 306 of the Congressional Budget Act against consideration of the bill; waives cl. 2 and cl. 6 of rule XXI against provisions in the bill; self-executes a strike of sections 8021 and 8024 of the bill as requested by the Budget Committee; Pre-printing gets priority; Provides the bill be read by title.	N/A.
H.R. 1555	Communications Act of 1995	H. Res. 207	Restrictive; waives sec. 302(f) of the Budget Act against consideration of the bill; Makes in order the Commerce Committee amendment as original text and waives sec. 302(f) of the Budget Act and cl. 5(a) of rule XXI against the amendment; Makes in order the Bliely amendment (30 min) as the first order of business, if adopted it will be original text; makes in order only the amendments printed in the report and waives all points of order against the amendments; provides a Senate hook-up with S. 652.	2R/3D/3 Bipartisan.
H.R. 2127	Labor/HHS Appropriations Act	H. Res. 208	Open; Provides that the first order of business will be the managers amendments (10 min), if adopted they will be considered as base text; waives cl. 2 and cl. 6 of rule XXI against provisions in the bill; waives all points of order against certain amendments printed in the report; Pre-printing gets priority; Provides the bill be read by title.	N/A
H.R. 1594	Economically Targeted Investments	H. Res. 215	Open; 2 hr of gen. debate. makes in order the committee substitute as original text	N/A
H.R. 1655	Intelligence Authorization	H. Res. 216	Restrictive; waives sections 302(f), 308(a) and 401(b) of the Budget Act. Makes in order the committee substitute as modified by Govt. Reform amend (striking sec. 505) and an amendment striking title VII. Cl 7 of rule XVI and cl 5(a) of rule XXI are waived against the substitute. Sections 302(f) and 401(b) of the CBA are also waived against the substitute. Amendments must also be pre-printed in the Congressional record.	N/A
H.R. 1162	Deficit Reduction Lock Box	H. Res. 218	Open; waives cl 7 of rule XVI against the committee substitute made in order as original text; Pre-printing gets priority.	N/A
H.R. 1670	Federal Acquisition Reform Act of 1995	H. Res. 219	Open; waives sections 302(f) and 308(a) of the Budget Act against consideration of the bill; bill will be read by title; waives cl 5(a) of rule XXI and section 302(f) of the Budget Act against the committee substitute. Pre-printing gets priority.	N/A
H.R. 1617	To Consolidate and Reform Workforce Development and Literacy Programs Act (CAREERS).	H. Res. 222	Open; waives section 302(f) and 401(b) of the Budget Act against the substitute made in order as original text (H.R. 2332), cl. 5(a) of rule XXI is also waived against the substitute. provides for consideration of the managers amendment (10 min.) If adopted, it is considered as base text.	N/A
H.R. 2274	National Highway System Designation Act of 1995	H. Res. 224	Open; waives section 302(f) of the Budget Act against consideration of the bill; Makes H.R. 2349 in order as original text; waives section 302(f) of the Budget Act against the substitute; provides for the consideration of a managers amendment (10 min) If adopted, it is considered as base text; Pre-printing gets priority.	N/A
H.R. 927	Cuban Liberty and Democratic Solidarity Act of 1995	H. Res. 225	Restrictive; waives cl 2(L)(2)(B) of rule XI against consideration of the bill; makes in order H.R. 2347 as base text; waives cl 7 of rule XVI against the substitute; Makes Hamilton amendment the first amendment to be considered (1 hr). Makes in order only amendments printed in the report.	2R/2D
H.R. 743	The Teamwork for Employees and managers Act of 1995	H. Res. 226	Open; waives cl 2(l)(2)(b) of rule XI against consideration of the bill; makes in order the committee amendment as original text; Pre-printing get priority.	N/A
H.R. 1170	3-Judge Court for Certain Injunctions	H. Res. 227	Open; makes in order a committee amendment as original text; Pre-printing gets priority	N/A
H.R. 1601	International Space Station Authorization Act of 1995	H. Res. 228	Open; makes in order a committee amendment as original text; pre-printing gets priority	N/A
H.J. Res. 108	Making Continuing Appropriations for FY 1996	H. Res. 230	Closed; Provides for the immediate consideration of the CR; one motion to recommit which may have instructions only if offered by the Minority Leader or a designee.	
H.R. 2405	Omnibus Civilian Science Authorization Act of 1995	H. Res. 234	Open; self-executes a provision striking section 304(b)(3) of the bill (Commerce Committee request); Pre-printing gets priority.	N/A
H.R. 2259	To Disapprove Certain Sentencing Guideline Amendments	H. Res. 237	Restrictive; waives cl 2(l)(2)(B) of rule XI against the bill's consideration; makes in order the text of the Senate bill S. 1254 as original text; Makes in order only a Conyers substitute; provides a senate hook-up after adoption.	1D
H.R. 2425	Medicare Preservation Act	H. Res. 238	Restrictive; waives all points of order against the bill's consideration; makes in order the text of H.R. 2485 as original text; waives all points of order against H.R. 2485; makes in order only an amendment offered by the Minority Leader or a designee; waives all points of order against the amendment; waives cl 5© of rule XXI (⅗ requirement on votes raising taxes).	1D
H.R. 2492	Legislative Branch Appropriations Bill	H. Res. 239	Restrictive; provides for consideration of the bill in the House	N/A
H.R. 2491 H. Con. Res. 109	7 Year Balanced Budget Reconciliation Social Security Earnings Test Reform.	H. Res. 245	Restrictive; makes in order H.R. 2517 as original text; waives all pints of order against the bill; Makes in order only H.R. 2530 as an amendment only if offered by the Minority Leader or a designee; waives all points of order against the amendment; waives cl 5© of rule XXI (⅗ requirement on votes raising taxes).	1D
H.R. 1833	Partial Birth Abortion Ban Act of 1995	H. Res. 251	Closed	N/A
H.R. 2546	D.C. Appropriations FY 1996	H. Res. 252	Restrictive; waives all points of order against the bill's consideration; Makes in order the Walsh amendment as the first order of business (10 min); if adopted it is considered as base text; waives cl 2 and 6 of rule XXI against the bill; makes in order the Bonilla, Gunderson and Hostettler amendments (30 min); waives all points of order against the amendments; debate on any further amendments is limited to 30 min. each.	N/A
H.J. Res. 115	Further Continuing Appropriations for FY 1996	H. Res. 257	Closed; Provides for the immediate consideration of the CR; one motion to recommit which may have instructions only if offered by the Minority Leader or a designee.	N/A
H.R. 2586	Temporary Increase in the Statutory Debt Limit	H. Res. 258	Restrictive; Provides for the immediate consideration of the CR; one motion to recommit which may have instructions only if offered by the Minority Leader or a designee; self-executes 4 amendments in the rule; Solomon, Medicare Coverage of Certain Anti-Cancer Drug Treatments, Habeas Corpus Reform, Chrysler (MI); makes in order the Walker amend (40 min) on regulatory reform.	5R
H.R. 2539	ICC Termination	H. Res. 259	Open; waives section 302(f) and section 308(a)	
H.J. Res. 115	Further Continuing Appropriations for FY 1996	H. Res. 261	Closed; provides for the immediate consideration of a motion by the Majority Leader or his designees to dispose of the Senate amendments (1hr).	N/A
H.R. 2586	Temporary Increase in the Statutory Limit on the Public Debt	H. Res. 262	Closed; provides for the immediate consideration of a motion by the Majority Leader or his designees to dispose of the Senate amendments (1hr).	N/A
H. Res. 250	House Gift Rule Reform	H. Res. 268	Closed; provides for consideration of the bill in the House; 30 min. of debate; makes in order the Burton amendment and the Gingrich en bloc amendment (30 min. each); waives all points of order against the amendments; Gingrich is only in order if Burton fails or is not offered.	2R
H.R. 2564	Lobbying Disclosure Act of 1995	H. Res. 269	Open; waives cl. 2(l)(6) of rule XI against the bill's consideration; waives all points of order against the Istook and McIntosh amendments.	N/A

FLOOR PROCEDURE IN THE 104TH CONGRESS; COMPILED BY THE RULES COMMITTEE DEMOCRATS—Continued

Bill No.	Title	Resolution No.	Process used for floor consideration	Amendments in order
H.R. 2606	Prohibition on Funds for Bosnia Deployment	H. Res. 273	Restrictive; waives all points of order against the bill's consideration; provides one motion to amend if offered by the Minority Leader or designee (1 hr non-amendable); motion to recommit which may have instructions only if offered by Minority Leader or his designee; if Minority Leader motion is not offered debate time will be extended by 1 hr.	N/A

*Contract Bills, 67% restrictive; 33% open. **All legislation, 56% restrictive; 44% open. ***Restrictive rules are those which limit the number of amendments which can be offered, and include so called modified open and modified closed rules as well as completely closed rules and rules providing for consideration in the House as opposed to the Committee of the Whole. This definition of restrictive rule is taken from the Republican chart of resolutions reported from the Rules Committee in the 103rd Congress. ****Not included in this chart are three bills which should have been placed on the Suspension Calendar. H.R. 101, H.R. 400, H.R. 440.

□ 1545

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

Mr. SOLOMON. Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. GOSS], an outstanding Member, who has not only served with the Central Intelligence Agency in a former career, but has also been an important Member in intelligence matters in this House.

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

Mr. GOSS. Mr. Speaker, I thank the distinguished chairman of the Committee on Rules from Glens Falls, NY, Mr. SOLOMON, for yielding me this time, and for his very strong leadership on this issue.

Mr. Speaker, today we have seen history made when Congress voted to balance the budget for the first time since the first year of the Nixon Presidency. However, as extraordinary as that is, H.R. 2606 is perhaps more immediately important. I say that because this legislation directly concerns the lives of 25,000 Americans, their families, and friends.

More than any other issue that has come before this Congress, the question of whether or not we send troops to Bosnia has evoked a spontaneous and heartfelt response across America and from my district in southwest Florida. The message is clear, and the message is, ''Do not send our young men and women to Bosnia,'' and I agree strongly.

This Member has not forgotten that just over 1 year ago the administration brought us to the brink of war in Haiti, a tiny, friendly Caribbean neighbor, before cooler heads outside the administration prevailed. And while I now applaud the efforts to reach a diplomatic solution to the war in Bosnia, I wish the President had learned from his earlier disaster in Somalia and near disaster in Haiti, you cannot put troops in harm's way in a foreign country without a clear, achievable objective and a clearly defined exit strategy. It is a recipe for disaster. We certainly cannot put those lives on the line without an American chain of command in a European country whose intense internal feuds date back to before our country was even founded.

The former Secretary General of NATO, Willie Class, has not been replaced since his indictment, in part because of some clumsy diplomacy on our part, I believe.

Last night in the Committee on Rules we heard testimony further on what some would call the Michael New issue or the chain of command issue, concerning the uniform to be worn by American soldiers serving in missions overseas. I agree that this is part of our no-foreign-chain-of-command issue that needs to be debated and needs attention, but I do not think today is the day for it.

Mr. Speaker, we have a good rule before us, it is fair. We have a mightily important subject before us, and I urge support for the rule and support for the very important bill behind it.

Mr. HALL of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from Colorado [Mr. SKAGGS].

Mr. SKAGGS. Mr. Speaker, I have serious doubts, and many of us have serious doubts, about sending troops to Bosnia. But I do not want to do anything to get in the way of peace. And this bill would certainly do just that.

After years of conflict and atrocities, it is hard to see how the parties to the Bosnian war find the ground for an enforceable peace. Any agreement coming out of the Dayton talks will require careful scrutiny and debate before we make the decision about sending troops.

But this is not the day for that debate or decision. We will have that day, if and when there is an agreement. The President has made it clear there will be a vote.

The President deserves a chance now to move ahead on the road toward peace. This proposal is nothing but a transparent effort to embarrass the President in that effort and to make political points, while putting the peace talks at grave risk.

Defeat the rule, defeat the bill.

Mr. SOLOMON. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from San Diego, CA [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Speaker, there are almost as many African-Americans murdered on the streets of the United States as are being killed in Bosnia today. That does not make it less of a problem. But I would ask and the real question is, Would it be more harmful for this body to vote today or tomorrow?

I contend that it would be much worse. Do I want this President to be President? Absolutely not. But I think it would be more harmful for this country and for the President if we waited. If we vote today, I would tell my friend that it would send a message to Ohio that the agreement should not include Americans troops. It does not mean that they cannot still have an agreement. But if we wait until after, or if an agreement is signed, then can you imagine how it would embarrass the President and the leadership prestige of this country?

I think it would be devastating, and I do not think most Members of this House would be willing to do that. We would have to do that. Why? It would cost, and it has been given in testimony, over $3 billion for 1 year. We just talked on this floor about a balanced budget, Mr. Speaker. We would, and General McKenzie and General Boyd, who are in charge of forces over there, said we will lose troops.

I take a look at what our history has been. Look at Somalia, look at Haiti. Those are small areas. This area since 600 years ago in the time of Yugo, and then look at World War II, when the Chetniks were controlled by Maholovich and the partisan with Tito and the Ustasa with Nazi Germany.

This is a question about nationalism, and if you take a look, since the beginning of this time, Belgrade had all the cards. That has changed a little bit, in the fact that most of the fundamentalist Moslem groups like Iran and Pakistan, and so forth, have been funneling arms into that portion of the world. That allowed them to execute the latest offensive. Belgrade knows it is going to get a bloody nose if it engages. It would bring them closer to the peace table.

I ask for the vote today, Mr. Speaker. I think it is very important for this country and the lives of our men and women.

Mr. HALL of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. LEVIN].

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

Mr. LEVIN. Mr. Speaker, I am going to vote against the Hefley proposition. It is not a vote to send troops, it is a vote to let the parties in Dayton develop a peace agreement, if they can, and then we will take a look.

I voted to lift the arms embargo. I voted twice, as I remember, maybe it was three times. I felt, like those who voted to lift the arms embargo, deeply about what was happening there, not to send American troops, but to take steps that we could to try to help end the conflict there.

I do not understand really how people could vote for lifting the embargo and now vote for Hefley. If we had succeeded at that point and arms had been sent there, no one thought that it was likely that the Moslems would overcome and win on an unconditional basis.

We thought there would be a negotiation eventually if the Moslems could defend themselves, and if we had succeeded and there had been a negotiation, then they probably would have said to NATO, we need somebody to enforce it, and they would have said, ''Look, you sent us arms. Now help us enforce it.'' We would not have been a neutral party then under those circumstances. We are not one now.

□ 1600

So, look, my colleagues, let us give negotiations a chance and then take a look. Do not pull the rug out from under those negotiations.

We have been on this floor talking about the tragedy, the tragedy of Bosnia, and that it is. Do not make that tragedy worse.

Mr. HALL of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Mr. Speaker, I do not think I take a back seat to anybody in this Chamber for speaking out against the introduction of United States troops in Bosnia. I voted to lift the arms embargo. I voted for the resolution 2 weeks ago putting the President on notice that this Congress would not automatically presume to sent troops whatever the outcome of peace talks. I have written letters to the White House, and two times in the last 2 days I have talked directly to White House and State Department officials raising my objections.

But, Mr. Speaker, I oppose this resolution. I oppose it because today there are delicate negotiations in Dayton, OH, that may bring peace. To go further in this unprecedented matter pulls the rug out from under those negotiations. I am not aware of previous attempts in the history of this body to so bind a President's hands.

Furthermore, the President of the United States has pledged in writing to every Member of Congress and the Speaker of the House that before he will commit troops to Bosnia he will come to this House to seek approval. This Congress will have a chance to have its final say.

I did not vote in any way to undercut President Reagan in delicate negotiations such as this; I did not vote in any way to undercut President Bush in delicate negotiations such as this; and I will not vote to undercut President Clinton in delicate negotiations such as this.

Two weeks ago this House sent a powerful message to the President of the United States and to the warring parties negotiating saying do not presume there will be troops. We cannot get much louder than that. It was an overwhelming majority. The President of the United States has pledged that he will come to this House to seek approval before he commits troops.

Mr. Speaker, I would just urge the warring parties are doing the talking right now. That is who should be doing the talking today and not the Congress of the United States. We have enough to be talking about in the well of this House.

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

Mr. WISE. I yield to the gentleman from Wisconsin.

Mr. ROTH. Mr. Speaker, the gentleman is making a good statement but it is completely off the mark. The President did not say he will come to Congress and ask for a vote.

Mr. WISE. Mr. Speaker, reclaiming my time, the President has written and said exactly that.

Mr. HALL of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee [Mr. CLEMENT].

Mr. CLEMENT. Mr. Speaker, we have a real opportunity for a peace settlement. These peace talks in Dayton, OH, are a major breakthrough for all of us.

I know all of us have had the opportunity to watch TV at night and see the atrocities and see the children and the families and the civilians being destroyed. So many people in my district and all over the United States have said what can we do to help; how can we help? What can we do to really make a difference? Well, we can make a difference by supporting our President and by supporting the peace policy.

We are not declaring war. We are not going through the process of what we did in World War I and World War II. What we are saying is we want peace to have an opportunity to work. I do not think that is too much for our President to ask. All he is saying to us is that let us give these peace talks an opportunity. Do not interfere with the process prematurely.

We have already voted once and we should not have voted then, and now we are having to walk the plank once again. I hope all of us, whether we be Democrat or Republican, will vote no on the Hefley amendment. It serves no useful purpose, it complicates the process, and it surely does not bring about peace in the area.

We want peace. Sure, these people have been fighting for thousands of years and maybe they want to fight that much longer, but maybe not. I think a lot of the leaders that are meeting in Dayton, OH, have realized maybe we have gone too far, maybe we have seen too much, maybe this is an opportunity for peace once and for all. So when we vote in just a little while, I hope we will all consider all those factors before we vote for the Hefley amendment.

Give the peace process a chance because the President has already said we will have another opportunity to participate and vote once and for all.

Mr. SOLOMON. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. ROHRABACHER], a member of the Committee on International Relations, someone who has served on the Committee on National Security for many years, and who is one of the most knowledgeable Members of this House.

Mr. ROHRABACHER. Mr. Speaker, the Bosnians are not asking for the deployment of American troops. They never have asked for the deployment of American troops. The Croatians are not asking for the deployment of American troops. They have never asked for if deployment of American troops. Whose nutty idea is this to send 25,000 Americans into a meat grinder down in the Balkans? It is the same global strategists who formulated our failed policy that has turned the Balkans problem into a holocaust of historic signifiance and a nightmare to the people of Bosnia. Their policy was an arms embargo which left the victims totally at the mercy of a heavily armed aggressor.

This body voted, and we have spoken time and again and pleaded to lift the arms embargo because it does nothing but hurt the victim. Those people that turned down our request, turned a blind ear to our cries as well as the cries for help in Bosnia, are now telling us we are going to send 25,000 Americans there. That is our only option. Baloney. And we should not let it happen. It is a sin against our own people and it is not even what the Bosnians and the Croatians want.

Do not tell me give peace a chance. We are playing a game, a cruel game with those people in Dayton if we are letting them move forward on their negotiations based on the idea that 25,000 American young people are going to be deployed there. We should make it clear right now to those people that they should negotiate, they should do whatever they can to bring peace, but in an atmosphere of reality.

What if somebody was telling us that the peace plan depends on $250,000 grants to each and every citizen of the Balkans from the people of the United States? Would we be pulling the rug out from under peace negotaitions by saying we are not going to give those grants? Well, we are not going to give those grants and we are not sending those young people there. And we are the ones for reality and peace in the world.

Mr. HALL of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from Connecticut [Mr. GEJDENSON].

Mr. GEJDENSON. Mr. Speaker, those in this chamber who claim that there can be no peace in the Balkans have clearly been in isolation over the last year and a half. At the White House Yasser Arafat and Yitzhak Rabin shook hands over a chasm that lasted for 5,000 years, speaking of peace and having the courage to take a step forward.

It takes some courage here today as well, because, yes, there is a risk out there, Mr. Speaker. Casualties are very tough, tough on the families, tough on the politics of America. None of us want to take that risk. On our side we have always been resistant to the use of force. But to take this action today is an outrage. It is not about the politics of the Presidency, it is not about

whether this President succeeds or not, it is about what happens in the Balkans.

Now, for a moment there is not a lot of fighting going on there. Some of the graves of children are now being uncovered. Let me tell my colleagues what happened to my family as the world debated about whether this was a regional problem or an international problem. This is the story of my father's village in World War II. This paragraph was written by a Nazi, not by some pacifist sympathizer or those who were victims.

Early the next morning we suddenly heard the ghetto was surrounded by the SS. The Jews were herded together, forced out of the ghetto into an open area. There they had to take off their shoes, their coats and their jackets. They began to weep loudly. A boy of 14 tried to run away but was shot immediately. In response, a Jewish man became extremely angry and rebuked the SS. However, he was brutally beaten on the spot so that he had to be transported in a vehicle. The men of the village were forced to dig a large hole. Everyone, children and women, young and old, had to lie face down. Among these miserable creatures there was a woman who had only the day before given birth to a child. That woman was the first who had to stand up and go to her grave and the grave of all. I saw how this woman tottered and reeled, clutching her almost naked infant and crying bitterly, asking for her life. She was pushed brutally into a hole and then shot.

For one moment, the killing has stopped. To give the President and the peace process the patience of several weeks is not too much to ask. To end this brutality that has killed children and women is not too much to ask. Give this peace process some time. The solution is not to rearm people and start the fighting on an even keel so more children and more women will die.

This is a simple request. The President has assured the Speaker he will give him a vote before he asks Americans to risk their lives. Have the courage to give him some time, I would say to the gentleman from New York [Mr. SOLOMON], have the courage to give this President time to achieve peace.

Mr. Speaker, I include the document I quoted from for the RECORD.

CHAPTER 9—SMALL HILLS COVERED WITH TREES

Rudolf answers my ad in the local newspaper: ''Children whose parents witnessed or took part in the persecution or extermination of Jews and/or Gypsies and who are willing to participate in a research project by an Israeli psychologist at the local university, please . . .'' He calls and says he will speak only to the Israeli interviewer. We set up a time for the interview, and I agree to meet him at the bus station.

Compared to the interviewees I seek out, about whose parents, and their role during the war, I have detailed information, the ad respondents are a mystery to me until they tell their stories. I usually reach the meeting place a few minutes ahead of time in order to see the person arriving—how he approaches the station, what he looks like, if he seems troubled or at ease, if his expression changes when he recognizes me. But Rudolf is already waiting, glancing impatiently at his watch (although I am not late). He is tall and looks like a manager in some local firm. A strong handshake. I can sense his excitement. He starts talking immediately, but I steer him into small talk because I want to reach my office, where the tape recorder is set up. When we finally reach my room and I invite him to sit down, he pulls a yellowed sheaf of papers from his briefcase.

R: I was born April 4, 1930, in Wuppertal, the son of an unemployed textile worker. My father was out of work at the time. Before he lost his job, he was employed as a master craftsman in a textile plant. But there was a great deal of unemployment in the area, and he was laid off too.

B: Are you the only son?

R: I was the only son until 1940, when my brother was born. He's still alive. He was born on January 14, 1941, in Wuppertal. I spent those very early years more or less pleasantly until my dad found work again. He found a job later, I'm not sure exactly when. We were living in quite a primitive little house. Although he was out of a job, my father built himself a small house in a garden. He was very enterprising, but the thing about him—right up until he died he was a very pious and believing Christian. And that has accompanied me through my entire life—Christianity, being a Christian. At home we would pray—have a Bible hour and sing together. There were also others who'd come over to our place in order to read the word of God together.

I experienced National Socialism right from the start. OK, not from the very beginning, the years before 1930, but after Hitler came to power in 1933 it began to be a reality for me. For me it was something I was born into, I couldn't question it. It was something quite normal. When I'd see the soldiers marching outside, the Hitler Youth marching past, for me that was something: I wanted to march too. My mother would say to me, ''Just wait, see what happens, you don't know . . .'' ''Mama, I'd like to be in the Hitler Youth too!'' ''Just wait and see first.'' Well, I joined the Hitler Youth in 1940. The war had already begun. I advanced through the ranks very quickly, went to a leadership school, and became a squad leader (Jungenscharführer). Later I became a platoon leader with a group of thirty boys under my command. That's one side of it. I experienced all that directly and with a feeling of joy. Now I finally had what I'd been longing for. Now I was a leader, I was able to command, although I was still just a child.

There is something very theatrical in his way of talking. I wonder if this is his usual manner or if it is due to his excitement in recalling and relating the events of the past.

B: How old were you then?

R: I was only eleven when I went to the course where young leaders were trained. I was twelve when I became a squad leader and thirteen or fourteen when I made platoon commander. In any event, something very peculiar happened at that time . . . well, not peculiar, but something that had a powerful formative influence on me. My father had found work again even before that, but he wasn't happy. He tried to find a position that was more challenging. So he went to work with the railroad. It was called the Reichsbahn then. He laid track at first, then he was a station conductor, and later on he worked with the signal box. He always felt attracted to the track gang, the guys who laid track, but he was also preaching sermons as a member of a Protestant congregation of the Free Church, a congregation that was independent but still Protestant. So he was a preacher. The railroad was his job and being a preacher his love. And his family—his children—were his pride and joy, his great love. He did a lot of Sunday school lessons with small children, taught them about the Bible. Actually he lived just for the family, for his congregation.

Naturally he had to work, and he had this enormous garden. My father was a very believing and religious person, as I said, and he was filled with a great deal of love. I felt protected in his love. Whatever my father said was right. Then the day came when my father was approached by the Nazi Party, by the National Socialist German Workers' Party. He was already a member of the NSV, the National Socialist Welfare Association. He collected money for the Party and distributed ration cards—those cards were quite common at that time. So he was already active in the NSV and was asked to join the Party. I can recall that this had been discussed once at home. I had listened and thought about it. I myself was in the Hitler Youth and my view was ''Dad, you have to join the Party!'' First he resisted. Then he thought that maybe it would be a good idea after all if he joined up: maybe he could advance more quickly, make headway in his profession and—just maybe—be in a position to shield his congregation. At that time, they didn't want such Christian congregations—I think it was a passing phase for National Socialism at the time. After the war they would have done away with the church congregations anyhow. I oscillated back and forth between the Hitler Youth and the congregation. I was undecided and psychologically unfulfilled. I loved the Hitler Youth more and more. Religion became more and more unimportant to me. I felt invigorated and full of life. They knew how to do that. The Hitler Youth leaders were good at animating young people, motivating and preparing them psychologically for tasks they would carry out later on, It went without question in my eyes that what the Führer said and did, that was the truth. He was almost more of a god for me than the real God . . .

B: Could you give an example of how the leaders did that?

R: We used to have evening get-togethers when all the boys would sit in a large room. The room had black wallpaper, completely black. The benches were dark red. Up front there was a picture on the wall, not of the Führer but of a famous Germanic king, along with two lamps that shed a dim light on the picture. It was quite dark in the room. Then we were told stories about the ancient Germans, our Germanic forefathers. The Aryan race, which has the sole right to lead. We would sing songs in a minor key. It penetrated very deeply into our souls. We felt this very deeply. We believed everything, and we were very proud to be members of this Germanic race and leaders to boot. Young leaders, tribal leaders within this race, this new Germanic race. Young people who were not setting out to rule the world—they really wanted to rule the world. So for us what was predominant was what engaged our feelings. That wasn't the only thing though, not just such evening gatherings. Marching out on the street, marching like soldiers . . . we youngsters already felt like grown-up soldiers. The music that accompanied us, played by the Hitler Youth, with flags and drums through the streets—everyone had to salute our flags, and we were proud to be full members! The fact that we were children was used to prepare us for what was to come. I say for what was to come, but what was that going to be? We were as yet unable to grasp what ''later on'' might be. We didn't know what was really involved. Who had told us? No one spoke about it.

[Sighs] But now I have to return to the subject of my father. My father was inducted

as a railroad man and sent to Russia, to Poland. To be more precise, my father was sent to Parafianovo.[1] That's between Vilna and Smolensk. He worked as—what they called during the war an adjunct work-squad leader. He had a section of track to take care of. It was between Parafianovo and Smolensk, maybe three hundred to five hundred kilometers. I can't give you a definite figure. It was his job to maintain this section of track, which was frequently attacked by partisans. They blew up the tracks so the trains would be derailed. But the most important thing, the thing that had such a formative influence on him—which is why I'm here—and on me, was an experience he told me about after he returned. He came back earlier than expected. There was a Jewish ghetto in Parafianovo. A lot of Jews had been brought together and concentrated there in one area, where they were allowed to live. These Jews also worked for the German railroad. A large number were used to help maintain the tracks. For example, there was—I just can't forget their names—there was Aaron Katz, Maria, and the cook for the men my father worked with. This cook was Jewish. I can't recall her name. I think Dolla was her first name, or people called her that. My father could go into the ghetto and speak with the Jews there.

Since he was a convinced and religious Christian, he also spoke with them about the Talmud and the Scriptures, our Holy Bible. And they saw that they both believed in a common God, except that, for the Jews, Jesus is a kind of strange chapter inserted in between. In any event, they understood that they were equal. And basically, we Germans are also a tribe of Israelites. If you assume that certain tribes developed up north and that the Germanic tribes, the so-called Germanic tribes, are a conglomerate of many peoples, they are also a tribe of Israelites. Not that this is important, it's something secondary. [Very agitated] Well, the day arrived when the ghetto was surrounded by the SS. They asked my father, ''How many do you need?'' And he told them, ''I need all of them.'' ''No, I need a few heads,'' the officer said, ''they're all to be shot.'' So now you have this Christian, with a soft and childlike heart. He stands there and can do nothing! What should he say, ''Shoot me too''? He had children and a wife of his own . . . What was he to do? [almost shouting at me] He didn't have such great courage. He couldn't resist. He was unable to save his Jews—after all, they were his brothers, he had lived with them. First, a woman was shot. She had given birth the day before. She was tossed down into the grave. [Crying] Whether they also shot the baby, he doesn't know, he didn't know that. Then he ran away and cried bitterly. And a young SS soldier ran after him and said, ''I can't go on either! I've killed so many, I just can't go on!''

In any case, he was criticized after that. I could read you a letter written by my father to make things clearer, a letter he wrote right after the end of the war. He became very ill and was released from service too, following this experience. He wrote the letter only after the war because he was afraid to put anything at all down in writing during the war, during the National Socialist period. Let me show you. It's an old letter, and here is also the confirmation that my father was in the east and had been given an early release.

His hands shaking, Rudolf hands me the two documents he has brought with him. He is sweating. I can see that the documents are old and have been carefully kept in a nylon bag. I can also see that they are written in an old-fashioned hand and that on one, the words Our Guilt appear at the top. I offer Rudolf a glass of water and suggest that he read the documents to me himself, since I would have difficulty with his father's handwriting. He starts with the one that carries the swastika, a former certificate of the Nazi railroad authority. Then he reads his father's letter, dated May 16, 1945.

OUR GUILT

Finally now, after many weeks of a serious illness that almost robbed me of my senses, I find myself able to commit to writing those things that (so soon) made me ill and have so completely shattered my nerves. I intend to narrate events one after the other in the course of writing and to present a reason for having chosen the above title.

Until 1941 I had been active for many years as the director of a Sunday school for children. Our parish served in external and internal missionary activities in China. It was my favorite task to be involved in service to children. Since I generally had a great many friends (through my work with the children), the Party believed it had found the right man for its National Socialist Welfare Program (NS-Volkswohlfahrt, NSV) activities. At the same time I was working for the National Railways (Reichsbahn) and had a very low income. On the basis of my work as block chairman of the NSV and as an employee of the Reichsbahn, I became a member of the National Socialist German Workers' Party on June 1, 1941.

I was also promised that I could retain my faith, but shortly after I became a member of the Party, I was forbidden to hold Sunday school classes. That was the first blow. I had to keep silent and put aside my favorite activity.

I was transferred to the town of Parafianovo in Poland to work as head of an auxiliary work squad on February 9, 1942. Among others, there were also some 247 Jews—men, women, and children—living in the town. The Jews were put to work at all kinds of jobs but generally lived in a closed ghetto. We Germans (four men) were assigned a Jewish cook by the name of Dolla, a sweet young girl with red hair, who was very, very clean. My fellow soldiers did not treat her with much respect, since she was, after all, Jewish. But she soon noticed that there was someone there who treated her with love, and we became friends, though no one was supposed to notice. I became sick one week, a bad cold, and Dolla called the Jewish pharmacist Belzik, who procured excellent medicines for me. My fellow soldiers began to taunt me about this friendship with a Jew, and even started to criticize and complain. When I regained my health, I visited the ghetto for the first time. Visiting the ghetto was forbidden and a punishable offense. Due to my illness, I was allowed to go to the pharmacy that was located in the ghetto.

So I visited the pharmacist in the ghetto for the first time, and I was pleased to meet several wonderful human beings: the Jewish women Maria (Mr. Belzik's daughter), Rita (a teacher), and Lilli (a piano teacher), as well as the Aaron K. family. These people proceeded to tell me all their cares and worries. I was confronted with one tale of woe after another. These Jews, whether young or old, were each given a ration of three hundred grams of bread week after week, this and nothing else, month after month. The great misery among these poor people now became evident to me. I then tried in every possible way to help them, and since I knew that they were God's own people, I began to beseech him and to help where I could.

I was very happy when we were joined by a new fellow soldier who shared my view, Mr. S. from Munich, who faithfully pitched in, helping these poor people wherever help was needed. We had to go about it very cautiously and could only pay visits to people late in the evening, though each time, the Jews were overjoyed when we came. I noticed, however, that their troubles were growing from day to day, because everywhere there was talk about Jews being shot. Their questions became ever more pressing and urgent: What will become of us? I tried then to explain to them that the living Lord would not abandon them, and at home, in my room, I myself engaged in a fervent struggle with God and asked him for help. Yes, in my distress I said, ''Lord, I will serve you faithfully forever, but please let these people live.'' As a result of this terrible distress and misery, our relationship became very, very close. It went so far that we even knelt down together to ask our Father for strength in all these matters. One evening, when I was visiting them again and we were all sitting together, I quietly sang the song ''Gutten Abend, gut, Nacht'' [Brahms's Lullaby], accompanied on the guitar. When we came to the words ''Tomorrow, God willing, you'll be awakened once again . . .,'' Rita broke out in sobs and said, ''I feel so strange.'' The rest of what she said was lost in sobbing. That was the last night of her young life.

Rudolf is crying and searches desperately for his handkerchief while continuing to read.

Early the next morning, we suddenly heard that the ghetto was surrounded by the SS. The Jews were herded together and forced out of the ghetto into an open area. There they had to take off their shoes, coats, and jackets, and they began to weep loudly. A boy of about fourteen tried to run away but was shot immediately. In response, a Jewish man became extremely angry and began to rebuke the SS; however, he was brutally beaten on the spot, so that he had to be transported in a vehicle. The men of the village were forced to dig a large hole, and everyone—children and women, young and old—had to lie down face to the ground. Among these miserable creatures there was a woman who only the day before had given birth to a child. That woman was the first who had to stand up and go to her grave (and the grave of all). I saw how this woman tottered and reeled, clutching her almost naked infant and crying bitterly, asking for her life. She was pushed brutally into the hole and then shot.

Rudolf is unable to go on reading and sobs heavily. I am stunned, distressed, and wait until he regains enough control over his tears to continue.

I went as fast as I could to my room, heard shots again and again, and collapsed at the foot of my bed. Now I lost everything. I had followed the Lord faithfully for twenty-eight years, and now this horrible thing occurred. I had believed right to the last hour that the Lord would preserve these people as a result of my prayer, but then I cursed God and all men.

Rudolf stops again, bursting into tears.

I wanted total oblivion (ich wollte von nichts mehr wissen). Apparently abandoned by God and all of humankind, I carried out my duties in total apathy and hardly knew in subsequent days what was happening.

My fellow soldiers—except for S.—called me a coward and a ''lover of Jews.'' Jews were being shot everywhere, in Glubokoe, Dokshitsy, Vileika, Budslav, and Krulevshchyzna. I had one small consolation when I came to Dokshitsy ten or twelve days later and met the captain. His first question was, ''Where is Maria?'' (Maria was the pharmacist's daughter in Parafianovo, liked everywhere as a result of her universally respected love for human beings.) I said,

[1] Placenames appear in their Russian form; these are small villages in Belorussia, between Vilna and Smolensk.

''Maria is dead.'' The captain began to cry. He grabbed my hand and said, ''It's a rotten shame!'' (Schweinerei). I didn't see him again after that, but I knew that his heart was also bleeding with grief. Eighteen hundred Jews had been shot in this village. There was great commotion and shouting. I ran over to see what was happening, and to my horror I saw Jews emerging from subterranean caves, some eighty to a hundred people, a terrible picture of misery and suffering. They were crying for water, emaciated, their faces white as chalk. Hardly able to utter a sentence, they dropped to their knees and begged for their lives. Without receiving anything, they were pushed and herded into a barn. I watched as a girl about the age of ten, who had hidden herself in a hay shed and was now almost completely emaciated, was carried past me. This poor girl looked more like a pile of bones than a human being, and this bundle of misery and agony, it too was carried into the barn. As long as I live, come what may, I will never forget this horrible sight. I can't help myself. It was just too horrible and made me sick for the rest of my life. I just can't comprehend how human beings can be such beasts. These images haunted me day and night.

After a few weeks I was sent to a field hospital in Vileika because of hypertension. But then I collapsed completely, since I was not allowed to tell anyone of my suffering. And this suffering became even more intense when I realized that I was a member of such a band of murderers and criminals, a band that would not have spared my life if I had objected. So I got sicker and sicker and was sent to Vilna. There, for the first time, I had fainting spells and mental disturbances. They didn't know the cause, and they asked me all kinds of questions, but I didn't tell them a thing, since I couldn't trust anyone, including the doctors. After that I was released and sent home to Germany accompanied by a soldier. Back home my condition got worse, to the point that I could hardly walk without someone to accompany me, since I was suffering from the enormous weight of the events I had experienced. After some time, I was reproached by the local section of the Party for not having (as they saw it) a National Socialist outlook on things. My general outlook was more religious in orientation than anything else. When I subsequently wanted to talk about my experiences, I had to be so careful and cautious (pretending as if I thought this and not that) that I became very sick and Dr. D. considered it advisable for me to be placed in an institution. I was afraid they were going to get rid of me there. Shortly after this, I had to enter City Hospital for observation. It was there that I revealed all my suffering to Dr. L. and explained everything to him. Dr. L. did not belong to the Party. He understood me completely and advised me to try to forget things—something that was, and is, impossible.

On April 14, 1945, I was suddenly approached by a man in the street, who came up to me and said, ''We know who you are. You've been undermining the work of the Party now for some time. You're a dirty saboteur and that's going to cost you your life!'' I did't know what was happening. What had I done? I took a few steps and must have collapsed on the spot. Witnesses say I was going on about ''common murderers, brown bandits, and shootings of Jews.'' People thought I was insane. I remained in this condition for several days. I had, in any case, been sick and unable to work since December 17, 1944, but now I was completely finished. Dr. G. and Dr. S. were at my bedside. When I regained my senses a bit, I asked myself, ''What have I done!''

I had confided in several families and told them about this crime in Russia. Whether they remained silent I don't know. In addition, I had also not given away the presence of a man who had been living away from his unit for a year and a half, about whom I was often questioned. I covered for him whenever I could. I couldn't allow him—someone who quite early on had seen through all the lies—to fall into the hands of that pack, who wanted to build a so-called ''workers' paradise'' on the blood and bones of the dead.

I can't understand that there are those who wish to kill me because of this, since anyone who has a fairly just view of things must admit that if we had won the war, then there couldn't be a just God in heaven, one who could give his blessing to such bloody deeds.

On May 3 or 4 when he visited me I told Dr. S. about everything, particularly about Russia. And I can say that he cried bitterly and was ashamed of his * * * [document illegible]. When I asked him, ''Can God * * *'' [document illegible], he replied resolutely and with determination: ''Never!''

I doubted God in Parafianovo, but ask him today for forgiveness. He was not on the side of those who perpetrated such injustices, and he expiated those bloody deeds.

R: So that is the end of the letter. That was the experience. And let me tell you that this man suffered right up until the end, until he died, and if you want to know when that was, I can tell you. He's been dead now some eight years. He wasn't able * * * and was given early retirement. He was a bit absentminded. But you must understand: the thing that shaped and molded me, what influenced me, was that I was unable to comprehend what my father was talking about. I had been so fanatic about this idea of National Socialism * * * But when he returned from Poland and told me these things—I was able to understand various things by this time—I was unable to go on believing in it. A cause I was ready to sacrifice my life for—these people had done such a thing? First I accused him of being a deserter! I did not believe his story, I could not believe it. [Agitated] So then I was bothered by doubts. What should I do? I was a leader in the Hitler Youth, but what should I do? I lived in a constant state of inner tension. I didn't know what I should do. Though I must say that in the course of time, that feeling disappeared, it dissipated. My father spoke less and less about it, he withdrew more and more into himself. More and more, the only person he spoke to was my mother. He turned away from me, because I was unwilling to take off that uniform. He turned away from me, and I could see that he was extremely ill, seriously so, because of it. Yet I couldn't follow in his direction. But then there was an experience that actually opened up once again the wound he caused in me by what he'd said.

B: What was that?

R: Well, it was in '43 or '44 I think. They showed the movie Jud Süss. It was a film against the Jews, but I didn't recognize it as an inflammatory film. For me it was a simple fact: that's how Jews are. The film portrayed them as the dregs of humanity. So there was this contradiction in my mind. There was ''Jud Süss,'' this carefully polished character in this horror film—that's the expression you could use today—which destroyed young people spiritually and prepared them to * * * something they could never vindicate: to pass judgment on a people I had never experienced directly or seen. [Gets up and walks around restlessly] OK, I had seen some Jews with yellow stars. For me they were just people wearing a yellow star—the Poles had a P and the Ukrainians a U—for me these were second-class people. And I used to hear remarks, during those years you could hear again and again shouts of ''Jew!'' ''Lousy Jew!'' ''Criminals!'' ''Vultures!'' ''Bloodsuckers!'' Or ''The Jews are responsible for the war!'' The Jews were guilty of everything. There was nothing the Jews weren't responsible for. Then this film Jud Süss was made.

I forgot one thing: Kristallnacht in 1938. I hadn't been a witness to that. I didn't see what happened, I only heard about it. I heard them talking about a shoe store, a Jewish shoe store—I think it was called Rosenthal's—and that it had been smashed and shoes were lying all over the street. They carried out a child wrapped in a lamp shade. Everything was gone, the Jews were gone. But those events occurred on the periphery of things as far as I was concerned. At that time, for me the Jew was someone so small and inconsequential * * * They weren't an independent people, didn't have an independent state. Jews were nothing, just nothing.

Once my father came to me and said, ''Rudolf, Rudolf, listen.'' He noticed that we were drifting farther and farther apart. I was also aware that we were growing more and more distant. Then he said, ''Rudolf, we have to sit down and have a serious talk.'' That was during the war, but at times he had very clear, sane moments (lichte Momente). ''We've talked so often about the Bible. You've read the Bible yourself, and I've read both the Old and New Testaments. You know that the Jewish people are in fact a people in their own right, God's chosen people. It is so and will remain that way. You can't, we can't deny that. No matter how many Christians curse them, the Jews are the chosen people. The Jew is the hand on the clock of history: whatever happens to him, from that you can read the course of history and time. Just remember one thing: if you lift a finger against the Jews, you can cut off that finger because you are going to lose it! Never attack a Jew. Be careful, cautious, and have respect for the Jews.'' Then he told me a few more things from Jewish history, from the Old Testament. After that I was filled with a sense of fear. He said to me, ''Do you believe in Jesus?'' I said, ''Yes, Dad, I do believe in Jesus Christ.'' ''But you know who he was, don't you?'' and I said, ''Yes, he was a Jew, right?'' ''OK, so do you believe in Jews now?'' and I said, ''Yes, Dad, I do. I'm sorry.'' And then I started to cry. I cried a lot. I was so sorry that I had been so blinded by this idea, that I had been led astray, led astray again and again. But even what my father said to me—said to me in tears, and I noticed that he was sick—even what he said to me, I didn't believe, so profound was the influence of the National Socialists, of their propaganda.

A long pause. Rudolf sits down and wipes his forehead with a handkerchief.

And then I was apprenticed in 1944, I got an apprenticeship in the railroad, the Reichsbahn. I wanted to be a locomotive engineer and in '44, I was sent as an apprentice to a plant where locomotives were rapaired. This plant had its own fire brigade, since such plants were often attacked and bombed during the war. Now because I was the only one who had been in a leadership position in the youth movement—I was the only Hitler Youth leader among the sixty apprenticed trainees—I was given the job of getting them to assemble in formation in the early morning; I had leadership status once again. I also had to join the fire brigade at the same time and went out with this brigade a few times after heavy air raids.

I was involved during the last big raid—it was the end of '44 or the beginning of '45, I can't remember. There was a raid and we were called out to see what we could save. The buildings were on fire. And then I saw something. As a young man, I was a runner,

a messenger—we didn't have any radio equipment. I had to supervise the inspection of hoses, make sure the hoses were laid properly and weren't leaking. And I noticed that under a hose lying on top of some debris, there was something dark red, shining there underneath. I said, ''Mr. B.''—he was the chief at the time—''Mr. B., there's something over there!'' He had the debris cleared away and I could see a woman lying there. She had run downstairs and out the front door, and a bomb had exploded right in front of her. Shrapnel and a lot of debris went flying, and this woman was killed. They lifted her out, and then I felt sick; her lower body was ripped open, and everything inside came tumbling out. Now I had seen a great many dead people those months, but this was the worst thing I'd witnessed. I started to feel sick, and Mr. B. said to me, ''OK, go on home.'' Well, that was the end of my activity in the fire brigade. That was shortly before the end of the war. What I did after that was . . . But I was no longer filled with such conviction. Now I understood what my father had told me at the end: you can't justify and accept it.

During the last half hour, Rudolf has been very agitiated, and I actually start to worry. But he wants to go on, as if a hidden volcano has finally erupted.

R: Though I must admit that I felt split and divided. After the Americans marched in, people said, ''Now the Hitler Youth is finished.'' I felt a certain sadness, not because of the fact that the Hitler Youth was done for, but because I was no longer able to meet all my friends. That camaraderie was something I missed.

Those were actually the main experiences. I wanted to tell you that, well, that a family can be destroyed during a war by these things. My father passed away, but before he died, he lived in a kind of twilight, a constant twilight, psychological and mental. He would only work with clay. He used to have this clay brought in and . . . Now I want to mention something that once again concerns those two religions, where you can see the schizophrenia . . . He had a board, and on this board he fashioned and shaped mountains and small hills covered with trees. Down below, at the foot, he made a crèche with Jesus lying there inside, and there was a path that led up to a synagogue above. So he wanted to make this connection (in his unconscious) between Christianity and the Jews. He was unable to cope with the notion that a Christian had been able to do such things against a Jew. In his state of mental twilight, he wanted to restore this connection. And he died with that. He didn't die as a Christian or as a Jew: He was something in between.

In front of me I see the son of an exceptional father, the only person I've heard of who lost his mind because he could not go on living a normal life after he witnessed the massacre of Jews. I hug Rudolf and thank him for talking with me. As we walk out, he says that he has never told anyone about it before, but when he was the ad in the newspaper, he knew the time had come to bring his father's letter out into the open, to tell his father's story—which is now his own.

We arrange to meet again a few days later. Rudolf arrives with two heavy folders in which he has carefully collected the songs from his days in the Hitler Youth. He looks more relaxed, ready to go on.

R: I had certain other experiences in the Hitler Youth that were especially memorable and important for me—for example, when I was promoted. Those were moments when my soul was lifted up again. They'd make a campfire in the evening, although it was prohibited on account of the air raids, but they would let us know: OK, no enemy aircraft in sight. Promotions were usually announced on Hitler's birthday, April 20, and on November 9.[2] It was all done in a very military atmosphere, with torches and songs . . . [Singing] ''Holy Fatherland in danger, your sons gather in around you . . .'' And this was sung in a minor key, which makes you feel a bit melancholy, and it would rouse our spirits. Then they would announce the promotion: Comrade so-and-so is now promoted to the rank of squad leader, effective as of such-and-such a date. They would pin on the special ribbon, and you'd go home through the streets swelling with pride. You already felt like a young representative of National Socialism.

Later on—I have to say, not at that time but later on—I had this thought: What would have happened if my generation had been sent to carry out these murderous acts? OK, people were killed during air raids, but we never killed, we didn't get that far, thank God. But just imagine, what if this generation, which had been psychologically trained and geared up for it, what if this generation had been let loose on mankind? Then what occurred with the Jews, why it would pale in comparison—it would have been nothing. So that's what I have to tell you: we would have been worse. We could have done it without any doubts whatsoever. [Agitated] We were trained to hate from a very early age.

B: Did you have any friends at school who were Jewish, or were there any Jews in your school?

R: No, no, none. Wait a second, there was one: she was half-Jewish. I started school in 1936, and there was a girl—we didn't know this at first—who was half-Jewish. She told me after the war that they had—I was no longer at that school then—that the other children had stripped her naked in the street, because they heard she was half-Jewish. Even young children had been indoctrinated to the point where they could pull the clothes off a classmate and shout, ''Jew! Jew! Jew!'' She told me this after the war. She still lives here. She's married to an Englishman. She said she wouldn't want to marry a German.

And there was something here in town, not very long ago, at the zoo. I don't know whether you heard about it. There's a large hall at the zoo where meetings are held, and it was hired out by the police. The police had a celebration there, and a police officer, who was functioning as a kind of master of ceremonies, said, ''What do you answer to 'Sieg'?'' And a few young men shouted, ''Heil'!'' That was the salute the Nazis used to use. The policeman really didn't mean any harm by it, I know that. They had all been drinking a little . . . But this Jewish woman was there and she filed a complaint against the policeman. He was temporarily suspended from service, and then there was some sort of punishment. I don't know exactly how it turned out. Anyhow, it was in the paper. She was a classmate of mine. Her brother and father—or her brother and mother, one of them died before that—were murdered in the camps. Aside from that, I had no other Jewish classmates. There weren't any left. It is astonishing, but I didn't actually have any direct experience of Jews being sent to concentration camps. I didn't know about it. I only knew that Jews had to wear a yellow star—I knew that later on—a yellow star. They were marked and singled out so that you could recognize them as Jews. Though I must emphasize again and again, it was also true for the Poles, the Ukrainians . . . it wasn't anything . . .

B: After your father told you his story, did you ever discuss it with friends?

R: I wasn't able to discuss it with my friends. That would have endangered my father.

B: What happened between you and your friends after your father came back?

R: Actually, there was no break, no rupture between me and my friends. I think you have to view it in this way: the overriding, all-embracing concept was the Hitler Youth. National Socialism was a phenomenon that accompanied this organization. Only in a subconscious way was all this hammered into us: National Socialism and Adolf Hitler. Basically, in terms of our behavior, we remained young children, only that, via our subconscious, they attempted to prepare us for the later phase. After all, we were still immature, still under the age of eighteen. You couldn't get rid of our childlike character. That was something that remained.

Maybe I should tell you about one more experience. I told you that I was a trainee with the Reichsbahn, and that I was a youth leader there. I wasn't all that good as a student, and I wasn't the best among the apprentices, but I was the leader. So we young guys—you can see from this just how young we still were—we got up on a hill during recess and started throwing stones, as boys sometimes like to do, a kind of game. There were two sides, two groups, and we were throwing stones at each other. The winner was supposed to get a bottle of soda water or something. So I heaved a heavy stone and hit a boy right in the stomach. He got really angry, and he shouted, ''You goddamn Nazi pig!'' And that was during the war! I ran over to him and said, ''What did you say?'' ''You goddamn Nazi pig!'' Whammo, I gave him a left and right to the nose, and he dropped to the ground. Then I told him, ''Just you wait. I won't forget this.'' I told this kid, ''You watch out!'' Now what comes is like the seed that has been sown in a child and begins sprouting unconsciously . . . [Stands up and walks around the room waving his arms] I threw a stone at him and hurt him, he felt pain and shouted at me, ''You Nazi pig!'' His father had been in a concentration camp as a Communist, and he always stressed the fact that he wasn't a Nazi. He said this spontaneously, even though the Nazis were in power. And I told him, ''Just you wait, I won't forget this!'' Now that tiny seed began to sprout. It was still very small. But if it had grown, I probably would have turned out to be one of those who could have killed someone for saying such a thing . . .

[Sits down again, trying to calm himself] I recall that when I was a leader in the Hitler Youth, I . . . in Germany we have people who, as you would say in slang, are ''brown noses,'' people who want to make trouble. Well, I loved to go around dressed in my uniform. I even went to school in uniform, to work—I was very proud. And at that time Russian civilian laborers weren't allowed to drink any alcohol. Then an incident occurred that I have to tell you about. There was this Russian civilian laborer. I was out with a lot of boys, and this drunken Russian laborer came along. I asked him, ''Where are you coming from?'' Me, just a child. And he stammered something in his drunken stupor. I said, ''Do you want to have a fight?'' He said, ''Yeah.'' So I slugged him. He smashed his face into the big window of a grocery store. There was a pointed grille covering it, and his whole face was cut and scratched. No one did anything to me, though. After all, they couldn't hit me. If anyone had done such a thing to me while I was wearing that uniform, he'd have ended up in concentration camp. Terrible, right? Anyhow, my father found out about this incident and he gave me

[2] November 9 marked the anniversary of the failed 1923 Munich Putsch; it was a sacred day on the National Socialist calendar.

the worst spanking I ever had. He really walloped me! It was the right punishment. But, as I said before, the small seed had started to germinate, to grow and sprout: ''I won't forget that, you'll see!'' ''You Russian, listen, you're not worth a damn thing! I can do something to you, even though I'm much smaller, and you can't defend yourself, you can't do anything!''

Rudolf is in a kind of trance. He is staring at the ceiling, trying to bring out the memories that have plagued his conscience all these years. I listen carefully, wishing I had a camera to film this interview. The stories continue to pour forth, however disjointedly, one after another.

R: Then there was this Frenchman . . . My uncle lived between Brandenburg and Berlin, and he had a fruit farm—he made a living growing strawberries, apples, and tomatoes—and a Russian, a Pole, a Serb, a Frenchman . . . these were the people who had to work for him. Early in the morning there was the ''funeral procession.'' That's what we called it. There was this old German soldier who could hardly stand on his legs, and he led the French POWs off to the various fruit farms. And when they would pass a farm where one of them worked, he'd leave the group and go on in. They walked very slowly, took a lot of time, this German soldier and that French POW. Once I spoke with the Frenchman, whose German was rather good. I was actually quite surprised that I didn't react differently. We were sitting together between the rows of strawberries, and he told me something about his attitude toward the German people and National Socialism. I let him talk and didn't react at all, although I was very bothered by what that Frenchman was saying. He said, ''Pay attention to your own history, the history of Germany. Don't always go on carping about the Jews, the French (because the French had been our archenemies). Just take a long, sober look at your own history, without rose-colored glasses. Take your history as it really is, what really happened, and then form an opinion. How much hatred do you Germans have in yourselves? How far do you expect to go with it? How many more do you plan to exterminate in the name of this hatred?''

So, as you can see, that idea stayed with me, what he said, though I myself was deeply indoctrinated. OK, if you place all these little piles of impressions one next to the other, you can understand my reaction—the way I experienced it later on, the way I reacted to myelf. I almost felt like Judas in the Bible, that disciple who committed suicide. Yes, well, more than that I . . . I have such a modest heart, wouldn't harm a fly . . . But they had swelled up my heart. They were able to deform a person's heart.

Then the war ended. If it hadn't ended, I don't know, I'm not sure I would have forgotten all that. I mean, it's especially easy to manipulate children at that age, and where you can get at the children, that's where—at least this is what I think—that's the history of the people. If you can drill the notion into their heads: you are from a tribe, a race that is especially valuable. And then you tell them something about the Germanic tribes, their loyalty, their battles, how Germanic women let themselves be hitched up to carts to fight against the Romans. You, you're a child of this race, a people that dealt the Romans a destructive blow in the year 9 A.D., all that sort of thing. Then there were the songs. I'm especially affected by songs. When they would sing those songs glorifying the deeds of the Germanic tribes, such as [singing] ''The sons of the people ride on silvery stallions, born from a divine multitude, warrior of the Nordic people, they ride in silence to the far fields of the Northern lights, on secret paths they greet elves at the shore of the pounding sea.'' Or ''Holy Fatherland, your sons crowd in around you.'' How does it go on? ''What we swear is written in the stars, he who directs the stars will hear our voice . . . before the foreigner robs you of your crown, O Germany, we would prefer to fall side by side.'' Or ''The flag is dearer than death.'' Death was nothing. The flag, the people—they were everything. You are nothing, your people everything. Yes, that's how children were brought up, that's how you can manipulate a child . . .

He is singing, talking, and crying, shifting back and forth between one memory and another.

We meet again a year later. Rudolf is willing to be interviewed on videotape: he will do it for me, for the research; for humanity. When he reads his father's letter during the filming at the studio, he cries again, and this time too, he does not seem able to find his handkerchief.

We walk out together when the taping session is over, and I thank him for coming. He tells me that his own children did not want him to come. They do not want to have anything to do with this chapter of the family's past. Their motto is ''past is past.'' They want a life of their own. Outside the studio, we shake hands warmly, and Rudolf walks slowly away into the darkness. I suddenly realize how lonely he must be, carrying his father's letter: ''Our Guilt.''

Mr. SOLOMON. Mr. Speaker, I yield myself 15 seconds to say, yes, there are many tragic stories and our hearts go out to people. If we had not put the embargo there in the first place, none of this would have happened. Lift the embargo and let those people protect themselves and they will do it. That is what they want.

Mr. Speaker, I yield 3 minutes to the very distinguished gentleman from Colorado [Mr. HEFLEY], a member of the Committee on National Security, who is the sponsor of this legislation.

Mr. HEFLEY. Mr. Speaker, I thank the gentleman from New York [Mr. SOLOMON] and commend the President on getting these combatants together to talk about this and to try to strike a deal. That is important and that is his role. That is the role that the President of the United States should play.

But the President should not commit U.S. forces without Congress' approval, except in unusual circumstances. And what are those unusual circumstances? They are circumstances where we need secrecy, for instance. Or they are circumstances where there is an emergency. And this is neither of those. The President committed these forces 2 years ago, in an offhand manner. Committed these forces without knowing what kind of peace agreement there would be. Just offered 25,000 troops 2 years ago.

We had Ambassador Kirkpatrick before our Committee on National Security a few days ago, and let me quote from her statement on page 5. She said when asked if we should send 25,000 troops there, she said, ''Not unless President Clinton makes a persuasive case for this deployment.'' She further went on to say, ''Bill Clinton should make his case to the people and take his case to the Congress.''

Now, there will be a lot of people today talking about the fact that the President said he will come to the Congress. Just moments ago, on the telephone in the Cloakroom, when I asked the President if we postpone this vote and he brings his case to the Congress, will he abide by the will of the Congress, he said, no, no, I would not give up the prerogative that I have.

I do not know that I blame him for telling me that answer, but I just want to put it in perspective that, yes, he will bring the case to the Congress, but the further along we go down the road, the more difficult it will be, if we decide to say no. We do not know we will say no. Maybe he will make a persuasive case, as the Ambassador said. Telling the President that we want and need careful consideration before we take action that will cost American lives seems intimately reasonable to me. We want answers.

Mr. Speaker, we tried the soft approach. We gave the resolution that says do not make troops a part of the agreement. The next day Secretary Christopher was saying we do not care what Congress says, we are going to do it anyway.

So this says to the President to include us in this situation before the fact and not after the fact, if he really wants the Congress and the American people behind him on this. This is an important thing. We should be a part of it up front not after the fact.

Mr. Speaker, I want to thank the gentleman from New York [Mr. SOLOMON] once again, and the Committee on Rules for this rule. This is something that I think all of us feel on both sides very passionately about, and I appreciate the amount of time that they allotted for this very important debate this afternoon.

Mr. HALL of Ohio. Mr. Speaker, I yield 3 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. Speaker, let me read the language of this provision. ''It will prohibit the use of funds appropriated to the Department of Defense from being used for the deployment on the ground of United States forces in Bosnia as part of any peacekeeping operation, unless such funds or such deployment are specifically appropriated by law.''

Do my colleagues know what this means? This means no support for the peace process. It means no money and it means no troops. But this is not a vote about troops. This is a vote that signals the end of bipartisanship in our foreign policy.

Mr. Speaker, this weekend there may be a peace agreement in Dayton, yet here we are taking a vote like this that could totally derail that effort. It is as if Begin and Sadat were at Camp David, and the weekend that they are negotiating a peace agreement, the Congress passes an initiative saying,

''No matter what you do, we are not going to support you.'' We never did that under Presidents Reagan and Bush, yet precisely 1 day before a potential peace agreement, we are taking this action.

If I were Milosevic, Izetbegovic or Tudjman, I would say, ''What gives? Is the United States behind us?''

Mr. Speaker, this is irresponsible. It is a destructive amendment. We should vote it down on a bipartisan basis.

There is a lot to be determined in these peace talks. The status of Sarajevo, the composition of the government, access to the sea for landlocked Bosnians, the width of the corridor connecting Serb-held territories, the removal of the leadership of Milosevic and Karadzic, possibly training the Bosnians, refugees, and a massive number of human rights issues.

Mr. Speaker, I am convinced that the reason we are here a few days before a peace agreement is that there are some who do not want to see the President of the United States succeed in a foreign policy initiative.

Two months ago, this policy was not working. Two months ago, this policy was not working, and the President and his negotiators came up with a plan, and this plan may work. This President is not going to commit any U.S. troop unless there is a peace agreement. Let us give him a chance to have a peace agreement. Let us wait and see what this peace agreement says.

The President, in a letter to the Speaker, has stated that he will come to the Congress for an expression of support. Why do we have to have this vote today? Why can it not be a day after, if there is such urgency for a peace agreement?

Mr. Speaker, the news out of Dayton makes this the absolutely wrong time to vote on this bill.

Reports coming out of Dayton indicate that an agreement could be reached as early as this weekend.

Congress should not undercut the administration at this sensitive stage. Within the next few days opportunities exist for progress in some of the most difficult areas of negotiation. The warring parties have indicated they will not sign a peace agreement unless they believe the United States will help implement it. If this bill passes, the negotiations could break down and this real opportunity for peace would be lost.

Congress should wait until it is asked to appropriate money before it prohibits the appropriation of money. Congress should not interfere in the peace talks at this critical juncture. The time to vote on sending troops to Bosnia is after a peace agreement has been reached.

If this bill passes, the peace talks could fail. That would be a tragic occurrence since the Dayton peace talks represent the best opportunity to achieve peace in nearly 4 years of war.

Several of you who support this bill have been critical of the administration in the past for not taking action on Bosnia. Now that it has taken decisive action, we should not tie the hands of the administration as it works to find a solution to this nightmare.

We should give the administration our support to negotiate peace. Presidential politics should never jeopardize the future of stability in Europe.

Many say that the United States does not have a vital national security interest in Bosnia. I disagree. The United States has seen the consequences of turning its back on Europe twice this century with tragic consequences for the United States. The future security of the United States depends on a NATO that continues to remain strong and unified. If the United States does not act with its NATO allies to enforce a peace in Bosnia, the NATO alliance itself is placed in jeopardy, and consequently the security of the United States.

Let me stress this most important point: The United States will not commit troops to Bosnia unless and until there is a strong commitment to peace by all the warring sides. Once a peace agreement is reached, President Clinton has said he will come to Congress to request an expression of support.

There has already been significant progress at the peace talks. The leaders of Croatia and Serbia have reached an agreement on the contentious issue of control of Eastern Slavonia. Further the Federation between Bosnian Moslems and Bosnian Croats has been implemented. Both of these occurrences are major steps along the way to a full peace.

Passage of this bill seriously undermines the ability of the administration to work with the parties involved. It says that the United States is not prepared to be a leader in the peace process or in NATO. This is the wrong time to be considering this legislation.

Mr. Speaker, I oppose this bill because it is premature and seriously undermines the ability of the President to carry out foreign policy.

Mr. Speaker, I submit the following for the RECORD:

[From the Washington Times, Nov. 17, 1995]

BOSNIA: A VOTE TOO FAR

If ever there was a need for Solomonic wisdom, it would have to be in Dayton, Ohio. Negotiations are not going smoothly, nor would one expect them to after the horrors of four years of warfare. It is doubtful that Secretary of State Warren Christopher, who is rushing back from Japan and will likely be monumentally jet-lagged, will be able to resolve the current impasse. And what will surely not make the negotiations any easier are the votes coming up in Congress today on troop deployment.

What's more, with delicate negotiations on-going, with most of official Washington in the grips of a massive migraine headache and general pique over the federal budget battle, and with relations between Capitol Hill and the White House as poisonous as can be, this is simply the wrong time and the wrong way to make decisions about the most pressing foreign policy issue of the day.

The Republicans used to know this. From Richard Nixon to Ronald Reagan, they complained bitterly about Democratic interference with the prerogatives of the president as commander in chief. Principled Republicans tried earlier this year (but failed) to repeal the unconstitutional War Powers Act. A more responsible course would have been for the Republican leadership to hold off this vote until there was actually something like a Bosnian peace plan that could be judged on its merits. There is, after all, a great deal more at stake here than one-upmanship.

Two bills will come up for vote today. The House bill, introduced by Rep. Joel Hefley, could not be more unambiguous and straightforward. It will ''prohibit the use of funds appropriated to the Department of Defense from being used for the deployment on the ground of United States Armed Forces in the Republic of Bosnia and Herzegovina as part of any peacekeeping operation, unless funds for such deployment are specifically appropriated by law.'' No support, no money, no troops—that is what this boils down to. Chances are that this bill will pass and be promptly vetoed by the president.

The other bill will be offered in the Senate by Majority Leader Bob Dole, and will apparently take a less drastic approach. The Dole bill instead will contain a set of conditions to be met before Congress approves funding for troop deployment. At least this bill provides a way for Republicans to influence the process and the decision made in the White House.

Now, there are very good reasons to be skeptical that anything viable will come out of Dayton, no matter how much pressure is applied by Assistant Secretary of State Richard Holbrooke, a man who may himself be driven by the biggest migraine of them all. The differences over issues are daunting—the status of Sarajevo, the composition of the government, access to the sea for the landlocked Bosnians, the width of the corridor connecting Serb-held territories, the removal from leadership and prosecution of Serbian war criminals Ratko Mladic and Radovan Karadzic, etc., etc. It is by no means a foregone conclusion that the end result is something that the American Congress will want to support. Nor should President Clinton expect Congress to follow blindly in any direction he chooses to march.

Nonetheless, to vote preemptively, before there is even something to vote on, is inappropriate. The fact is that the United States, which is bigger than this administration, has committed its prestige to an effort to halt the Balkan tragedy. Abandoning that commitment in this way will have repercussions among our allies, our foes and our trading partners. The Republicans should ask themselves, is that really what they want?

Mr. SOLOMON. Mr. Speaker, I yield myself 15 seconds to say it once. No one on this side of the aisle is accusing the President of partisan politics, but we have heard now two speakers from the other side of the aisle make that claim. That does not improve this debate.

Let us keep it the way we had it during the Persian Gulf, and I would admonish the gentleman from New Mexico who happens to be a friend of mine, to let us keep it on the issue.

Mr. Speaker, I yield 1 minute to the gentleman from New Mexico [Mr. SCHIFF].

Mr. SCHIFF. Mr. Speaker, in 1993, as a Reserve Air Force officer, I served at Aviano Air Base for a number of days on a reserve assignment. It is in northern Italy next to Bosnia and Herzegovina. It is where our military action started from against the Serbs recently.

I want to say, I rise in support of the rule and the bill. I am not an isolationist. European events can affect Americans; in fact, they already have. But, although I support logistical support for allies, there is no justification at all for thousands of U.S. ground troops to be placed on the ground in Bosnia.

There is no reason why the Europeans cannot provide themselves all of

the ground troops we need, and I believe it is a mistake to let the negotiations proceed without putting the negotiators on notice about our feelings in regard in this effect. Saying that we are a superpower should not make us a superpatsy to do the Europeans' job for them.

Mr. HALL of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from Rhode Island [Mr. REED].

Mr. REED. Mr. Speaker, I rise in opposition to the Hefley amendment. The most charitable thing I can say about this amendment is that it is ill-timed.

Mr. Speaker, today we are hosting the peace negotiators from the various factions in the United States. Because of diplomatic activities, and these peace negotiations, we have seen the level of violence in the former Yugoslavia decrease immensely. Now is not the time to derail that process or to take up these issues.

Now, there are significant issues to be debated prior to the commitment of American forces in the former Yugoslavia. I have visited Yugoslavia, Sarajevo, the Krajina, Macedonia. There are difficult issues we must address. The first issue is whether any agreement that is reached in Dayton is worthy of enforcement. We will not know that until the details have been hammered out and announced.

The second issue is whether or not our participation with NATO requires the commitment of American ground forces. Is there some other significant contribution we can make that will aid NATO without committing ground forces?

These are all legitimate questions. These are questions that should be debated, but now is not the time nor is this resolution the appropriate vehicle to do that.

Mr. Speaker, we have to, I think, give the negotiators a chance to reach an agreement and then consider our participation.

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

Mr. REED. I yield to the gentleman from California.

Mr. ROHRABACHER. Mr. Speaker, I ask the gentleman, is it better for these negotiators that we are trying to protect, and I will assume that the gentleman is absolutely sincere when he says he wants these negotiations to succeed, is it better to have them negotiating on grounds that have nothing to do with reality?

Mr. Speaker, if the American people are not willing to send 25,000 troops, does it not hurt the peace process for them to go on and on talking about an agreement predicated on that?

Mr. REED. Mr. Speaker, reclaiming my time, I think the most critical aspect of this vote today is that it would derail that process, because the interpretation of the negotiators would be not that there will be fair consideration of our involvement, but that this Congress peremptorily shut down the negotiations. I think that would be wrong.

Mr. HALL of Ohio. Mr. Speaker, I yield 1½ minutes to the gentleman from Maryland [Mr. HOYER].

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

Mr. HOYER. Mr. Speaker, I agree with the Chairman of the Committee on Rules. This is not a partisan debate. In fact, the Washington Times today, which is not known as a partisan advocate of the President's position, said in an editorial today, ''A vote too far.'' They said about this bill that is before us, ''This is simply the wrong time and the wrong way to make decisions about the most pressing foreign policy issue of the day.'' They then went on to say, ''The Republicans used to know this.''

Mr. Speaker, this is a nonpartisan debate. Jeane Kirkpatrick testified before the Committee on National Security, and at page 36 of the Reuters transcript, so that all of my colleagues will not think I selectively quote, in answer to a question by the gentleman from Pennsylvania [Mr. MCHALE], Jeane Kirkpatrick, in the Reagan administration our ambassador to the United Nations, an advocate, with me, of lifting the arms embargo said this: ''I guess I think that the President's initiative, or his response in this letter,'' referring to the November 13 letter to the Speaker, ''makes it unwise for the Congress to pass a binding resolution in advance of the completion of an agreement.''

In a bipartisan way, I ask my colleagues to reject this rule, so that we do not debate the substance of this, but say that this rule ought to be rejected because the timing is not now, as the Washington Times so aptly stated.

Mr. SOLOMON. Mr. Speaker, I yield 30 seconds to the gentleman from Indiana [Mr. BUYER].

Mr. BUYER. Mr. Speaker, I say in response to the gentleman from Maryland [Mr. HOYER], I was there to listen to Jeane Kirkpatrick in her testimony, and the gentleman is accurate when he quotes her as saying that it was not wise for us to move prior to a product.

She was also then went on in the testimony, and I do not know how much of it the gentleman has there, but she went on to say, ''I cannot believe I am saying that.'' She said she could not believe she was saying that, because she knows what the end product is going to be, that this body voted overwhelmingly, 315 to 103, to say, do not use troops as the precondition. We know what the product is going to be.

Mr. Speaker, I just wanted to share that with the gentleman.

Mr. HOYER. Mr. Speaker, if the gentleman would yield, but the quote was accurate. Am I correct?

Mr. BUYER. Mr. Speaker, the quote was accurate; I just wanted to give ''the rest of the story.''

Mr. HOYER. Thank you, ''Paul.''

Mr. SOLOMON. Mr. Speaker, how did Paul Harvey get into this?

Mr. Speaker, I yield 2 minutes to the gentlewoman from New York [Ms. MOLINARI], one of the very, very distinguished Members of this body. We all greatly admire and respect her, because the gentlewoman is one of the most level-headed people that I know in this body.

Ms. MOLINARI. Mr. Speaker, I rise today in support of the rule and in support of the amendment. Up until this week, I was going to oppose it. I have always questioned ground troops used as peacekeepers in this region, but I, too, did not want to be accused of jeopardizing peace talks. These peace talks are moving in a dangerous direction and they are revealing just how tenuous this pending agreement may be.

Mr. Speaker, let me begin at the beginning. I have been to the region twice, and I do not believe this is a civil war. I believe it is, and has been, a war of terror and of land-grabbing and undocumented atrocities. I have historically advocated air strikes against the Serbian guerrillas and believe that we still have the need to end the arms embargo against the Bosnians and the Croatians. I believe we have a moral obligation to stop the Nazi-like reign of terror that has occurred to innocent victims.

But, Mr. Speaker, the question is: Does sending peackeepers do this? Right now, today, the answer appears to be no. The peacekeepers cannot erase the pain of torture and of concentration camps and killings and rapes. Peacekeepers cannot keep the peace currently being discussed at Dayton.

President Milosevic of Serbia has asked as a precondition of peace that General Mladic and Radovan Karadzic be allowed to leave office through the electoral process. Mladic and Karadzic have been indicted as war criminals, criminals who authorized mass executions and mass rapes, buried people alive, and killed children before their mothers, and forced a grandfather, reported by The New York Times, to eat the liver of his own grandson.

Milosevic, a party at the peace table, refuses to turn these men in. Peace in the region is important, but peace without justice is impossible. Maybe I am wrong; maybe justice will be served at Dayton, but I must be convinced first. I must be educated first. I must be so sure that I can look a parent in the eye and promise them that their children are fighting for a noble cause and not justifying a three-year reign of terror, not protecting boundaries drawn with the blood of innocent children.

Mr. HALL of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. PETERSON].

Mr. PETERSON of Florida. Mr. Speaker, I rise in opposition to the Hefley amendment. The question is: Why now? Why now?

Mr. Speaker, I am not convinced that we need to send troops to Bosnia. I do not think the case has been made for that yet. But I think we are going down an interstate right now and we are getting off at the wrong exit.

Mr. Speaker, we do not have all of the signs yet. We do not know what this peace process is going to give us. We have already had success in the peace talks. East Slovenia has been solved, and we may not actually have hostilities there. They are making progress.

But one thing is certain. We should not be doing anything in this body to destabilize those peace talks. It does not make any sense. What do we get out of it? What is constructive about it? What is the end product? What is the message?

Mr. Speaker, let us give peace a chance. Let us gamble. Let us gamble on peace. Is there any cost to that? Absolutely not.

Mr. Speaker, we have before us today a resolution whose time has not come. There will be a time. Let the President, let the administration, let our negotiators, let them work for peace.

Mr. Speaker, I have been in combat. I know the alternative here. I did not fight for war. I fought for peace.

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Let us let those negotiators fight for peace. Let us not derail this process. Vote no on this rule. Vote no on this resolution.

Mr. HALL of Ohio, Mr. Speaker, I yield 2½ minutes to the gentleman from Missouri [Mr. SKELTON].

Mr. SKELTON. Mr. Speaker, there is an old saying, the more emotion the less reason. Today I call for reason and I call for defeating this rule and put an end to the discussion of a very difficult issue whose time has not come.

I do not speak today of sending troops. I am not yet convinced that that is the case. I have serious reservations. As a matter of fact, I have told the administration that I have eight specific conditions before I would even consider it, not the least of which is whether there will be training of the Moslems and equipment and ammunition given to them.

What we are doing today is completely out of context. It is untimely. It is premature. Let us look at the history of this body.

This body, when it comes to foreign affairs, matters of national security, other countries, we have stopped at the water's edge and spoken through the administration, whoever the President may be. Both sides of the aisle have spoken together, worked with the administration and said to all people from other countries, we are Americans. We believe in cooperation; we believe in working together. We speak with one voice.

I was here. I had the first 2 hours of the debate in my control on the resolution to send the troops to the gulf. That was a bipartisan effort. As a matter of fact, the President, at that time a Republican, requested of this Democratic-controlled Congress that we not take up the issue prematurely. We did not.

This rule should be voted down so we may not prematurely take this issue up. We must do this in reasoned manner and in a timely manner. Let us not rush to judgment. Let us do what is right for our country. Let us do what is right for foreign affairs. Let us do what is right for the Americans.

Mr. SOLOMON. Mr. Speaker, when I came here 17 years ago, I came with this next speaker. He is from Green Bay, WI. He is an outstanding member of the Committee on International Relations for many years.

Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. ROTH].

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

The question comes up repeatedly, why now? Let me tell my colleagues why now. This is the last chance we have, all of us in this body, to vote on whether we want to send troops into Bosnia. Why? Because we have all read this letter from the President, a nine-page letter to the Speaker. I want to read to my colleagues just two sentences, because we have to read this carefully.

The President says, ''There will be timely opportunity for Congress to consider and act upon the request to send troops into Bosnia.''

But, listen to this next sentence: ''However, there is a requirement for some early prepositioning of small amounts of communication and other support personnel.''

The news media tells us it is 2,000 people. My friends, my friend from Florida, the next time you come into this well and this is up for a vote, it is not whether you want to send troops to Bosnia. It is whether you are going to support the 2,000 troops that are there. That is the issue.

Read this letter and read this carefully, because that is the issue. Today you are going to vote whether you are going to send troops to Bosnia or not. This is the Gulf of Tonkin resolution here in this particular war.

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

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

Mr. WISE. Mr. Speaker, is the gentleman aware that during the Persian Gulf lead-up that we prepositioned 500,000 troops before that took place?

Mr. ROTH. Mr. Speaker, the point is that we are voting today on whether we are going to put troops into Bosnia.

Santayana said those who cannot remember the past are condemned to repeat it. When President Clinton sent Christopher to Capitol Hill, he said there are four questions that have to be answered before we send troops overseas. The first question: Is there a clear mission?

I want to ask my colleagues, is there a clear mission in Bosnia? If there is, I would like to hear about it. I hear all these emotional speeches about the peace process in Dayton. We are not stopping them from having a peace process in Dayton.

There are four questions, and those are the questions we have to consider today.

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

Mr. SOLOMON. Mr. Speaker, I yield 1 minute to the gentleman from Maryland [Mr. GILCHREST], a former marine and a great Congressman.

Mr. GILCHREST. Mr. Speaker, I rise in support of the rule and the Hefley resolution.

Does the United States have a responsibility in the international arena? The answer is yes. Does the United States have a role to play, a significant role to play in the Bosnia crisis? The answer is yes. Do the warring parties in Bosnia have a responsibility to come to a peaceful resolution? The answer is yes.

Can and should the United States with NATO forces bring to an abrupt end the butchery that we have witnessed over the past so many years? Should we support the peace process? We must.

But consider, was Congress fully informed of the consequences of the Tonkin Gulf resolution in 1964, of Somalia, of Haiti, et cetera, et cetera, et cetera? Should we commit troops before we are fully informed? The answer is no.

I urge support of the rule.

Mr. SOLOMON. Mr. Speaker, there are a lot of good Democrats. I used to be one. One of those is GENE TAYLOR.

Mr. Speaker, I yield 1 minute to the gentleman from Mississippi [Mr. TAYLOR].

Mr. TAYLOR of Mississippi. Mr. Speaker, when I was a Mississippi State Senator, our secretary of the senate was a former Congressman by the name of Charlie Griffin who served up here during the Vietnam years. And I remember asking Charlie, how could you serve up there during the whole Vietnam war and there was never an effort made to declare it a war? How can you send kids off to what you know will be a war and not vote on war?

Charlie's in heaven. And Charlie, I want you to know that I remember that conversation. I want you to know that we are getting ready to send kids into what is clearly a war. I am going to demand that we vote on it, because that is our job. Read the Constitution. It is not the President's. It is our job. We cannot run away from it.

If you think we ought to do it, vote for it. I think we should not do it. I am going to vote against it.

Mr. SOLOMON. Mr. Speaker, I yield 1 minute to the gentleman from Georgia [Mr. KINGSTON], another outstanding Member of this body.

Mr. KINGSTON. Mr. Speaker, the folks back in my district do not understand all the history of the Balkans. They do not understand everything that is going on in Dayton, and they do not understand all the boundaries and all the players. But they do understand the many questions that we have to answer to them, and I think the gentleman from Wisconsin [Mr. ROTH] alluded to these.

Is there a clear peril, an American peril? Is there a clear mission? Is there

a clear plan to achieve it? How will we accomplish it? Who will help us with it and to what extent? Who are our allies, who will be in the foxhole with your sons and daughters? What will determine when the mission is accomplished? How will we withdraw once that mission is accomplished? And what will we do to keep a lasting peace?

Winston Churchill said nothing that ever starts in the Balkans ever ends there. Bismarch said, there is nothing that could happen in the Balkans that is worth one drop of German blood. That was before World War I.

This is not a peace process. This is a war process. I do not think at this time we should send our sons and daughters to Bosnia, and I am going to support the rule and vote no on sending troops there.

Mr. SOLOMON. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. BUYER], an outstanding member of the Committee on National Security, a veteran of the gulf war.

Mr. BUYER. Mr. Speaker, most of us here today are in agreement. Three weeks ago 315 of my colleagues joined in a bipartisan manner to urge the President not to send ground troops to Bosnia. Ground troops were a bad idea then, and it is a bad idea today. Some of my colleagues disagree with this next step that we have here right now to cut off the funds for a troop deployment to Bosnia before a peace agreement is in fact signed. I can understand that. I think we should probably perhaps wait to see what the President's product is. But let us not kid ourselves. We know what that product is.

Based on all of the hearings and all of the meetings that I have attended, those of us that have taken interest in this issue have attended, the troops, it is down range. It is happening. It is in a plan of action. Do not kid yourself. If you are going to just sit back here today and wait, and say, well, I just want to see the product, I am going to vote against this today but I do not want to send troops, you are only kidding yourself. The troops are going. It is a serious and valid question, though, and I believe we should ask it.

Significant questions though remain about the purpose and execution of the President's plan. That is the clear and concise mission? What is the desired end state? How do we define success? What is our exit strategy, based on that definition of success? How can we maintain our neutrality while we arm and equip and train Bosnian Moslems? What are the vital national security interests? Are they at stake?

If we are going to go in because of vital national security interests, do not say we will only be there for a year because a date certain is not an exit strategy. If you have vital national security interests to go in, then they must match your success. And that depends on how long you stay.

Mr. President, you should not hide from the tough questions for fear of the answers. Mr. President, the only thing I ask is, please remove the blinders and listen and see what you will see and what you will hear is that the American people, through this Congress, disagree that U.S. ground troops should be used as a precondition or a predicate to a peace agreement.

Mr. SOLOMON. Mr. Speaker, I yield such time as he may consume to the gentleman from Maryland [Mr. BARTLETT].

(Mr. BARTLETT of Maryland asked and was given permission to revise and extend his remarks.)

Mr. BARTLETT of Maryland. Mr. Speaker, I rise against sending troops to Bosnia without congressional approval and against requiring our military to wear U.N. insignia.

Mr. Speaker, I rise today in support of this rule, however, I am very disappointed that the Rules Committee did not make my amendment in order. Today, this House will vote on whether or not we send young American men and women as ground soldiers in Bosnia. While I do not believe the President has made a sufficient case for us to send our troops into harm's say, I do believe there is another side issue which needs to be addressed and that this bill is the proper vehicle.

No doubt you have heard the story of our brave soldier, Army Specialist Michael New. Specialist New is an Army medic serving his country while stationed in Germany. He was recently told that his unit would be ordered to serve as part of the U.N. operation in Bosnia and would be required to wear blue berets and a U.N. insignia on their uniforms. As I am sure you are aware, Specialist New has refused to wear a U.N. uniform and is now awaiting court martial for disobeying an order.

I fully understand that Specialist New will face the charges because he disobeyed an order. I do not mean to imply that soldiers should be free to disobey their commanders. But there is an overriding issue: Specialist New believes this order was unlawful.

Specialist New as well as a large number of Members of this body believe that our young men and women who serve our country take an oath to honor and defend the Constitution of the United States. They do not take an oath to defend the Charter of the United Nations, and they believe that when they wear the insignia of the U.N. that they transfer their allegiance to the U.N. Charter.

The amendment that I intend to offer today is of great importance and is very timely. If this House is going to debate whether to send troops to Bosnia, we must raise the issue of whether U.S. troops should be required to wear a uniform that signifies allegiance to the United Nations.

My amendment is very simple. It would not have prevented the U.S. military from participating in U.N. activities but it would have prohibited the requirement of the Armed Forces to wear the uniform or any insignia of the United Nations. This amendment will in no way affect Specialist New's case because it only applies to the future wearing of such uniforms. The language of my amendment is identical to H.R. 2540 which was introduced by the House majority whip, TOM DELAY.

The timing of this issue could not be any more appropriate. Specialist New will be arraigned today for his court martial. This House should send the message that it will not tolerate our soldiers being given which may be unlawful orders. It is my sincere hope that this House will bring H.R. 2540 to the floor in the very near future.

Mr. HALL of Ohio. Mr. Speaker, I yield the remaining 3 minutes to the gentleman from California [Mr. DELLUMS], former chairman of the Committee on Armed Services.

Mr. DELLUMS. Mr. Speaker, there are those rare moments in this body that require the best of us, that require that we rise above our ideological perspectives, beyond partisanship, that lift us to a very high place. I think this is one of those moments.

Mr. Speaker, before he died, Prime Minister Rabin said to a number of us on the Committee on National Security that peace is a very difficult proposition. You do not have to make peace with your friends. Peace is difficult. The context of this debate is going forward in an era that has now been referred to as the post-cold war era, where I believe the enemy is war itself and the great challenge of the post-cold war is indeed peace.

□ 1645

Mr. Speaker, Members of the House, just a few short months ago many of my colleagues in the highly charged debate, with a great deal of hand wringing, suggested that the slaughter and the ethnic cleansing, the savagery that was taking place in former Yugoslavia needed to end, and thee was a great deal of frustration, and people decided that the moral thing to do was to lift the arms embargo and put more arms into that part of the world and allow the savagery, the death and the destruction to continue on moral grounds.

But now we find that this moment, Mr. Speaker and Members of this House, that that was not the only option. People are now at this very moment, in a Herculean effort, moving from the bloodiness of the battlefield of Bosnia to the negotiating table in the United States, trying to achieve that difficult thing called peace.

Now whether one is for or against the American involvement and implementing such a peace plan is a legitimate question; and we should, because I stand second to no one in this institution, jealously guarding the prerogatives of the Congress of the United States when it comes to the deployment of troops overseas. I went to the courts of the United States to take that stance. So we have a right to debate that, should be involved as a practical, political, moral and philosophical issue.

But this is not that moment. We must be rational, intelligent, and responsible human beings. There is a time and a moment for everything. This is not such a moment. To make a decision before we see a plan is absurd, ludicrous, ridiculous, premature, and I would suggest to my colleagues, Mr. Speaker, potentially devastating. What then becomes the moral implications

of our action if based on this prematurity that the peace talks fall apart, and the ethnic cleansing, the death, the destruction and the savagery go forward? We then have unclean hands.

I would suggest, Mr. Speaker, that we rise to this lofty moment. At the end of the day, whether one is for or against the President, take that stance, but do not perpetrate this kind of effort that would prematurely deal with this issue. I underscore the challenge of the post cold war. The challenge is one of peace.

Mr. SOLOMON. My Speaker, I yield myself the balance of the time and say there are three issues at stake here. One is cost. We cannot drain our military of billions of dollars annually which causes massive layoffs of our military personnel. That is not right.

Second, American foreign policy has always been to defend our treaty allies against outside military aggression. That is not the case here. We cannot now begin to participate in a NATO event that is going to go out of area, go away from this concept and start trying to settle internal issues of civil strife. We must not do that; that is wrong.

Third and most importantly, my colleagues say, ''Why do it today?'' Because it may be our last chance to save the lives of American soldiers and Marines that might have to go in there and lose their lives in a place they have no reason being.

Lift the embargo, give them money, give them weapons, and let them defend themselves without putting an American serviceman in harm's way.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. LAHOOD). The question is on the resolution.

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

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

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

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 239, nays 181, not voting 12, as follows:

[Roll No. 813]

YEAS—239

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Durbin
Ehlers
Ehrlich
Emerson
English
Ensign
Evans
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Gordon
Goss
Graham
Greenwood
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Inglis
Istook
Jacobs
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Lucas
Manzullo
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Menendez
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Moorhead
Morella
Myers
Myrick
Nethercutt
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Peterson (MN)
Petri
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Traficant
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Wyden
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—181

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Bonior
Borski
Boucher
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Callahan
Cardin
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (MI)
Conyers
Costello
Coyne
Cramer
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Farr
Fattah
Fazio
Filner
Flake
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gibbons
Gonzalez
Green
Gunderson
Gutierrez
Hall (OH)
Hamilton
Hastings (FL)
Hilliard
Hinchey
Holden
Hoyer
Jackson-Lee
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lincoln
Lipinski
Lofgren
Longley
Lowey
Luther
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McHale
McKinney
McNulty
Meehan
Meek
Mfume
Miller (CA)
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Pickett
Pomeroy
Poshard
Rahall
Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Sisisky
Skaggs
Skelton
Slaughter
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Tanner
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Velazquez
Vento
Visclosky
Ward
Waters
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Wynn
Yates

NOT VOTING—12

Brewster
Collins (IL)
Fields (LA)
Harman
Hefner
Hyde
Largent
McDermott
Neumann
Smith (MI)
Tucker
Volkmer

□ 1708

Ms. KAPTUR changed her vote from ''yea'' to ''nay.''

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Ms. HARMAN. Mr. Speaker, I was on an official excused absence earlier today to attend a funeral, and would like to indicate at the proper points in the RECORD how I would have voted on the earlier recorded rollcall.

On rollcall 810, I would have voted ''no.'' On rollcall 811, I would have voted ''present.'' On rollcall 812, I would have voted ''no.'' And on rollcall 813, I would have voted ''no.''

PERSONAL EXPLANATION

Mr. SABO. Mr. Speaker, for some reason, my vote was not registered on rollcall vote No. 809, the final passage of the H.R. 250, the Congressional Gift Reform Act as amended. Had my vote been properly recorded, it would have appeared as ''aye'' on agreeing to the resolution.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 528

Mr. BARRETT of Nebraska. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 528.

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

There was no objection.

PROHIBITION ON FUNDS FOR BOSNIA DEPLOYMENT

Mr. SPENCE. Mr. Speaker, pursuant to House Resolution 273, I call up the bill (H.R. 2606) to prohibit the use of funds appropriated to the Department of Defense from being used for the deployment on the ground of United States Armed Forces in the Republic of Bosnia and Herzegovina as part of any peacekeeping operation, or as part of any implementation force, unless funds for such deployment are specifically appropriated by law, and ask for its immediate consideration.

The clerk read the title of the bill.

The text of H.R. 2606 is as follows:

H.R. 2606

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PROHIBITION OF USE ON DEPARTMENT OF DEFENSE FUNDS FOR DEPLOYMENT ON THE GROUND OF UNITED STATES ARMED FORCES IN THE REPUBLIC OF BOSNIA AND HERZEGOVINA AS PART OF ANY PEACEKEEPING OPERATION OR IMPLEMENTATION FORCE.

None of the funds appropriated or otherwise available to the Department of Defense may be obligated or expended for the deployment on the ground of United States Armed Forces in the Republic of Bosnia and Herzegovina as part of any peacekeeping operation, or as part of any implementation force, unless funds for such deployment have been specifically appropriated by a law enacted after the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to House Resolution 273, the gentleman from South Carolina [Mr. SPENCE] will be recognized for 30 minutes, and the gentleman from California [Mr. DELLUMS] will be recognized for 30 minutes.

For what purpose does the gentleman from California [Mr. DELLUMS] rise?

Mr. DELLUMS. Mr. Speaker, as I understand the rules under which we are operating, there is 1 hour of general debate on the Hefley provision and 1 hour in the event there is a substitute to be offered. May I ask the Chair, is that correct?

The SPEAKER pro tempore. The gentleman is correct.

Mr. DELLUMS. At this time I will inform the Chair and my colleagues on the other side that we have no intention to offer a substitute, and as I understand it, the 1 hour of debate on the potential amendment would then be rolled into general debate on the Hefley provision, is that correct?

The SPEAKER pro tempore. The Chair would tell the gentleman that pursuant to section 3 of House Resolution 273, the gentleman from South Carolina [Mr. SPENCE] and the gentleman from California [Mr. DELLUMS] will each control 60 minutes.

The chair recognizes the gentleman from South Carolina [Mr. SPENCE].

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

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

Mr. SPENCE. Mr. Speaker, for the past couple of weeks, proximity peace talks have been taking place in Ohio between leaders of the warring parties in Bosnia. Reports indicate that a political agreement may be near, with the hope of moderating, at least, this latest chapter in the violent history of the Balkans. Yet the issues being discussed by the parties remain unclear to many Americans.

In order to bring these issues into sharper focus, the House National Security Committee has held a number of hearings over the past few weeks. I believe these hearings have helped many members on the committee to deepen their understanding of this complex conflict.

Although a peace agreement has yet to be finalized, the Clinton administration has, nevertheless, committed to deploy up to 25,000 U.S. ground troops in Bosnia as part of a larger NATO peace implementation force. This prospective deployment has raised questions about what the nature, scope, role, duration, and, most importantly, purpose of any American military presence on the ground in Bosnia would be.

It is with these questions in mind that the National Security Committee has sought to shed some light on the administration's plan and its potential impact on the readiness of our Armed Forces, the credibility of our alliance commitments, and the wisdom of placing American soldiers in harm's way for what remain ambiguously defined U.S. national security interests.

To date, we have heard the assessment of the United States intelligence community about the current situation in Bosnia. Regional experts, experienced military officers—both active and retired—seasoned strategists and veteran diplomats have also testified regarding various aspects of the Bosnian problem. And the administration has also been before us to present its case.

In presenting its case to the committee, the administration has raised more questions than it has answered. What we have learned so far is troubling. Moreover, from all I have heard, it appears that the American people find the administration's arguments unconvincing as well.

The committee was told that a United States military presence on the ground in Bosnia is necessary because our NATO allies want us there. This is hardly a sufficient rationale for deploying 25,000 Americans to Bosnia. Without American troops, we are told, neither a meaningful peace agreement nor an effective force to implement it are possible. One can only wonder how meaningful a peace agreement is that requires 60,000 foreign troops, including up to 25,000 Americans, to enforce it. Peacekeeping has worked in the Sinai because both sides are committed to making peace work. I don't believe the same can be said about the numerous factions involved in the Bosnian conflict.

Neither Secretary Perry nor General Shalikashvili identified any military tasks that only U.S. forces could fulfill. In fact, General Shalikashvili stated that from a strictly military perspective, the task of implementing a peace accord in Bosnia could be accomplished solely by European forces. The United States can and probably should bring some unique support capabilities to any peacekeeping operation, but these would not require the on-the-ground presence of up to 25,000 U.S. combat troops.

We were told that America must play a role on the ground because the United States is the leader of NATO and that Alliance solidarity would crumble if we did not. But to argue that the future credibility and effectiveness of NATO rest upon committing American forces to an ill-defined peacekeeping mission is suspect. In fact, the strains of a prolonged military deployment, in support of ambiguous objectives could do more to pull the alliance apart in the long run than to solidify it.

Further, we were told that failure to participate with troops on the ground would make peace impossible and therefore might lead to a wider conflict that would engulf all of Europe. Yet, for the first time in this conflict, the warring parties have attained a rough military balance on the ground. More than any other factor, it is this rough parity that has paved the way for the peace talks in Dayton. Since the Dayton talks have commenced, even the New York Times has recognized that ''the possibility of the Bosnian war spreading has been eliminated.'' What matters now is how committed the warring parties are to making peace, not whether U.S. troops will be on the ground to enforce it.

What we have learned is that the administration has a strategy for putting United States troops into Bosnia, but not for getting them out. The President has said that troop deployments will begin within days of completion of a formal peace agreement. And while the administration has promised to withdraw forces after 1 year, this deadline for withdrawal is arbitrary. Well troops be withdrawn regardless of the situation on the ground? What if the peace collapses prior to our withdrawal? Would we cut and run? Would we damage NATO credibility more by bugging out when the going gets tough? Who, if anyone, will be left to fill the void if the United States were to withdraw? These are just some of the many questions that remain unanswered.

On a broader point, I remind my colleagues that the first rule of peacekeeping is to take no sides and make no enemies. Yet the United States has already violated that cardinal rule through the application of airpower over the past several months. Consequently, how can Americans be seen as neutral after having crossed the line of impartiality through the use of force? Moreover, it strains credibility

to believe that U.S. neutrality can be maintained at the same time that we are indicating our intention to arm and train one party to the conflict. As a result, Americans are likely to become targets in a conflict where peacekeepers already have been killed. American peacekeepers were tragically killed in both Lebanon and Somalia after the mission changed, which, in turn, changed the perception of one or more of the warring parties. If Americans are not neutral, which they will not be perceived as in Bosnia, we will be a target.

Finally, the nature of the mission itself remains an open question, as is the yardstick by which we are to measure its success. Any decision to place American fighting men and women in harm's way must not be taken lightly. There should be a clear U.S. National interest at stake and a well-defined mission—neither of which have been articulated, in my opinion, to date.

Mr. Speaker, in May 1993 Secretary Christopher himself advanced appropriate criteria to guide United States participation in any Bosnia mission. At that time he claimed that any such mission should have military goals that are clear and understandable to the American people, that the chances for success must be high, that support of the American people must be assured, and that the administration must have an exit strategy. These, it seems to me, are the essential minimum preconditions for congressional support.

To date, the Clinton administration has not satisfied these conditions. Therefore, I would agree with the conclusion of General Lewis MacKenzie, the first UNPROFOR commander in Sarajevo. A few weeks ago, he told the committee, and I quote, ''Don't touch this with a ten-foot pole.'' Over the past weeks of hearings, I have heard nothing to change that recommendation.

Mr. Speaker, I ask unanimous consent to have Mr. HEFLEY, a senior member of the National Security Committee and author of the legislation before us today, manage time on this side.

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

There was no objection.

□ 1715

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

Mr. DELLUMS. Mr. Speaker, I yield 5 minutes to the gentleman from Indiana [Mr. HAMILTON] the ranking member of the Committee on International Relations.

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

Mr. Speaker, I rise in opposition to the bill. I think we should vote against it for several reasons. The first reason is that this bill ties the hands of the President. It tells the commander in chief that he cannot deploy troops to Bosnia, period. When you are the commander in chief, you have the power to deploy troops. That is fundamental, and this bill takes away that power.

Now, the authors of the bill say that Congress must assert its constitutional right to decide whether to allocate funds for the commitment of troops. That is correct. We do have that constitutional authority and responsibility, but may I point out to my friends that this bill goes far beyond that. It simply prohibits the President from action as commander in chief.

Second, I think this bill does jeopardize the peace process. This is the make-or-brake weekend in Dayton. The Secretary of State is on his way back; the parties have completed a number of preliminary agreements, and we are told that they could be close to a final settlement. At this very delicate and fragile moment, the Congress of the United States ought not to take any step which would undermine these talks. The parties in Dayton expect the United States to help implement this agreement. They are insisting upon it. The bill states that we will not do it.

Secretary Christopher put it very bluntly to us. He said that at a time when parties must make difficult decisions for peace, a House vote on this bill could be misinterpreted and give the parties reason for delay and hesitation. Why take that risk? Why take that risk at this very hour?

The Bosnian peace talks should be given every chance to succeed and we should take no action that might kill the negotiations and send the parties back to war.

Third, I believe that this bill is unnecessary because Congress will have a chance to vote later on troop deployments. I know there are many people in this Chamber who want that right, and I think they should have it. We should vote on the question of sending troops to Bosnia. I think it is our constitutional duty to do so whenever the President puts U.S. troops in harm's way.

Mr. Speaker, I believe we will have that choice. The President has stated in a letter in writing to the Speaker that he will request a vote after an agreement has been reached in Dayton and before the troops are deployed. I think he will honor that commitment.

There is no need to vote tonight, because there is no agreement yet. We have no request in this Congress to send troops. There is no plan before us on the details of United States deployment in Bosnia. The President cannot submit the plan until the parties have reached an agreement. He cannot submit the plan until our military has drawn up its recommendations.

Finally, Mr. Speaker, I think it is a mistake to pass this bill because I think a vote against the bill is that the stakes are too high to act prematurely. The stakes are too high in Bosnia. NATO and European security and stability are on the line in Bosnia.

We all know that we are at a decisive moment in Bosnia. We all know it could tip towards peace or war. We cannot get peace in Bosnia unless NATO enforces it.

The President made a commitment 2 years ago that we would participate in any NATO force implementing an agreement. Our NATO partners in Bosnia will not enforce a peace agreement without us. The people of Bosnia and all of the parties to the agreement in Dayton want our participation and they are dependent upon it. They know that without U.S. participation and leadership, there will be no peace. If we rule out now a United States role, and that is what this bill does, before we see the details of a peace agreement or an implementation plan, we risk the collapse of the peace efforts in Bosnia and a wider war.

□ 1730

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

Let me say it is very important that we debate this measure now. This is not a trivial matter. I know the gentleman from California [Mr. DELLUMS] shares my deep conviction about that. I would hope that everybody who speaks on this will not put it in the context of politics, Democrat, Republican, conservation, liberal, presidential, Congress. That is not what we want to talk about here today. We want to talk about American lives and American families. For many American families, this is the most important vote that the 104th Congress will name and make no mistake about it.

As the gentleman from Wisconsin [Mr. ROTH] said earlier, this is the vote on Bosnia. This is the vote on Bosnia. Do not think you can go home and say, ''Well, I didn't really approve of sending troops to Bosnia but we ought to do it, the timing was just bad.'' That is not the way it is going to work. If we want a meaningful vote, it has to be right now.

This bill does one thing: It requires specific appropriation of money prior to ground troops being inserted in Bosnia. That is all it does. It does not infringe on the rights of the Commander in Chief. It does not tell him what he can and cannot do. It simply says, do not do it until you have Congress and the American people behind you. How much stronger the effort will be if we have the President and Congress and the American people all together signing off the shame sheet.

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

Mr. DELLUMS. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Pennsylvania [Mr. MCHALE].

Mr. MCHALE. Mr. Speaker, the Washington Times, November 17, 1995. I would urge Members, particularly those on the other side of the aisle, listen to these words:

''Bosnia, a Vote Too Far.

If ever there was a need for Solomonic wisdom, it would have to be in

Dayton, OH. Negotiations are not going well and what will surely not make the negotiations any easier are the votes coming up in the Congress today on troop deployment. With relations between Capitol Hill and the White House as poisonous as they can be, this is simply the wrong time and the wrong way to make decisions about the most pressing foreign policy issue of the day.''

The Washington Times.

''To vote preemptively before there is even something to vote on is inappropriate. The Republicans—again, the Washington Times—the Republicans should ask themselves, is that really what they want.''

Mr. Speaker, I believe that there are two issues that must be considered by the House. The first is the issue of the wisdom, dubious though I think it may be, of deploying ground troops in Bosnia.

I stood here in the House 2 weeks ago in a bipartisan effort prior to the commencement of the negotiations in an attempt with my good friend the gentleman from Indiana [Mr. BUYER] to send a clear, unequivocal message to the President of the United States that we do not want ground troops in Bosnia. My views have not changed one bit. Three hundred-fifteen of us said to the President of the United States, do not send ground troops.

The issue before the House today is not the wisdom or lack thereof in sending troops. The issue before the House today is the timing of the congressional role. When do we exercise our constitutional responsibility?

The President of the United States in response to a request that several here in this Chamber made to him and contrary to the assertions previously made by some Members on this floor has said in unequivocal language that upon the conclusion of the negotiations, there will be a vote requested in this House.

Let me assure my Republican friends, if the President does not heed the will of the American people, if he does not correct the mistaken analysis of those who are advising him on the military issues, no one will stand on this floor and fight him more firmly with the full power of the law given us under the Constitution in order to avoid the deployment of ground forces. But today that issue ought not be before the House.

Mr. Speaker, I believe that it is constitutionally irresponsible for this Congress, or any Congress, to statutorily cripple the President, any President, in the conduct of foreign policy during a delicate stage of diplomatic negotiations.

If we pass this bill today, future Republican Presidents and future Congresses of the United States will regret the precedent. To stop this President, we need not weaken the presidency.

I urge a negative vote.

Mr. HEFLEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida [Mr. WELDON].

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

Mr. WELDON of Florida. Mr. Speaker, I rise in support of H.R. 2606.

The resolution simply states that none of the Department of Defense funds may be used to deploy United States ground troops to Bosnia unless specifically authorized by the Congress.

I have been very concerned about Mr. Clinton's unwillingness to consult with the Congress and seek congressional approval for other endeavors. Mr. Clinton failed to get congressional approval prior to spending tens of billions of dollars in taxpayer money to bail out the Mexican economy.

Additionally, during the recent debate on the Federal budget impasse and the debt limit, Mr. Clinton has by-passed the requirement that the Congress pass legislation enabling the Federal Government to incur a debt in excess of $4.9 trillion.

This President has consistently demonstrated a willful disregard for the legislative process and Congress. In spite of Mr. Clinton's statements, I have no reason to believe that his actions with regard to Bosnia will be any different. Besides, if the President has said he would seek congressional approval before sending United States troops to Bosnia, he should have no problem signing this bill.

I am very concerned about President Clinton's plans to send United States troops to Bosnia, and I believe it would be wrong for the President or his administration to make promises of United States troops to Bosnia.

I welcome all efforts to reach a settlement in the region, but oppose any increased U.S. military role in this volatile area. I do not believe United States military intervention in Bosnia will bring a lasting peace. Even a minimal military involvement holds the very real potential of miring the United States in a prolonged and unwinnable struggle. The last thing we need is to get tangled up in another Vietnam-like war with the loss of many American lives.

Before taking another ill-conceived step, President Clinton needs to define our policy and objectives in the region. What are the specific objectives of U.S. military involvement? Why must the United States shoulder so much of this burden in Europe's own backyard? Why is Europe itself hesitating to use troops? What will be the next step if limited military engagement fails? These questions remain unanswered. At this point, the Clinton administration's policy seems to be driven by shifting winds instead of sound military strategy.

Unlike Kuwait, Bosnia is not a well-established State and is under attack from its own people. The civil war there results from resurgent nationalism, conflicting territorial claims, and past historic grudges that are centuries old.

The cold war may be over, but Mr. Clinton and his foreign policy advisors have not yet learned how to deal with regional conflicts that affect international security. The administration's vacillation in Somalia, Bosnia, and Haiti has eroded United States credibility abroad. In addition, defense down-sizing has reduced our ability to protect our own vital interests and the Clinton administration has asked for even deeper cuts.

Bosnia is not at peace. This centuries-old conflict is continuing. The Clinton administration is prepared to put our military men and women in the position of implementing the peace. I am not.

President Clinton has failed to demonstrate why United States troops should be sent to Bosnia and he should seek congressional approval before endangering the lives of our men and women in uniform by sending them to the Balkans.

Mr. HEFLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. DELAY], the distinguished Republican whip.

Mr. DELAY. I thank the gentleman from Colorado [Mr. HEFLY] for bringing this resolution to the floor.

Mr. Speaker, no matter how nicely we try to tell him, President Clinton still has not gotten the message that the American people have strong reservations about sending our young men and women into an extremely dangerous situation in Bosnia when our national interests are not directly threatened.

I would like to just read a quote from Philip Merrill, former Assistant Secretary-General of NATO, which appeared this week in the Wall Street Journal:

> Our future policy seems to be to simultaneously threaten Serbs from the air, act as peacekeepers on the ground, train the Croation army, arm the Bosnian military, conduct peace negotiations, and indict Bosnian war criminals. Any one of these policies is defensible; taken together, they're incoherent. As flare-ups occur, these inherently conflicting policies will leave us powerless to act effectively.

This is not a situation into which I could justify sending our young Americans. If a peace agreement is reached, and I truly hope that one is, the United States has the responsibility to help implement it, but not with ground troops.

It is neither in the President's nor the country's best interests to forge ahead with a plan to send United States troops to Bosnia without the full support of the American people through their representatives. H.R. 2606 sends a clear message to the President that he has not sufficiently made his case and that he is going to have to work with Congress if he wants to follow this path.

I support the Hefley legislation and I urge my colleagues to support it. Congress has a duty to exercise its power of the purse when it feels the President is making a grave mistake.

Mr. DELLUMS. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Virginia [Mr. SISISKY].

Mr. SISISKY. Mr. Speaker, whether or not U.S. forces should be put on the ground as peacekeepers is one of the most troubling questions facing this country today. I can say it is a personal problem for me. There are risks whatever we do. If we go in, we may place ourselves in the line of fire by those who choose not to abide by a peace agreement.

I have been returned to this House 7 times, almost 14 years now. One of the reasons that I consider I have been returned is that I try to do what most of

my people that I represent want. I can say in all honesty, they do not want the troops to go into Bosnia. But there are times that I think that we have to rise above what our constituents read and hear, not trying to replace what they want, but I think we have to rise above that. That is why I am opposed to this.

This is a precarious situation. There is no easy answer, there is no certain outcome, and I hope the peace talks in Dayton make some of the questions easier to answer.

But the bottom line is that U.S. credibility, I believe, is on the line. Mind you, I did not say the prestige was on the line. I am not too concerned about prestige. But I think that our credibility is at risk.

The chairman of our committee mentioned General McKenzie. I want to just tell Members a little bit about me questioning General McKenzie and two of the brightest people in the Reagan administration in the Pentagon who testified before our committee. They were very simple questions that I asked.

I asked them, ''Are you in favor of a unilateral lifting of the embargo?''

They said, ''Absolutely.'' These are the two people, the former Pentagon secretaries.

I asked General McKenzie, I said, ''General McKenzie, is it true that the British and the French would pull out if we unilaterally lifted the embargo?''

He bowed his head, and he said, ''Yes.''

I said, ''Is it also true that the United States of America would have to extract the British and French with 50,000 troops under wartime conditions?''

And everybody—and those in that National Security meeting know what I am talking about—everybody ducked their head.

Because the truth of the matter is we are talking about not 25,000 troops, 20,000 troops, on the ground in peacekeeping. The other 50,000 troops if we lifted the embargo unilaterally would be at wartime risk. As members of the committee know, I never give up my time, and I said: ''I yield back the rest of my time.''

We cannot abdicate our responsibility, bury our head in the sand, and retreat into isolationism. That is a failed policy of the past and it will fail again if we try today.

Mr. HEFLEY. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from New York [Mr. GILMAN], the chairman of the Committee on International Relations.

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

Mr. GILMAN. Mr. Speaker, I want to thank the gentleman from Colorado [Mr. HEFLEY] for yielding me the time and for bringing this matter before us at this time.

Mr. Speaker, it is most regrettable that we have come to this juncture on the question of whether United States armed forces should be deployed to Bosnia to help implement a peace agreement.

Ideally we would not be voting on this matter before an agreement has been reached. Ideally we would wait until an agreement was reached, carefully consider that agreement, assess the proposed mission of our forces, the likehood that our forces will be able to successfully accomplish that mission, and then, after careful deliberation, we would vote on whether to approve or disapprove the deployment of United States forces to Bosnia to help implement the agreement.

Regrettably, we are not in the ideal situation with regard to Bosnia. That is because the Clinton administration is apparently circumventing the Congress in its determination to deploy up to 20,000 of our armed forces to Bosnia.

The administration has kept us in the dark about the negotiations in Dayton. They have been evasive about what the precise mission of the U.S. forces would be, particularly the degree to which our forces will be called on to coerce the parties into complying with the agreement.

By refusing to talk about the degree to which the mission will be one of Somalia-style peace enforcement rather than Cyprus-style peacekeeping, they have precluded any serious consideration of the risk that this mission will turn out like the earlier United States operations in Somalia and Lebanon, where the United States became not a peacekeeper, but rather just another party to the conflict.

Most importantly, the administration has declined repeated invitations to commit that the Congress will have a reasonable period of time to consider whether to approve or disapprove the deployment before any United States forces are sent to Bosnia. They have, of course, hinted that Congress will have plenty of time to act. They have told us not to worry; the check is in the mail.

But, every assurance we have been given has been carefully hedged. Most recently, in the President's November 13 letter to the Speaker, the President told us there would be a timely opportunity for Congress to consider and act, but then he went on to say in the next sentence that: ''However, there is a requirement for some early prepositioning of a small amount of communications and other support personnel.''

We have tried to find out what that means. We have been told it means that as many as 4,000 NATO personnel may be deployed into Bosnia starting about 72 hours after an agreement is initialed in Dayton, up to half of whom may be Americans.

What it means, in other words, is that almost before the ink is dry in Dayton, thousands of American soldiers may be on their way to Bosnia.

Mr. Speaker, I include our exchange of letters with the President on this issue in the RECORD at this point:

HOUSE OF REPRESENTATIVES,
Washington, DC, October 26, 1995.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: We wish to reaffirm our conviction that it would be a grave mistake to introduce U.S. Armed Forces into Bosnia to enforce a peace agreement without the support of Congress and the American people. For this reason, we applaud the commitment set forth in your October 19th letter to Senator Byrd to ''welcome, encourage and, at the appropriate time, request an expression of support by Congress promptly after a peace agreement is reached.''

Last week's congressional testimony by Secretary of State Christopher, Secretary of Defense Perry, and Chairman of the Joint Chiefs Shalikashvili was a useful step in the dialogue that must take place between the Administration and Congress over this issue. At this time, however, we continue to have serious reservations about the introduction of U.S. Armed Forces into Bosnia.

In order for Congress to properly consider and act upon this issue, we will require considerably more information about the proposed deployment than has been made available to us to date. Further, we need some clarification of the sequence of steps leading up to the possible deployment of U.S. Armed Forces to Bosnia.

Accordingly, we are submitting to you the questions set forth below. These questions are submitted in the spirit of your October 19th letter and are designed to foster cooperation between our two branches in this important matter. We hope that the following questions will receive the immediate attention of your Administration and a prompt and complete response:

1. The Sequence: What steps must occur between the time a peace agreement is reached and the time that U.S. Armed Forces are first introduced into Bosnia? How much time is each of these steps likely to require? At what stage in this process do you intend to submit your request to Congress, and how much time will this likely afford Congress to act on your request prior to the introduction of U.S. Armed Forces into Bosnia?

2. U.N. Authorization: Do you intend to obtain a new resolution from the United Nations Security Council before deploying U.S. Armed Forces to Bosnia? If so, will your request to Congress be submitted before, simultaneous with, or after you go to the Security Council to obtain its approval? If such a Security Council resolution is vetoed, would you consider proceeding without such a resolution? How would the timeline for proposed congressional action be affected if the Security Council refused to authorize the operation?

3. U.S. Commitment: The Administration has argued repeatedly that the credibility of the United States and the solidarity of the North Atlantic Treaty Organization will suffer if Congress does not back up your commitment to deploy up to 25,000 U.S. troops into Bosnia to help enforce a peace agreement. Precisely when did you make this commitment, to whom did you make it, and what conditions, if any, were attached to it?

4. Consultation With Congress: Was there any consultation with Congress about this commitment before it was made? If there was such prior consultation, could you please provide the dates on which those consultations took place and the names of the Members who were consulted.

5. Mission of U.S. Forces: In making this commitment, did you specify the type of mission the U.S. Armed Forces would be prepared to carry out? In particular, was the commitment limited to carrying out traditional peacekeeping operations—essentially

acting as a neutral observer of the parties' compliance with the peace agreement—or did it extend to using armed force to coerce the parties into compliance with the agreement?

6. National Security Interests: What are the vital U.S. national security interests that require sending American ground forces to support a peace enforcement operation? What are the political and security objectives and military tasks to be accomplished in Bosnia? What is the measure of success for the operation? Why is the deployment of U.S. Armed Forces limited to one-year?

7. European Capabilities: In recent testimony before congressional committees, General Shalikashvili states that ''strictly from a military point of view, [European] NATO forces are capable of carrying out this mission.'' If European forces have the capability to conduct this mission alone, why must U.S. ground forces be involved?

8. Arms Control: With regard to the Administration's plan to create a military balance in Bosnia through arms control, now and when will an arms control regime for Bosnia be established? Who will responsible for ensuring compliance with it? Is it possible that U.S. Armed Forces deployed to Bosnia will be asked to disarm Bosnian Serb or other forces in accordance with such an arms control regime?

9. Arming Bosnia: With regard to the Administrations's alternative plan to create a military balance in Bosnia by equipping and training Bosnian Federation military forces, is implementation of that plan conditioned on failure of efforts to create a military balance through arms control? If so, who will judge whether arms control has failed, and at that point will that judgment be made?

10. Lifting Arms Embargo: Will the U.N. arms embargo have to be lifted before equipment and training can be provided to the Bosnian Federation forces? Have Russia, France, and Britain agreed in principle to lift the arms embargo for this purpose? Will any lifting of the arms embargo on Bosnia necessarily require that the arms embargo on Serbia also be lifted? If so, what will prevent the Russians and others from arming the Serbs while we arm the Bosnians?

11. Maintaining Neutrality: What role will the Implementation Force, U.S. Armed Forces, or U.S. contractors, have in providing military equipment and training to the Bosnian Federation Forces? How does the United States remain a ''neutral peacekeeper'' if it is simultaneously providing, either directly or indirectly, military equipment and training to one of the parties to the conflict?

12. Coercing Compliance: What happens if it becomes apparent after U.S. Armed Forces are deployed in Bosnia that one or more of the parties to the conflict is not committed to peace? Would you withdraw our forces at that point, or would you seek to coerce the misbehaving party or parties into compliance with the agreement?

13. Survival of Muslim-Croat Federation: Is the Muslim-Croat Federation likely to survive a peace? In particular, are Croatia and Serbia committed to survival of the Federation, or are they just waiting to partition the country?

14. Role of Russian Troops: What role will Russian troops play in the Implementation Force and in the peace process? Will the United States be asked to underwrite directly or indirectly any portion of the cost of Russian participation? Under what command and control arrangements will Russian forces serve?

15. Costs: What are the estimated incremental costs for this operation and what plan are those estimates based upon? Are these costs based on the deployment of 20,000–25,000 forces for one full year, or do they assume a phased drawdown during that period? Beyond the deployment of U.S. ground forces, what are the cost estimates for total U.S. activities in Bosnia, including costs for air combat units, naval carrier groups, support staff, etc. What are the cost estimates for NATO for this operation, and what percentage of those costs will be billed to the United States? Are these costs in addition to incremental costs identified above?

16. Supplemental Appropriation: How does the Administration plan to pay for this operation? If a supplemental appropriation will be requested, when will that occur?

17. Effect on U.S. Readiness: Even though the U.S. troop contingent alone will be insufficient to police the extent of the planned American area of operations in Bosnia, this mission, in conjunction with the ongoing border monitoring mission in Macedonia, will effectively tie up most of U.S. Army Europe. What will be the effects of the overall U.S. activities in and around Bosnia on U.S. readiness in Europe and worldwide? What effects will the deployment have on the Defense Department's ability to execute its strategy for responding to two major regional contingencies?

18. Command and Control: What are the current command and control arrangements for this mission? What assurances can you give us that there will be no ''dual key'' arrangements? Please explain the military and political chains of command. What are the rules of engagement for U.S. forces?

19. Return of Refugees: What is the long term viability of a peace settlement if the displaced persons in Bosnia—who constitute half of the country's population—are unable to return to their homes? Will U.S. Armed Forces have any role in ensuring the right of return is respected for those who wish to exercise it? If so, how will our Forces perform this function?

20. Casualty Estimates: What is the estimate of U.S. casualties over the one year period of deployment in Bosnia?

21. Agreements With U.N.: Will you make available to us all documents and understandings between those residual U.N. peacekeeping forces and the Implementation Force, including any intelligence-sharing arrangements, Status of Forces Agreements, and understanding or commitments involving the use of U.S. troops to protect any residual U.N. forces or observers?

22. Reconstruction of Bosnia: We understand that at the upcoming London Conference the United States will make a substantial financial commitment for the relief and reconstruction of Bosnia. What is the size of that commitment, how will it be paid for, and what are the implications for FY 1996 program levels? What programs will suffer reductions to fund this effort?

Thank you for your consideration of these questions, and we look forward to your prompt response.

With best wishes,

Sincerely,

Newt Gingrich; Tom DeLay; Chris Cox; Bob Livingston; Dick Armey; John Boehner; Bill Paxon; John R. Kasich; ——— ———; Barbara F. Vucanovich; Susan Molinari; Ben Gilman; Bob Walker; Bill Archer; J. Dennis Hastert; Floyd Spence.

THE WHITE HOUSE,

Washington, November 13, 1995.

Hon. NEWT GINGRICH,

Speaker of the House of Representatives, Washington, DC.

DEAR MR. SPEAKER: In your letter of October 26, you and your colleagues posed a number of questions concerning current and future U.S. activities surrounding the Bosnian peace process. I welcome this opportunity to deepen the dialogue between the Congress and the Administration over the peace process and the U.S. role in it.

Your questions fell into several broad categories and for clarity of presentation, my responses are arranged to address each of those categories. I am providing the most current, definitive information available. As you know, however, negotiations in Dayton have been underway for less than two weeks. Many of the issues you raise are still under discussion by the parties themselves. The outcome of those discussions will significantly affect some of the questions you have posed. As I am sure you will understand, it is impossible to provide detailed information about aspects of a settlement that does not yet exist.

In addition, since some of the questions you raise concerning U.S. participation in implementing a Bosnian settlement depend on the terms of the agreement itself, you will understand that I must reserve my decisions until the actual details of the agreement are clear. There must first be an agreement among the parties to which they are seriously committed. I look forward to continued, close consultations with you and your colleagues as the peace process moves forward.

U.S. INTERESTS

This Administration, and that of previous Democratic and Republican Presidents, have been firmly committed to the principle that the security and stability of Europe is of fundamental interest to the United States. The conflict in Bosnia is the most dangerous threat to European security since World War II. If the negotiations fail and the war resumes, as it in all probability would, there is a very real risk that it could spread beyond Bosnia, and involve Europe's new democracies as well as our NATO allies. Twice this century, we paid a heavy price for turning our backs to conflict in Europe.

If the negotiations now taking place under U.S. leadership in Dayton are successful, we will have a real opportunity not only to end the dreadful humanitarian suffering and outrageous atrocities that we have seen in Bosnia, but also to advance our goal of an undivided, peaceful and democratic Europe—with benefits for our own security and prosperity. Such a result is clearly in our nation's interest.

This result, however, can only be achieved with U.S. leadership. The events of the past several months illustrate the importance of that leadership. Following the assaults on Srebrenica and Zepa by the Bosnian Serbs, the United States led the international community to take serious and effective steps to protect the remaining UN-mandated safe areas. We secured an agreement from our NATO allies to meet further assaults on the safe areas with a decisive military response. American pilots participated in the NATO bombing campaign following the shelling of a Sarajevo marketplace, demonstrating our resolve and helping to convince the parties to turn from the path of war to the path of negotiations and peace.

Finally, U.S. diplomatic leadership has seized the opportunity for peace that these developments created. In August, I directed my National Security Advisor, Anthony Lake, to present a new U.S. initiative to our Allies and the Russians. Since then, our negotiating team, directed by Secretary Christopher and led by Richard Holbrooke, has conducted tireless shuttle diplomacy throughout the region and Europe as a whole. Their remarkable progress over the past three months has resulted in a cease-fire and agreement on the basic principles of

a settlement, laying the groundwork for the current negotiations in Dayton.

U.S. leadership has brought the parties within reach of a peaceful resolution of the conflict for the first time in years of terrible human tragedy. We must not abandon this process now. The parties, in particular the Bosnians, have made clear to us that U.S. leadership has created this opportunity for peace after years of bloodshed, and that NATO and U.S. participation is essential if they are to take decisive steps toward a peaceful future. In short, if our commitment to helping implement a peace is broken, there will be no peace in Bosnia. I would particularly emphasize the importance of U.S. involvement with regard to NATO. For almost 50 years, the Alliance has been the anchor of America's and Europe's common security. If we do not do our part in a NATO mission, we would weaken the Alliance and jeopardize American leadership in Europe.

SEQUENCING/TIMING

If an agreement is reached at the Dayton talks, a number of steps must be taken prior to the deployment of troops. While the precise details of such sequencing depend on the terms of the agreement, let me suggest the general outline.

When and if all substantive issues are resolved among the parties, they would initial the documents that would comprise the comprehensive peace agreement. Following the initialing of the accord, NATO must promptly complete its operational planning for an Implementation Force (IFOR) based upon the terms of the settlement. I would review the agreement and the final NATO plan and determine whether U.S. participation in the IFOR is warranted. There would be an international conference to discuss aspects of civilian implementation, a final peace conference of all the parties and, ultimately, a signing of the agreement by the parties. During this period, the North Atlantic Council also must approve the final operational plan for the IFOR.

I will submit a request for a Congressional expression of support for U.S. participation in a NATO-led Implementation Force in Bosnia promptly if and when the parties have initialed an agreement that I consider to be a genuine agreement and after I have reviewed the final NATO operational plan.

While expeditious IFOR deployment is desirable, after initialing of an agreement, there will be a timely opportunity for Congress to consider and act upon my request for support before American forces are deployed in Bosnia. However, there is a requirement for some early prepositioning of a small amount of communications and other support personnel.

As I have said previously, I believe Congressional support for U.S. participation is important and desirable, although as has been the case with prior Presidents, I must reserve my constitutional prerogatives in this area.

Once a final decision is reached and the peace agreement has been signed and has entered into force, IFOR would deploy rapidly to minimize the potential for renewed conflict. The final peace agreement would contain the parties' request and authority for IFOR deployment, thus IFOR's presence would be consensual. The UN Security Council may also approve a resolution endorsing the deployment.

Without an agreement in hand, it is impossible to set an exact timetable for the withdrawal of U.S. troops, but the IFOR operation should have a finite duration. Based on current planning by my military advisors, we believe that approximately 12 months would be adequate to accomplish the needed IFOR tasks and allow the peace to become self-sustaining, although we cannot make that final judgment until the terms of the agreement are defined.

IFOR MISSION/COMMAND AND CONTROL

Once deployed, IFOR would monitor and enforce compliance with the military aspects of the settlement in an evenhanded manner. The precise tasks depend on the terms of the agreement but would include maintaining the cease-fire and separation of forces. IFOR would be an active, robust force capable not only of implementing a peace agreement but also of defending itself vigorously under all circumstances.

Although the parties would have the primary responsibility for implementing the agreement, the parties have made clear that a strong international military presence would be needed to give them mutual confidence that commitments would be met and to provide them with a breathing space to begin rebuilding their country. NATO is the only force that offers the strength, effectiveness and credibility to provide the needed deterrent to renewed conflict. The United States, as the heart of NATO, must be an integral part of that enterprise. Though no details can be finalized prior to a settlement, we envisage that the United States would contribute approximately 20,000 ground troops in Bosnia to the force, with our Allies and non-NATO countries contributing approximately 40,000 more. Additional personnel stationed outside Bosnia would provide support for IFOR.

IFOR would not be a UN peacekeeping force. It would be a NATO-led peace implementation force, operating under clear and unified command and control, with robust rules of engagement. All political guidance would come from the North Atlantic Council to the Supreme Allied Commander in Europe, U.S. General George Joulwan. General Joulwan would, in turn, provide overall direction to the IFOR commander, Admiral Leighton Smith, the Commander of NATO's Southern Forces. NATO has learned the lesson of the problems associated with the ''dual key'' arrangement and there would be no return to that approach. This is an essential precondition for U.S. participation.

We expect that non-NATO countries, including Russia, would help implement the agreement. Secretary Perry and Russian Defense Minister Grachev agreed on November 8 to a military framework that would allow for the participation of a brigade of Russian troops in the Bosnia implementation force. They agreed on common principles for Russian participation. Russia would retain national command of its forces, as the United States would retain over U.S. forces. Operational control of the Russian contingent would come from General Joulwan, transmitted to them through a Russian deputy, and the Russian brigade would be under the tactical control of a U.S. division commander. While this arrangement would allow Russia to assert that their forces are not under NATO command, Russian forces would receive their missions and orders from U.S. officers who would report through the NATO chain of command, thus preserving the principle of unity of command.

The details for liaison arrangements with non-NATO nations have yet to be finalized. Let me make clear, however, that in no case would non-NATO nations or organizations have a veto over NAC instructions or authority over U.S. troops.

IFOR commanders would operate under operating procedures and rules of engagement that allow them great flexibility in determining the proper response to a violation of the agreement or a threat to IFOR. This would help ensure that violations are dealt with effectively and further violations deterred.

Violations of the military aspects of the settlement would be met with swift, decisive force if that is necessary. I would not ask American troops to implement a plan that cannot be enforced. In the event of a significant breakdown in compliance, the NAC would assess the situation in consultation with the NATO military authorities and authorize any necessary changes in operating procedures and the rules of engagement. Allies agree that if there were a total breakdown in compliance, IFOR would be withdrawn.

It is not possible to make meaningful casualty predictions, since casualty models for peace operations do not exist. Let me emphasize that our troops will not be deployed unless and until there is a genuine peace agreement. The parties must show that they are serious about peace. Given the size of the IFOR and its rules of engagement, as well as the high quality of U.S. and NATO troops, training, and equipment, we would have created conditions that would offer the minimum possible risks to our soldiers.

The signing of a peace agreement and the deployment of IFOR would mean the end of UNPROFOR's mandate. Some elements of UNPROFOR immediately would become part of IFOR under NATO command. The rest of the troops making up UNPROFOR would be withdrawn from Bosnia-Herzegovina under the command and control of the IFOR commander.

EFFECTS ON READINESS

U.S. participation in the IFOR would not seriously reduce the ability of U.S. forces to fight and win a regional conflict elsewhere. Combat forces most needed in the opening phase of a regional conflict would still be available to deploy on short notice. There would, of course, be some degradation in the preparedness of units deployed in Bosnia to engage in combat missions elsewhere. Units engaged in contingency operations sometimes lose the opportunity to conduct a full range of training.

I would note, however, that the need to withdraw combat forces from peace operations and redeploy them rapidly is likely to be required only in the event of two nearly simultaneous major regional conflicts. In such cases, we envision that most of the forces from the peace operation would be redeployed to fight and win during the later phases of the second major conflict. This being the case, we anticipate that time would be available to provide units with retraining, restocking, and other ''readiness upgrades'' prior to being redeployed and committed to operations in the second major conflict. Readiness degradation to critical support forces can be prevented by implementing a planned limited call-up of the reserve forces.

Finally, timely reimbursement in the form of supplemental appropriations is the surest way to avoid any adverse impact on service operations and maintenance for ongoing operation.

ARMS CONTROL/STABILIZATION

The objective of our participation in implementing a peace agreement is the creation of a lasting peace in the former Yugoslavia. To that end, we are pressing for the inclusion of arms control and confidence-building measures in the final settlement. Initial steps, beyond a separation of forces, could include sharing of military information between the parties, restrictions on exercises and deployment of heavy weapons, and notifications of military activities. We will also press for a commitment by the parties to a regime providing for a ''build-down'' of forces. OSCE has already begun planning and may eventually take the lead in trying to forge a lasting arms control regime in Bosnia.

One important factor in producing a stable environment will be a balance of forces between the parties. We are hopeful that arms control and the other confidence-building measures cited above would help bring this about. To the extent arms control measures are not sufficient to provide stability after a peace settlement, we are prepared to play a role in an international effort, separate from IFOR, to help equip and train the armed forces of the Bosnian Federation to ensure that they have an effective self-defense capability. To this end, we intend to move for a lifting of the UN arms embargo after a settlement is reached, allowing the Federation to arm itself consistent with legitimate requirements of self-defense.

THE FEDERATION

A strong and effectively functioning Bosnian Federation is an essential prerequisite to a durable peace in Bosnia. It has been a central U.S. objective since last year's Washington accords that ended the fighting between Bosnia's Muslims and Croats and established the Federation. Strengthening the Federation has been one of my highest priorities in every meeting I have had with Bosnian and Croatian leaders.

On November 10 in Dayton, Bosnian President Izetbegovic and Federation President Zubak signed an important agreement that brings the Federation and its institutions to life. The Dayton agreement, witnessed by Croatian President Tudjman and Secretary of State Christopher, provides for the political, economic and social integration of the Federation. It also defines the division of responsibilities between the Federation and the central government of the Republic of Bosnia-Herzegovina. By strengthening the Federation, the agreement should give additional impetus to negotiations with the Serbs on the constitutional arrangements for Bosnia as a whole.

As you know, the parties have already agreed, in the basic principles adopted in Geneva, to a single Bosnia-Herzegovina within its current borders, and to rule out any arrangements that are inconsistent with Bosnia's sovereignty and territorial integrity. As I have stressed in the past, the United States will not support any settlement that represents a partition of Bosnia. A major goal in the current negotiations is to assist the parties in reaching agreement on amendments to the constitution of Bosnia-Herzegovina that provide for effective central governing structures for the Bosnian state while defining the scope of autonomy to be provided to the two constituent entities. We expect the agreement would also contain provisions for elections throughout Bosnia-Herzegovina under the auspices of the OSCE.

CIVILIAN/HUMANITARIAN ISSUES AND RECONSTRUCTION

The conflict in Bosnia has taken a huge toll on the fabric of Bosnian life. The reprehensible practice of ethnic cleansing and the violence of war have uprooted millions of people from their homes. Atrocities unknown in Europe since the Second World War have occurred. The production and delivery of food and everyday necessities have been disrupted. Extraordinary damage has been done to economic enterprise and infrastructure.

We expect that as part of a settlement there would be a coordinated international effort to address these problems. These activities would not be part of the IFOR mission but would be undertaken by the entire international community under civilian coordination. We would not allow ''mission creep'' that could involve IFOR in such a nation-building role. The UN High Commissioner for Refugees would coordinate the return of refugees and displaced persons. The International Red Cross would deal with prisoners and missing persons. International aid agencies would help the people of Bosnia rebuild the immediate needs of survival. And an international police task force would work to monitor and retrain civilian police.

Separate from, but complementary to, the immediate humanitarian efforts would be an international reconstruction effort to repair the devastation brought about by years of war. The European Union has indicated a readiness to take the lead in these efforts in tandem with the international financial institutions. The nature and scope of what would need to be done in Bosnia, in terms of reconstruction and relief, is still under review, both within the Administration and with our allies. We do not yet have a complete analysis of Bosnian needs and have not made a commitment on the size of U.S. participation. For planning purposes, we are working with an estimated U.S. contribution of $500–600 million over a period of several years. We will be consulting with Congress on this issue in the coming weeks.

The British have proposed a conference in London to discuss and coordinate all aspects of peace implementation, including regional reconstruction. As the negotiations progress, we will work closely with the British to make the best use of their proposed conference, and, of course, consult closely with Congress on these issues.

COSTS

Obviously, the effort that I have described would involve costs, both for U.S. participation in IFOR and our contribution to reconstruction efforts.

The Administration's ability at this time to estimate the actual costs of a NATO deployment to Bosnia in support of a negotiated settlement is limited. This is because such an estimate is heavily dependent on the terms and conditions under which the force will be introduced. For example, factors such as force composition, scope and type of mission, operating environment, force sustainment and duration of assignment, among others, would all contribute to determining the ultimate costs that participants will have to pay. Additionally, the United States would seek equity and balance with European and other participants in any funding arrangement or material support we provide to such an operation. Our best estimate at this time is that it would cost approximately $1.5 billion to deploy U.S. forces for one year. Under any deployment plan, the Administration would share information with Congress on the terms, developments and support requirements affecting our commitment.

We will work closely with the Congress on funding U.S. participation in IFOR. No decision has been taken on seeking a supplemental appropriation to meet funding requirements associated with a Bosnian peace agreement. Until appropriations have been finalized for FY 1996, we will not be in a position to determine how best to fund this operation.

In terms of reconstruction and relief funding, we are studying a number of funding possibilities. For FY 1996, only a fraction of projected Bosnian reconstruction costs have been budgeted, and sources for reprogramming are likely to be severely limited.

As planning for economic reconstruction advances, a variety of funding options should be kept on the table, particularly given the large cuts already made to international affairs funding.

CONCLUSION

Unquestionably, there are costs and risks to all involved in making peace. But the costs and risks of failing to make peace are far greater. The human costs of continued war in Bosnia would be another cruel winter of starvation and suffering, followed by a spring of renewed, bloody conflict. The economic costs of continued war would be additional millions of dollars in humanitarian aid, in funds for ongoing sanctions and No-Fly Zone enforcement, and in the efforts of our Allies to accommodate hundreds of thousands of refugees throughout Europe. The security costs would involve the risk of wider and even more dangerous conflict, as well as serious damage to the credibility and effectiveness of NATO and U.S. leadership if the war resumes. Moreover, if the war resumes, NATO and the U.S. could be called upon to undertake a potentially dangerous mission involving the withdrawal of UNPROFOR under hostile circumstances.

Peace is the less risky alternative. But there will be no peace without America's engagement. If we turn our backs on this responsibility, the damage to America's ability to lead, not just in NATO but in pursuit around the world of our interests in peace and prosperity, would be profound. This truly is a decisive moment.

The meetings in Dayton offer the people of Bosnia and Europe a real opportunity for peace. The United States must stand by our principles and stand up for our interests. We must be leaders for peace. I hope you and your colleagues in the Congress will work with us in this effort.

Sincerely,

BILL CLINTON.

Mr. GILMAN. Mr. Speaker, it is simply unacceptable that thousands of Americans may be sent to Bosnia without proper consideration by the Congress. Recent history reminds us that deployments of U.S. Armed Forces into hostile situations are untenable without the strong support of Congress and the American people. This resolution does not rule out the deployment of United States forces to Bosnia, but it does make certain that the President come to the Congress first.

The Clinton administration has avoided doing the groundwork of trying to win the support of our Nation and the Congress with regard to our involvement in Bosnia. Accordingly, we have no alternative but to pass this resolution as a signal of our strong concern over the direction of administration policy and our determination to assert the prerogatives of the Congress in this matter.

□ 1745

Mr. DELLUMS. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Michigan [Mr. BONIOR].

Mr. BONIOR. Mr. Speaker, after 4 long years of war in Bosnia, we have seen:

Over 250,000 people killed.

Over 16,000 children slaughtered.

Tens of thousands of women raped.

Tens of thousands of innocent people herded into camps.

And nearly three million people left homeless.

We have seen cease fires come and go.

And through it all, there has been very little reason to hope.

But finally, we see the possibility to end the bloodshed.

Finally, we see peace talks that mean something.

Finally, we have a chance to resolve this horrible conflict.

And we should do nothing to interfere with that.

But this resolution today drops an 800-pound weight on a peace process that is balancing like a house of cards.

If we pass this resolution today, it won't advance the peace talks in Ohio. It will undermine and undercut them.

Mr. Speaker, it took a long time to get this peace table. There are a lot of delicate issues that need to be worked through. We should not tie the hands of our negotiators at this crucial time. We should let them do their jobs.

It's not hard to understand the concern that underlies this bill. The decision to commit troops is the most difficult decision any of us will have to make. And none of us take it lightly.

But that is not the issue today.

The Washington Times is right: this is the wrong move at the wrong time.

The President has already said: Before troops are deployed, Congress will have a debate and Congress will have an up or down vote.

There is a time and place when Congress should and will be voting on this issue. But now is not that time.

Congress has enough to worry about right now with the budget negotiations. This is not the time to be rushing head-first into the very delicate negotiations on Bosnia.

I would hate to think that someday, historians will look back on this day and wonder why the House of Representatives intentionally disrupted the peace process before an agreement was reached. We can avoid that fate here today.

I urge my colleagues: Oppose this resolution. Let our negotiators do their jobs. And give the peace process a chance to work.

Mr. HEFLEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Utah [Mr. HANSEN].

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

Mr. HANSEN. Mr. Speaker, I rise in strong support of this resolution.

I rise today in strong support of this bill which only reaffirms the Congress' constitutional right to control the way we spend the country's money and to participate in any decision to send large scale U.S. forces in harms way.

For me, and I think for most Americans, there are a few simple rules for peacekeeping.

First, if there is a real peace you don't need peacekeepers.

And second, that when there is no real peace, sending peacekeepers, and especially American peacekeepers is a recipe for disaster, as we have seen all too recently in Somalia.

When the two, or in this case three, sides decide it is in their own interests not to continue the war, peacekeepers, like the few Americans observing the Israeli-Egyptian peace, need only binoculars and tennis rackets.

Until there is a real peace, no American should become a target. When there is a real peace, supported by all sides in this tragic conflict, then and only then, American leadership may be necessary to help maintain that peace.

It is important that the Congress show that leadership now, and not blindly support the President's ill-conceived and arbitrary promise of 25,000 heavy armed American troops to police an agreement that does not yet exist.

This is too important for our Nation, and for the lives the brave young men and women who serve in uniform. The proper role for the United States is leader, not policeman. And the proper time for congressional action is before the decision is made, not after failure is guaranteed.

I urge all Members to support this bill and the President to include the Congress and the American people in this important debate.

Mr. HEFLEY. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Florida [Mr. YOUNG].

Mr. YOUNG of Florida. Mr. Speaker, I rise in support of the many, many expressions of concern for the safety of our American forces should they be sent to Bosnia, that have been expressed by so many of our colleagues here today.

None of us can forget, will ever forget what happened to the American Marines in Beirut with more than 200 American Marines who were there as peacekeepers were murdered in their barracks. None of us will forget Somalia, where Americans went there on an honorable mission, in a humanitarian mission, but mission creep took us from that successful humanitarian mission to the disaster that became so-called peacekeeping when 18 American soldiers were gunned down in the streets of Mogadishu and their bodies dragged through the streets. They were there as peacekeepers.

The point that I would like to make, though, Mr. Speaker, is that on those missions and especially in the Somalia mission, I recall distinctly the fight that we had here in the House to get those who supported the mission creep to a peacekeeping mission refused to stand and vote for the appropriation to pay for it.

In the case of Bosnia, we have been told, we started out that the cost was going to be about a billion dollars. Then it went up to $1.2 billion, then up to $1.5 billion, now up to $2 billion. Now we are talking possibly about as much as $3 billion.

Again the point, where is the money coming from? The President's spokesman today at the White House, when asked about the defense appropriations bill that this House and Senate passed yesterday, indicated that the President would find it difficult to sign because maybe it included too much money. But where else would the President get the $2 billion to $3 billion to finance the deployment to Bosnia? He had better think twice about vetoing this defense appropriations bill because if it does not get signed, if it comes back here and should this resolution not pass today, I can almost assure you that the House will force us to put this same kind of binding language in the next defense appropriations bill.

I have an idea that the President and the administration should take the advice of this Congress, the advice of Secretary Perry and General Shalikashvili, and they should sign a good defense appropriations bill that will be sent to them shortly.

Mr. DELLUMS. Mr. Speaker, I yield 3 minutes to my distinguished colleague, the gentleman from South Carolina [Mr. SPRATT].

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

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

Mr. Speaker, I oppose the Hefley bill, and not because I support the deployment of American troops in Bosnia. I voted for Buyer-McHale and, frankly, I remain skeptical.

But if checks and balances are part of our Constitution, so is comity, and the circumstances here demand it. This is not the time to bind the President's hands; not the time to doom the peace in Bosnia before we even know the terms of the peace agreement. During most of the years I have served here in the House, my party has been in the majority. And though we were often tempted, we never preempted President Bush or President Reagan in the way this bill would.

President Bush sent 500,000 troops to the Persian Gulf, and long before most of us decided that we would give him the power to take those troops to war, we cut him the slack he needed to stand up to Saddam Hussein, and to bring the Security Council and rest of the world around to our position. President Clinton deserves no less.

The Constitution gives Congress the power to decide when our troops will be dispatched in a foreign theater and put in harm's way. But history has taught us that we have to be practical; and as a practical matter, we cannot expect the President to huddle with Congress before calling every play in foreign policy. We have to and can send the President strong signals, as we did when we passed McHale-Buyer, 315-to-103. But this bill is more than a warning signal; it flat-out prohibits the President from sending any U.S. ground troops to Bosnia as part of any peacekeeping operation unless funds are specifically appropriated.

Several problems came to my mind, just as a result of the drafting. For example:

Hefley could prevent U.S. troops from being sent to pull out U.N. personnel, and NATO allies, should the talks falter and the fighting resume. You may say that this is not the intent of the language, but if not, why not explicitly say so?

Hefley does not bar United States airstrikes, it is true; but it might stop a significant number of United States troops from being brought into Bosnia to search for and rescue American fliers who get shot down.

And what happens if a peace agreement is agreed to, and embraced by all the parties, and a majority of Congress finds it to be a genuine peace, one we can implement and not one we have to impose; but then, the appropriation gets attached to a bitterly contentious bill—like an omnibus budget reconciliation act?

After all, nothing in Hefley says that this appropriation must be sent to the President clean, or stand-alone, so we could see a Bosnian peace agreement bound up with the resolution of totally unrelated disputes in the Congress.

I know that these problems may never come up. But eliminate them, and the biggest problem still remains, and that is timing. If this bill passes, at this time, it is bound to cast a pall on the peace talks.

I have yet to be persuaded that sending American troops to Bosnia is a good idea or a necessary move. But I am willing to reserve judgment; willing to give the President and the parties the chance to produce an agreement that is workable and worthy of our support. In the end, I may cast my vote against sending United States ground troops to Bosnia—I reserve that right. But with the peace talks moving forward, and an agreement coming together, now is not the time to pass this bill.

Mr. HEFLEY. Mr. Speaker, I yield 2½ minutes to the gentleman from Pennsylvania [Mr. WELDON].

(Mr. WELDON of Pennsylvania asked and was given permission to revise and extend his remarks.)

Mr. WELDON of Pennsylvania. Mr. Speaker, I am not here to use my vote to undermine our President. I am an ardent supporter of our military, and I am a strong supporter of humanitarian aid to the people in Bosnia.

For the past 3 years I have worked with the gentleman who is here in the room with us tonight, John Jordan, and a volunteer firefighter from Rhode Island, who went to Sarajevo to help provide emergency relief to the citizens of all factions, the Serbs, Croats, and Moslems. He spent 3 years, was recognized by ABC News as their person of the week because of his unselfish efforts on the part of peace. The United Nations eventually canceled their support of him after 2½ years, and our State Department refused to pick it up.

But we did provide that assistance, tons of relief, and John Jordan was key in that process. I am concerned like everyone else about the cost, but the key concern here is the troops, the boys and the girls, the men and the women, the sons and the daughters of America who are going to be sent to this region without the support of this Congress on the ground. I would support the use of aircraft, sealift, and air strikes, but we will not have that chance to vote on when the President comes back to us, because the decision will have already been made for us.

When I had to make up my mind this morning about what to do on this issue, I did not seek Warren Christopher and his armchair estimates or the President or any of my colleagues. I went to John Jordan. John Jordan was shot twice directly in Sarajevo. John Jordan has had concussions. In fact, he has been wounded by shrapnel, had his chest beaten in by the butt of a rifle trying to rescue citizens in Sarajevo.

In an AP interview, this is what John Jordan had to say, and I encourage every one of my colleagues on both sides to read this quote in its entirety. This is not someone from Washington sending our boys over there and our girls over there, and this is the only chance you are going to get to vote on this. Read what John Jordan had to say about the Serb commander saying to him, ''I really wish the U.S., instead of the French, were running the airport,'' they said to him many times. ''If we can just get enough of you in one place at one time, we can kill 200 or 300 of you. You will be out of this war forever, and you will not be a problem anymore. You will leave just like you left Beirut.''

Mr. Speaker, that is what this is all about, and, my colleagues, you will not have a chance to vote on ground troops again, because the President will come back already committed to it.

I urge a ''yes'' vote on the Hefley amendment.

Mr. Speaker, I insert the following letter for the RECORD.

NOVEMBER 17, 1995.

Hon. CURT WELDON,
Washington, DC.

DEAR CONGRESSMAN WELDON: Congress and the President each have their own criteria regarding deployment of American troops to Bosnia. All these criteria ignore one important fact.

The war in Bosnia is not about Bosnia. It is in fact about one man, Slobodan Milosevic, turning neighbor on neighbor via his control of the media long before the first shot was fired.

To those of us who have fought fire and war in Bosnia, the thought of American troops sitting between victims and aggressors is a living nightmare. The picture of American troops deployed to ensure ''only half'' of Bosnia is stolen is too ugly to contemplate. Our troops will become casualties of both the aggressors and those who thought they were about to be saved.

Time and time again during my team's stay in Bosnia, we were warned by Serb commanders, ''If we could just get enough Americans here and kill them, America would leave like they did in Beirut and Somalia.'' At that point, the Serbs believe they will be able to finish off Bosnia.

There is no peace process worth the paper it is printed on if it is signed by Mr. Milosevic. Our troops should not be deployed on the basis of goodwill with a mass murderer.

Speaking for myself and those who have fought to see that Bosnia was not exterminated, we would rather see no deployment at all, to the choice of seeing U.S. troops supervising an honorless plea-bargain with the perpetrators of genocide. I urge you to do all in your power to prevent this deployment from proceeding.

Sincerely,

JOHN JORDAN
Chief, Global Operation Fire Rescue Services.

Mr. DELLUMS. Mr. Speaker, I yield 2 minutes to my distinguished colleague, the gentleman from New York [Mr. ENGEL].

Mr. ENGEL. Mr. Speaker, I rise in opposition to this bill. This is the wrong bill at the wrong time.

You know, many of us on this side of the aisle voted to support President Bush in the Persian Gulf War. It was not an easy vote, but we did it because we think it was right. When the temptation arose amongst some colleagues to do this kind of thing to undermine President Bush at this same time, when the President was trying to build a consensus, we said, ''No; give the President a chance to put it together, and then let him come to Congress.''

Well, President Clinton has said he will come to Congress. So I do not understand why we are not giving President Clinton the same courtesy we gave to President Bush. I do not see why we are undermining the President and undermining the peace talks going on now in Dayton, OH, with this bill.

The same people that are talking against this now are the same ones that said Haiti would never work. Haiti, by all means, has been a success. And where were these people when Republican Presidents did not come to Congress and sent U.S. troops to Grenada, to Lebanon, and to Panama?

You know, my friends, we cannot afford to slip into a dangerous sense of isolationism. The NATO alliance is a very important alliance, and the United States has to be the leader of that alliance. We cannot undermine the NATO alliance and not participate and then at the same time say we are going to be the leader of the free world and at the same time say we are going to increase our defense spending.

One of our friends asked how are we going to pay for it. Well, let us kill two B–2 bombers. We will have $4 billion right there.

Some of us have been yelling for years to lift the arms embargo. Some of our friends on the other side of the aisle have been critical of this Administration. They say the President is not decisive, the President has done nothing, and now that the President has finally gotten the peace talks going and success seems to be right there, they are undermining the President.

□ 1800

I cannot understand that, for the life of me. The President is saying that he feels this will be detrimental. Mr. Speaker, I would say to my colleagues, I beg you, in a few weeks we can have this debate. This is the wrong debate to have right now.

Mr. HEFLEY. Mr. Speaker, I yield 2½ minutes to the gentleman from California [Mr. DORNAN].

Mr. DORNAN. Mr. Speaker, I have before me the vote, three votes actually, from January 12, 1991, a shining moment in this House, a dignified and yet passionate at the same time vote.

One of the votes that is most impressive to look back on, and we need a lot

of corporate memory around here, is the one that was called roughly the Durbin-Bennett vote. Charlie Bennett, the great World War II hero is enjoying retirement, but the gentleman from Illinois [Mr. DURBIN] is still around.

I would like to say, the Democratic vote on that, where the gentleman from New Jersey [Mr. TORRICELLI], and our pal Steve Solarz, and 248 other people prevailed over all of the Democratic leadership and the one independent, for a total of 183. We won the vote, 250 to 183. But two votes before, after we crushed by the exact same numbers the Gephardt-Colin Powell vote to just use sanctions, and we would still be there today, Kuwaitis would still be tortured, here is the first vote demanding that George Bush come to the Congress of the United States before we crossed the line into deadly combat. Two hundred eighty Democrats said ''Come here, Mr. President,'' and five Democrats said no.

This is a good debate, and it is not ludicrous, ridiculous or premature. It is right on target.

I want to thank the gentleman from Michigan [Mr. UPTON] for getting these votes for me. The gentleman has a good corporate memory.

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

Mr. DORNAN. I yield to the gentleman from Michigan.

Mr. UPTON. Mr. Speaker, actually it was 260, not 280, Democrats that voted for it. But the outcome was the same.

As we go back home to our districts, people ask us, ''Why don't you take some action? What is going on?'' This is exactly the same vote in essence of what we did with the Durbin-Bennett vote on the gulf war, and, that is, Congress ought to have a say in what goes on. It does not say whether we will approve it or not, but Congress ought to have a say. And this vote, of which your side of the aisle voted 260 to 5, ought to reflect that on this resolution, which does virtually exactly the same thing.

Mr. DORNAN. Mr. Speaker, reclaiming my time, absolutely. Here is the chain of command supposedly the way it is worked out now in what will be in Bosnia. Here is the chain of command from Somalia. This got 18 Americans killed, or 19. Three days later, Matt Rearson. Five men, including two Medal of Honor winners, were dragged through the streets, without one of the six fighting vehicles in Waco 6 months before to come and rescue them, without the gun ships they trained with for 3 months.

Please read those commandments, particularly the last one, and tell me if anyone can tell the parents of any man or woman killed in Bosnia why they went in harm's way.

Mr. DELLUMS. Mr. Speaker, I yield three minutes to my distinguished colleague, the gentleman from Florida [Mr. HASTINGS].

Mr. HASTINGS of Florida. Mr. Speaker, I thank my good friend, the ranking member of the Committee on National Security, for yielding.

Mr. Speaker, I rise today to express my strong opposition to H.R. 2606.

The only hope we have for the former Yugoslavia is the fragile peace talks which are currently underway in Dayton. We arranged these talks, we invited the participants, and we are guiding them, hopefully, toward a satisfactory resolution which participants say might come as early as this weekend. Yet we consider today legislation which, if it passes, will show to the parties involved that we really have no intention of following through on our demands for peace. We bring the parties to the table, squeeze an agreement out of them, and then say ''Good that you came to an agreement, but don't expect us to help you implement it.'' This is not right.

Would we do this with other enemies who are trying to resolve their conflicts? Would we initiate peace talks to resolve a prolonged conflict and then bail out just before the matter is resolved?

Mr. Speaker, the real issue is this: Does the U.S. Congress want the United States to remain the last superpower? Because if the answer is yes, with superpower status comes superpower responsibilities. And this means carrying through on the commitments we made when we accepted the superpower mantle. A strong, stable Europe is in our best interest. Europeans will buy American products during peace, not during war. And a strong, stable NATO is also in our best interest because it lessens the chance that we will ever have to act unilaterally again.

As a superpower and a NATO member we have a vested interest in bringing stability to Europe. And if we fail in this responsibility the war will surely spread, and we will have lost our moral authority as well as the respect and trust of our allies around the world who depend on us to do the right thing.

We made war in the Persian Gulf to protect our oil supply. President Clinton is asking us to make peace in Bosnia to protect people. There are certainly risks involved. I am worried about our soldiers, I am worried about landmines threaded throughout the area, and I am worried that it may be impossible to negotiate through the region in the dead of winter. But we must take risks for peace. And I do not believe that saving the life of a Moslem person in Bosnia is any less valuable than a drop of oil in Saudi Arabia or Kuwait.

This is not the right time for this resolution. President Clinton has said quite clearly that he would, although he does not have to, seek the approval of Congress before sending Americans to the region. And I think he should. This conflict may be resolved within a few days. Would it not be smarter if we were to wait to see how this conflict is resolved before we decide how we will respond? I think a good chess player would say, don't declare checkmate before focusing your chess piece on the king.

Mr. HEFLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Nebraska [Mr. BEREUTER], the distinguished chairman of our delegation to the North Atlantic Assembly.

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

Mr. BEREUTER. Mr. Speaker, this Member rises in strong support for H.R. 2606, and commends the distinguished gentleman from Colorado [Mr. HEFLEY] for his leadership on this vitally important question of national security.

Mr. Speaker, when I was trained as an infantry platoon leader, I was prepared to take those 40 men up any hill and accomplish any mission, because, first of all, it was a duty. Second, I had the conviction that the people in the military and civilian command structure in the Pentagon, the White House and Congress would make responsible decisions. Now, 30 years later, I am here, one of 535 people in the Congress and I think it is imperative that we not send ground troops to Bosnia—not send ground troops.

Mr. Speaker, read the President's letter of November 13. It says, ''After initialing of a peace agreement communications and supply troops will be sent almost immediately to Bosnia.'' We are talking about the dispatch of a minimum of 1,000 or 2,000 American troops immediately, and that is upon initialing. Then the President's letter repeatedly mentions expression of support being welcome by the Congress.

Well, my colleagues that is what we are facing. Therefore, this is the right time to take on this issue. To do otherwise is irresponsible.

Mr. Speaker, in the very short time available, this Member wishes to make three points regarding the President's announced intention to unilaterally deploy 20,000 American ground groups to Bosnia. First, the mission lacks clear achievable objectives. Second, there is no exit strategy worthy of the name. And, third, legislative actions to halt the deployment of U.S. ground forces will not, contrary to the Clinton administration's allegations, will not undermine U.S. leadership role in NATO or the world. In fact, a failed NATO mission to preserve a Bosnian government will damage the United States global leadership role and NATO.

First, look at the question of whether the proposed mission has clear objectives. The Clinton administration repeatedly has stated that NATO's mission would be to enforce an end of the hostilities that have plagued Bosnia for centuries. We would be injecting our troops between heavily armed factions that tragically seem incapable of living in peace. Presumably we are to serve as neutral honest brokers to prevent the three sides and the paramilitary groups from killing one another. This Member

would note that this is a peace enforcement mission, practically an impossible one, and not a peacekeeping mission.

Mr. Speaker, we have been informed by the administration that American troops also will train Bosnian forces and try to bring about a parity of weaponry so that the Bosnian state might survive after the year of NATO occupation is over. In contrast to the peace enforcement mission—which presumably is designed to avoid taking sides—the arming and training of Bosnian Moslem or Bosnia federation forces is taking sides. Arming the Bosnian federation is not the act of a neutral. This Member can appreciate the desire to level the playing field, but one can hardly expect the Bosnian Serbs to quietly sit back while our peace-enforcers are training and arming their declared ethnic enemy.

This Member would also say, as a former infantry officer, that it is almost inconceivable that rules of engagement can be crafted which will permit us to act as neutral peace enforcer at the same time that we are training and arming one specific faction. It is this type of dangerous, fuzzy logic and contradictory objectives that can lead to mission creep and, regrettably, the unnecessary loss of American lives.

Now let me turn to the notion of a proper exit strategy. The Clinton administration has announced that its exit strategy is to withdraw in a year. Out in ''approximately 12 months'' * * * that is the sum totality of their exit strategy. But this commitment is not linked to strategic objectives. Indeed, it seems that the only criteria in this exit strategy is the belief that 1 year is the extreme outer limit of American tolerance and beyond our next presidential election. They may be right about that, but specifying an exit time frame is a critical error, and probably a very tragic one.

Mr. Speaker, it has been suggested most importantly, by a range of military specialists, including some of NATO's leading planners and operations people, that this 1-year peace enforcement mission will at best provide the region with a brief, NATO-enforced respite during which time the Serbs and Croatians fine-tune plans for the ultimate dismemberment of Bosnia. Then, as soon as the United States and other NATO forces depart, war returns and the final vestiges of Bosnia will be divided up in violent warfare.

This body should say ''no'' right now to a mission that lacks strategic objectives, and to one that is likely, at best, to buy only a bloody lull in Balkan warfare. Unfortunately, American, British, French, Canadian, other allied lives surely will be lost in the process. This Member, for one, cannot justify this inevitable and ultimately futile loss of life.

Last, Mr. Speaker, this Member fails to see the clear United States national interest in deploying 20,000 American troops to Bosnia. Pointing to our role as an international leader and the critical role importance of preserving NATO misses the point. Does it serve our reputation and that of NATO to briefly restore order and then permit the violent dismemberment of Bosnia as soon as we depart? No, it most emphatically will have the opposite effect.

Of course this Member is aware of the charge that damage will be done to United States prestige in the event of a congressional failure to support the President's unilateral, hasty, and ill-advised decision to deploy American land troops to Bosnia. But I will tell my colleagues that it is the Clinton administration, through its ill-conceived proposal, and not the Congress, that will ultimately do the greatest damage to the U.S. international reputation as leader of NATO and as a superpower if we cannot deter it. The American people should be under no illusions—if damage is being done to NATO, it is occurring at the other end of Pennsylvania Avenue.

Mr. Speaker, this Member would urge support of H.R. 2606.

Mr. DELLUMS. Mr. Speaker, I yield 3 minutes to my distinguished colleague, the gentleman from California [Mr. BERMAN].

Mr. BERMAN. Mr. Speaker, I hate to do this, but I have to wonder about the motivations of the timing of this resolution. There are some things we know for sure: For 2 years, at least a year and a half, the President has been saying he intends to deploy 20,000 to 25,000 peacekeepers if there is a peace agreement in Bosnia. He has said in a letter to the Speaker that he will submit a request for a congressional expression of support for U.S. participation, a vote of the Congress on this issue, before the peace agreement is signed and before he deploys these forces.

No one offered this amendment on the fiscal year 1995 defense appropriation. No one offered this amendment on H.R. 7, which sought in every other way to constrain the Commander in Chief from exercising his authorities in the peacekeeping operation as approved by the Security Council. No one put this on the fiscal year 1996 defense appropriation when it came through the House, or when it came back from conference.

All of a sudden, when the peace agreement looks possible, when the negotiations have gone a long way, when the ceasefire has held in place for a while, when it looks like the most dangerous cause of expansion of the war; that is, the question of whether the Serb military would resist a Croatian invasion of Eastern Slavonia looks like it might have been settled, when the siege of Sarajevo has been lifted, when the brutal killing has been stopped, all of a sudden we get this issue, even though the President has said ''You will have a chance to vote on this before I deploy the troops.''

It is as if you want to scuttle the peace agreement and a chance of the killing stopping for good because you do not want to have to deal with killing it after it has already happened, and I think that is grossly irresponsible.

There are so many good questions about whether or not we should do this. I have heard the gentleman from Indiana [Mr. BUYER], the gentleman from Nebraska [Mr. BEREUTER], and the gentlemen from Pennsylvania [Mr. WELDON], raise legitimate questions. But either do it when the President first announces it and do not raise these expectations and cause all the achievements to be scuttled, as they will be if you do this now, or do it when you see the full agreement and you can talk about exit strategies and can look at what is achieved in separation of forces and what the risks to our troops are, and you can weight the possibility that NATO will be emasculated or the war will spread, and balance them. We will have a chance to debate that. This is the time, before we got to Dayton. In the middle of Dayton is not the time.

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

Mr. BERMAN. I yield to the gentleman from Nebraska.

Mr. BEREUTER. The gentleman knows that this bill is going to be vetoed. Now is the time to try to impact the plan that is being prepared over there in Dayton.

Mr. BERMAN. Mr. Speaker, reclaiming my time, let me respond to that. This bill will never see the light of day. You are right. Therefore, it is designed, I say, to scuttle what is happening at Dayton because of the timing, rather than to look at the final agreement, make a decision at that time, weigh and answer all the good questions that are being raised against the plan.

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

Mr. Speaker. I might just point out this was in our appropriations bill, and it was in a resolution. I do not know how many messages we have sent to the President on this.

Mr. Speaker, I yield 1 minute to the gentlewoman from Kansas [Mrs. MEYERS].

(Mrs. MEYERS of Kansas asked and was given permission to revise and extend her remarks.)

Mrs. MEYERS of Kansas. Mr. Speaker, I would like to thank the gentleman for yielding time.

Mr. Speaker, I believe we must pass H.R. 2606 now. Otherwise, I am deeply concerned that we will wake up one morning while Congress is out of the city, and discover that President Clinton has started sending American troops to Bosnia. The President has not said he will ask us for authorization. He said that he would request support, but that there would be a requirement for early pre-positioning of support personnel. When he asks for that support, those personnel will already be there.

There might be a case that could be made for sending Americans to Bosnia. It would have to involve a rock-solid peace agreement. We would have to know what objectives our troops would be expected to achieve and how they could achieve them. The President would have to convince us and the American people that he knew what had to be done that would allow our troops to leave Bosnia in a better condition than it was when they arrived. Until he manages to make that case, we should make sure that he cannot put us into a quagmire. What the

President and the administration have told us so far has not made a convincing case with me, or with my constituents.

The decision to place the young men and women of America's military in harm's way is the toughest that any Member of Congress can make. I have had to make that decision before, to authorize the war against Iraq in 1991. Before I made that decision, I received a great deal of information from the Bush administration as to our objective, the threat our troops might face, and our ability to accomplish our goals with a minimum of casualties. The Clinton administration, on the other hand, has not provided comparable information about its plans for Bosnia.

The President wrote on November 13, that his military advisors believe that 12 months would be adequate to accomplish the needed tasks to make the peace self-sustaining. That one sentence has two serious problems. First, there has been no discussion as to what the needed tasks of the Implementation Force are. What would our troops have to do to accomplish these tasks? All that the administration says is that the force will keep the warring factions apart. Second, there is no such thing as a ''self-sustaining'' peace. Peace has to be kept by someone. Otherwise you get anarchy. So, the only way the IFOR would be able to leave would be if the various communities in Bosnia were able to keep the peace themselves. Does anyone here believe the Croats, Serbs, and Muslims will unlearn the hatred that has been incited that led them to commit such outrageous atrocities on each other in just 12 short months?

We need candid answers on how our troops would protect themselves while they are standing between the groups that hate each other so much, and would love to kill Americans and blame it on the other side. The President says that our troops would operate under robust NATO rules of engagement. Unfortunately, this begs the question, because nobody has any idea what those rules of engagement might be. NATO has never done this sort of mission before. The only rules of engagement NATO ground forces have ever had to operate under in the past, was what to do if Warsaw Pact forces crossed or fired into the territory of a member of the NATO alliance. Any deployment into Bosnia will be significantly different from defending the territorial integrity of one group of sovereign countries from the armed forces of other sovereign countries. NATO has no experience in settling this kind of conflict.

Finally, the administration has been patting itself on the back for getting the Russians to agree to a formula by which a Russian brigade will participate in the IFOR without being subordinate to NATO. The idea is that the deputy to General Joulwan will be a Russian general and the orders to the Russian troops will be transmitted through him. That Russian general will be Colonel General Leonty Shevtsov. His last assignment was chief-of-staff of Russian forces in Chechnya from December through April. That was when Russian forces were indiscriminately bombing and shelling Chechen towns, killing tens of thousands of civilians.

Congress must vote before we send 20,000 Americans on this doomed mission to Bosnia. Please join me in supporting H.R. 2606.

Mr. HEFLEY. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. HOUGHTON].

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

Mr. HOUGHTON. Mr. Speaker, I am not going to take long. All the arguments have been made. I will try to be brief, but let me just say this. I may be the only person on our side of the aisle who is speaking against this amendment. I do it because I feel very deeply about this issue.

Mr. Speaker, I understand all the worries that were incorporated here about signaling the use of American troops before there is more of a resolution of the problems being solved, and all the other horrible things; about extraction of our troops and who is in charge of the military.

But, Mr. Speaker, I am going to oppose this resolution; not that I disagree with the words. Frankly, I may even vote against the use of troops. I could very well do this. But If we could pick a horrible time to pull our hand in this particular negotiation, this would be it.

I have talked to Cy Vance and I have talked to Brent Scowcroft and I have talked to Larry Eagleburger and all those people who are very wise on issues like this. I think they come down and say two things. ''It is a mess. We understand your worries. There is no question about this. It is not clear. But if you are going to do something do not do it now.''

Mr. Speaker, it is a horrible time, and as a result I am going to oppose this particular motion.

Mr. HEFLEY. Mr. Speaker, I yield 1 minute to the distinguished gentleman from San Diego, CA [Mr. HUNTER].

Mr. HUNTER. Mr. Speaker, I say to my colleagues, I support the Hefley prohibition because of what I call the leadership issue. This may very well intrude on the President's constitutional prerogatives to lead our troops, and I have to concede that with a different administration in the White House I might well vote the opposite way .

But, Mr. Speaker, I think we have to look at what happened in Somalia when American troops requested tanks, because they felt they were needed militarily. They were denied by the Clinton administration because of political reasons, admitted political reasons. We suffered because of that. When Mr. Aideed's troops butchered and dragged Americans through the streets in Mogadishu, we did not pursue Aideed.

Mr. Speaker, placing ground troops in this situation is going to require clear, decisive and tough American leadership, and I do not think we have it in the White House at this time.

Mr. Speaker, I will support the Hefley prohibition.

Mr. DELLUMS. Mr. Speaker, I yield such time as he may consume to the gentleman from Oregon [Mr. DEFAZIO].

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

Mr. DeFAZIO. Mr. Speaker, I stand in support of the legislation which would restrict deployment of United States troops to the former Yugoslavia pending congressional approval.

The language establishes an important requirement: no United States ground forces should be employed in Bosnia to enforce a future peace agreement until the Congress has approved such a deployment. This would give an important and necessary opportunity for Congress to debate introduction of United States troops to former Yugoslavia. Equally important, it articulates a clear decision by Congress to exercise its constitutional duty with regards to war.

However, I strongly object to the short time allocated for its debate. A constitutional question as important as whether Congress approves sending U.S. troops into harms way should receive more than a few hours of consideration. This congressional debate should not be construed as representing an adequate consideration before sending United States forces to the Bosnian—or any other—conflict.

For more than 40 years, Congress has allowed the executive to continuously broaden its authority to put U.S. troops into harm's way. Congress' exclusive constitutional authority to initiate war is routinely ignored by Congress and Presidents alike.

Unfortunately, the current War Powers Resolution implicitly grants broad authority to the President to engage in wars of any size without advance congressional authorization. It requires the President to come to Congress only after he has put the prestige of our Nation and the lives of its soldiers on the line.

I have introduced a joint resolution (H. J. Res. 95) that seeks to reform the War Powers Resolution. The House of Representatives to address the balance of Presidential and congressional authority to make war. Indeed, the Constitution demands the collective judgment of the President and Congress on the grave question of war. The time is ripe for a congressional debate on the need to restore the balance of powers between the executive and legislature as envisioned by the Framers of the Constitution.

I welcome and support this legislation. However, it is my hope that Congress will spend more fully debate this issue and adopt a more effective War Powers Resolution.

Mr. DELLUMS. Mr. Speaker, I yield 4 minutes and 30 seconds to the distinguished gentleman from Maryland [Mr. HOYER].

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

Mr. HOYER. Mr. Speaker, as many on the floor of this House know, I have been one of the principal advocates of a policy not supported by the President of the United States, and that was lifting the arms embargo. I think that was a good debate to have and, frankly, I believe it has moved us towards peace.

In 1980, the dictator of Yugoslavia, the Communist leader, Tito, died, and since then Yugoslavia has been in the process of disintegration. As has unfortunately been the case so many times in history, hundreds of thousands of

men, women, and children, not political, not combatants, not even evidencing any ethnic or national hatreds towards one another, have died, been raped, been removed from their homes in that phrase we euphemistically refer to as ''ethnic cleansing.''

Jeane Kirkpatrick was asked just the other day, ''Does America have an interest?'' She said, ''Oh, yes, it does. America, as one, of if not the leader of the free world and of the civilized world, has a very direct interest when it sees genocide, when it sees the dehumanizing of human beings, for if it ignores that, it dehumanizes itself.''

It is well that we remember why we are here. What is happening in Bosnia and in the Balkans; and what has happened through centuries? First of all, we are not here, as we were in January of 1991, to make war. We are here to make peace. Will peace be successful? None of us know. Is peace risk free? All of us know it is not. But the question we have before us is whether or not we are going to give our president, our Nation, unrelated to party, the chance to help those people make peace. The chance to retreat from carnage and genocide and rape and homelessness and refugee creation. That is what this is about.

Jeane Kirkpatrick, a member of the Reagan administration, a distinguished American. Yes, she is a Republican, but more than that, she is a distinguished American who thinks hard and tough on foreign policy issues. She said this. ''The President's letter, directed to the Speaker November 13, must be taken very seriously. We all have a commitment also to coherent American government which enables us to deal responsibly with other governments and other powers, and we want our government to be effective in its dealing with other governments''.

This is the key phrase Jeane Kirkpatrick said. ''I guess I think that the President's initiative or his response in this letter makes it unwise for the Congress to pass a binding resolution in advance of the completion of that agreement''.

That is what the Washington Times, no great supporter of this administration, said today itself. Why? For the same reason that Speaker Foley in September of 1990, September, October, November, and December of 1990 said, yes, President Bush, we will not have a vote on this floor while you negotiate and Secretary Baker negotiates to create that alliance which confronted Saddam Hussein.

There were many people in this House who asked for that vote. Tom Foley, the Speaker of this House, said, as an American, we will not have a vote, and we did not have a vote until 500,000 troops were deployed in harm's way to serve the interests of security in the Middle East. Let us act as bipartisanly for America today and reject the Hefley bill.

Mr. HEFLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. TRAFICANT].

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

Mr. TRAFICANT. Mr. Speaker, I submit that any Member that would allow a White House veto pen to ultimately send troops to Bosnia learned nothing, nothing from Vietnam. I support peace in Bosnia. That is not the issue today. The issue is not partisan. The issue is will American troops be sent to Bosnia to enforce the peace, and we hope that happens. And, second of all, what is the jurisdictional authority for such deployment?

In that regard, Mr. Speaker, I want to perhaps pose a few questions. Does Congress give billions to NATO? Yes. Does Congress give billions to the United Nations for peacekeeping? Yes, Does Bosnia pose a national security threat to America? I say no. Does Europe have the military capability to provide the peacekeeping? Yes. And who is empowered by the Constitution with the jurisdictional authority? Who is empowered to commit those troops? The White House? I submit not. It is the Congress.

Now, with that in mind, I listened to everything. And no doubt we are the big superpower and we have responsibilities, but we are not the only power. I think it is time to ask the question here. Where is Great Britain? Where is France? Where is Spain? Where is Italy? The last I heard, the European nations were not considered a Third World military pushover.

I want to go on with my statement. I think it is bad enough over the years we have literally produced the world's policemen in Uncle Sam. And for some reason we are determined to make our military into a neighborhood crime watch after these issues seemed to be having some peaceful opportunities. I, for the life of me, cannot understand that.

I think we have gone to far, Mr. Speaker, I think it is bad policy and I will not support, I will not support surrendering any more congressional authority on this business of deployment of troops, surrendering it to the White House. That is our job; that is why we are elected.

And let me say this to my colleagues. This vote today is right on the point. I have listened to all the talk about the newspaper editorials, I have listened to all the talk about the newspapers saying it is not the time to discuss this issue. Ladies and gentleman of the Congress, this is the time because troops will be going to Bosnia.

Now, let us get real here. If the Congress does not act, we will find troops in Bosnia. That is not a decision, ladies and gentleman, for the President. This is a decision of the U.S. Congress and no troops should be deployed without an affirmative approval and corresponding vote by the Congress of the United States. That is what the American people want.

Mr. DELLUMS. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Virginia [Mr. MORAN].

Mr. MORAN. Mr. Speaker, I think there are five compelling reasons to reject this bill tonight. The first is that it is at least inconsistent, at worst hypocritical to make our foreign policy based upon the party affiliation of our Commander in Chief.

In other words, I do think this bill is politically suspect in its motivation. But, second, for nearly a year now, the President under secretary——

Mr. CUNNINGHAM. Mr. Speaker, I ask the gentleman's words to be taken down; . . . .

Mr. HOYER. Mr. Speaker, I ask the gentleman's words to be taken down.

The SPEAKER pro tempore. The gentleman will suspend. The gentleman will please take their seats and cease.

The Clerk will report the words of the gentleman from Virginia, Mr. MORAN.

□ 1845

The Clerk read as follows:

I think there are 5 compelling reasons to reject this bill tonight. The first is that it is at lease inconsistent, at worst hypocritical, to make our foreign policy based upon the party affiliation of our commander in chief. In other words, I do think this bill is politically suspect in its motivation. But secondly, for nearly a year now our President under Secretary. . . .

The SPEAKER pro tempore. The Chair rules that the words of the gentleman from Virginia are not personal references to any Member or to the President. Therefore, they are in order.

PARLIAMENTARY INQUIRY

Mr. HOYER. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. HOYER. Mr. Speaker, I realize the ruling on the comment of the gentleman from Virginia [Mr. MORAN] being in order and not violative of the rules. What is the general standard that would be violative of the rules?

The SPEAKER pro tempore. Under clause 1 of rule XIV, Members should refrain from personal references to other Members.

Mr. HOYER. Mr. Speaker, I thank the Chair.

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent to withdraw my words.

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

There was no objection.

The SPEAKER pro tempore. The Chair would take this opportunity to remind all Members that we should attempt to restrain ourselves in our debate and avoid personalities in debate and urges all Members to maintain a sense of civility with one another as we go through this very sensitive debate.

Mr. DELLUMS. Mr. Speaker, the Chair's points are well taken. Might I inquire as to the remaining amount of time of the gentleman from Virginia [Mr. MORAN]?

The SPEAKER pro tempore. The gentleman from Virginia [Mr. MORAN] has 2–½ minutes remaining.

The Chair recognizes the gentleman from Virginia [Mr. MORAN].

Mr. MORAN. Mr. Speaker, let me share with my colleagues four reasons why we are to reject this bill.

The first of those four is that the President and Secretary of State have publicly and clearly stated for almost a year now that in the event a peace agreement is reached and only in that event we should be prepared to commit approximately 25,000 U.S. troops to that effort. This is a strange time to be questioning that publicly, clearly stated commitment.

The third issue is that this is as much about the viability and credibility of NATO as it is about the salvation of Bosnia. It is the United States that gave birth to and nurtured NATO, and it worked, as the billions of dollars and the thousands of troops we committed to NATO were worth it.

It is now our responsibility to continue to be a fully participating member of NATO. It is surely beneath this great Nation to back out of our international commitments when it requires more than words and dollars and the safe positioning of troops in a peaceful country.

The fourth reason is that there are over 2 million refugees scattered throughout Europe. They are a constant and serious threat to the long-term stability of our allies. That is a threat to our national security interest.

The fifth reason, my colleagues, is the toughest one to argue because in the cynically political context that influences many of our decisions, it is difficult to make a case for doing something purely out of principle, regardless of the political consequences. But every nation in the world respects our commitment to principle. For many of them, it is their vision and ideal. The people of Bosnia looked to America as soon as Serbia fired its first shot on them and as soon as it invaded its first village. And throughout the mass execution and the mass rapes, they have cried out to us, but they have cried out not because we invest more in our military than all other nations of Europe combined, which we do. It is because they believe that we are the same nation that rose above the seductive rhetoric of isolationism and selfish interests and saved Europe, not once but twice.

We who now control America's foreign policy and military actions must answer that cry and answer that question. With our vote tonight we will tell the world whether or not we are the same nation that they assume us to be. We owe it to our forefathers that risked and lost their lives in Europe for the cause of democracy, human rights, and religious and ethnic tolerance to continue to be that nation they fought and died for. That is why we must vote no tonight.

Mr. HEFLEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Indiana [Mr. HOSTETTLER].

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

Mr. HOSTETTLER. Mr. Speaker, I rise in support of this bill.

I rise today in strong support of this bill.

It can be little doubted that proceeding in Bosnia is foolhardy. As I listened to members of this administration, there was no evidence that there is an imminent threat to any political economic institution of this country.

Accordingly, many have turned to the Constitution to justify a no vote. I contend that the Constitution will not support such a vote.

The Constitution has declared, and I quote from Article II, Sect. 2 that "The President shall be commander-in-chief of the Army and Navy of the United States, and of the militia of the several states, when called into actual service of the United States."

However, Article I, Sec. 8, of the Constitution places upon the Congress the following duties:

"To declare war, grant letters of marque and reprisal, and make rules concerning captures on land and water"

"To raise and support armies . . ."

"To provide and maintain a navy . . ."

"To make rules for the government and regulation of the land and naval forces . . ."

My friends, how can we argue that to limit a planned endeavor of the armed forces is not within the powers granted to Congress. To do so is to give disregard to the express language of the Constitution in favor of an implied power that is largely the product of the Executive branch's own interpretations.

Providing forces to the Balkans is an unnecessary endeavor. It is our constitutional duty to address this issue today. We must make the rule, today, that our forces will not be in the Balkans without express congressional approval—it is not in our national interest. This is independent of the terms of whatever peace agreement that may be wrought between the warring parties.

Mr. HEFLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. BONILLA].

Mr. BONILLA. Mr. Speaker, politics stop at the border. Each and every Member of Congress, each and every American, must always stand united in confronting any foreign foe.

When our troops are sent in harm's way they deserve our full support. They also deserve our measured judgement not to put their lives at risk in the first place unless the national security of the United States is at stake. We must respect the President's prerogatives as commander-in-chief, but not forget Congress' power of the purse. The President should feel confident that he can deploy our forces in a military emergency. But this, my colleagues, is not a military emergency. Sending U.S. combat troops to Bosnia has long been advocated by the administration as a political measure and linked to a flimsy, unrealized peace agreement.

We will be failing our troops, failing their families, and failing the American people if we fail to answer the following simple questions posed by the majority of Americans. Is there a national security interest in Bosnia? Do we have goals and objectives for our forces? Is there a strategy which would lead to the withdrawal of our forces? Will peace continue after we leave?

The answer to these questions is no, no, no.

No—we should not involve ourselves in an embattled country where we have no national interest, no clear objectives, and no exit strategy.

We owe it to our troops to vote for this resolution. We owe it to our troops to vote for no missions without objectives. We owe it to our troops to vote to keep our responsibility to declare war.

Each and every one of us was elected to fulfill these responsibilities. We owe it to the American people and to our troops to do no less.

There should only be two considerations when you vote today. The safety of our troops and the well-being of our republic. This legislation puts the lives of our troops and America's interest first.

Please join me in voting for this important resolution.

Mr. DELLUMS. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. EDWARDS].

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

Mr. EDWARDS. Mr. Speaker, for a land where Olympic bleachers have been dismantled to create caskets for children, I vote to give peace a chance.

Mr. DELLUMS. Mr. Speaker, I yield such time as she may consume to the gentlewoman from North Carolina [Mrs. CLAYTON].

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

Mrs. CLAYTON. Mr. Speaker, I rise in opposition to this bill. I think it is premature that we do this at this time.

Mr. Speaker, I rise today in opposition to H.R. 2606.

Although I share many of my colleagues' grave concerns about the proposed interjection of American troops into Bosnia and I echo their misgivings, I can not in good conscience, vote in favor of a bill that will effectively tie the President's hands and remove his ability to bring about a negotiated and lasting peace in the former Yugoslavia.

However, Mr. Speaker, while I do not offer my opposition to the President's proposal, I do not believe we should offer the President our unconditional support.

Placing the lives of American soldiers at risk is not something that should be done lightly. The President has an obligation to go to the American people and convince them that this mission is just and that the cause is pure. Further the President has an obligation to come to Congress if he plans to commit American troops and seek out consultation. This he has promised he will do. His letter to the Speaker confirms this commitment. He must ensure that these American troops will not be used to militarily impose an American solution, but rather, that they will be welcomed by all the

warring parties as custodians and guardians of a negotiated peace.

Through diplomatic pressure and NATO military coercion, the warring parties came to the negotiating table in Dayton, OH to pursue a peaceful settlement to the conflict in Bosnia.

At this point, Mr. Speaker, a vote in opposition to the proposed American participation in a peace-keeping force is premature and will weaken the President's ability to influence the warring parties, thereby removing any leverage that he may have in seeking to bring forth a negotiated peace to this war-torn region of the globe.

The bloody conflict in Bosnia has assaulted our sense of moral righteousness, it has shaken our firm belief in the strength of our Democratic ideals, and it has tested our leadership and vision for a world predicated upon the ideals of democracy.

This conflict must end.

The negotiations taking place in Dayton, OH are the world's best chance to end this bloody war that has caused the loss of hundreds of thousands of lives and left a stinging scar on the world's conscience.

Therefore, I cannot vote in favor of H.R. 2606, a bill that will in my opinion, bring to an end the best chance to bring this war to a negotiated settlement.

For our NATO allies, who look upon the United States for political, economic, and military leadership, such a vote will greatly diminish their faith and confidence in our ability to lead in a mutlipolar world. But, even more dangerously such a vote will embolden our enemies to aggressively pursue their own interests without regard for American interests or fear of reprisal.

I urge my colleagues to reject H.R. 2606.

Mr. DELLUMS. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. MURTHA].

Mr. MURTHA. Mr. Speaker, at the very end of the Bush administration, during the election, I went over to Bosnia for the first time. I flew into Sarajevo and was not able to get out of the airfield because the fighting was so heavy, the shelling, the mortar fire. As a matter of fact, only a few blocks away from where I stood two young children were killed in a bus. Members may remember the incident.

□ 1900

I have gone back four times since then, three times in Sarajevo. The second time I stood in the area, in the marketplace, where 35 or 40 people were killed by a mortar round. The last time I went into Sarajevo, every building had been damaged. I stood by the national library that had been destroyed by shell fire. The people were going to work, and dressed like they were going to work, and they were satisfied, that because the United States was involved, they were hopeful there would be a peace agreement.

Now I do not know why President Clinton suggested we put American troops in, but I believe he felt it was necessary in order to bring some sort of an agreement from a war that had been going on 3 years since this killing that had been going on. There is no one that has fought harder in this Chamber over the years to get a President to agree to authorization.

I do not think there is anyone in this Chamber that believes this fighting would have come to a halt if the United States had not gotten involved. I do not think there is anyone in this Chamber that believes if the President had not made a commitment of American troops, that the fighting would have come to a halt. But I also believe that he should have authorization; I believed in Saudi Arabia he should have had authorization.

Now this is not the time to ask for a vote. This is the weekend where we can come to agreement. The President in a meeting the other day said he would give us ample time to discuss and debate this issue. The President of the United States assured us that he would ask for authority to send troops, and I do not think he should send those troops unless he gets authority or authorization from Congress. I think it would be a mistake not to have the support of Congress and the American people to send troops to Bosnia.

But the point is they would not have stopped fighting and killing, and, if my colleagues stood there and looked at the blood on the ground, they would have understood how serious it was. They would not of stopped if it has not been for the intervention of the President of the United States.

Now the gentleman from California [Mr. DELLUMS] and I have been on opposite sides many, many times, but I remember one meeting at the White House last year where everybody was clamoring for the United States to get involved. All the big shots around here wanted the United States to bomb them to oblivion, to send troops to lift the embargo, do everything, get this thing settled because the killing was so great. As soon as the killing slowed down a little bit, as soon as there was an agreement, things quieted own.

Everybody thinks it is going to end peaceably? It will not without our involvement, and down at Dayton right now they are talking peace, they are trying to come to agreement. This is a delicate time. Anything could disrupt it. The President of the United States said to us the other day this could very well destroy the momentum of the peace talks. This could stop the peace talks from coming to a conclusion.

Now I would ask the gentleman who is sincere, because I have had the same thought in my mind; I have tried over and over again to get every President to ask authorization for whatever deployment of American troops. But I would ask the gentleman to think about at this very delicate time why it is necessary to ask for a vote on something as important as this when he will have plenty of time later on to pass a resolution like this, and the majority party, they will have every right to bring up a privileged resolution and pass that resolution.

Mr. Speaker, I feel very strongly that all of us realize the sensitivity of what is going on in Sarajevo and in Bosnia. All of us feel we would like to see this end without one American life being lost. I have been to all the war zones. Every time there is an outbreak, I have seen our American troops frustrated. I was in Vietnam for a year with the gentleman from California, and I know what it is like, and I know how difficult it is to come to a conclusion. I know how important American power is, and I know how we were stopped in Vietnam. I know how we may very well be here, but we will have an opportunity, and I say that unless this agreement is an adequate agreement I will not agree to support the President of the United States in deploying troops to Sarajevo, to Bosnia.

Mr. HEFLEY. Mr. Speaker, I yield 1½ minutes to the gentleman from California [Mr. CUNNINGHAM].

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

Mr. CUNNINGHAM. Mr. Speaker, a lot of us have been working very hard on this bill, and I truly believe, if we can send a message to Ohio that we are not going to include in these peace talks 25,000 troops, and then we devise a peace plan with the backing of this body, with the backing of the American people and the backing of the President, and a peace plan comes out, it will be the most legitimate thing we could possibly do. If a peace plan comes out and the troops are in there in the minds of the people that are putting this peace plan together, and then we vote against it, in my humble opinion then we desperately taint this body, we taint the American President, and we taint the prestige of this country.

I apologize to the gentleman from Virginia. But I do not like the feeling that what I believe in to my bones, that it is politically motivated. I do not want these kids going to war and to be killed.

Mr. DELLUMS. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. MILLER].

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

Mr. MILLER of California. Mr. Speaker, I rise in opposition to the legislation before us this afternoon which is ill-timed, overly broad, and unnecessary. But I wish to make it absolutely clear to my colleagues, to the President, and to my constituents the exact meaning of my vote today.

My vote against this bill today is a vote to endorse the peace process now underway to resolve the war in Bosnia.

My vote today is a vote in favor of peace.

But my vote against this bill is in no way a blanket endorsement for the President of the United States to send American troops to Bosnia at his discretion.

It is my hope that American troops will never be called to serve in Bosnia.

But should that ever become necessary, it will be the U.S. Congress, acting with the President, that will decide whether to approve their participation.

Mr. Speaker, the war in Bosnia is a tragedy. It is time for the parties to breach their differences and rebuild their society. The peace negotiations taking place in Dayton, OH, are critical to that effort and I support this effort. But the President should not misconstrue my vote as an endorsement for his discretionary use of American forces in Bosnia.

Mr. DELLUMS. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Maryland [Mr. WYNN].

Mr. WYNN. Mr. Speaker, I thank the gentleman from California for yielding this time to me.

I rise tonight in opposition to the Hefley bill. I think it is a well-intentioned measure, but I think it is ill-timed. It is premature.

Someone said this will be the only opportunity we will have to vote on whether we want to send troops into Bosnia. Not true. I carefully looked at the letter the President sent in which he made it very clear that he will come back to this body and seek our support before taking such momentous action.

As my colleagues know, Mr. Speaker, we become easily repulsed when we see pictures of the horrors of war, when we see dead bodies, when we see destruction, when we see evidence of rape. But when the time comes for action, sometimes we begin to pause, we become indecisive. We are a world leader. Moral indignation, rhetorical condemnation is not enough. We must act and act responsibly.

Now that is not to say that I am committed nor that I believe that we should send troops. But what I am saying is that we ought to treat our allies fairly. We ought to give the peace process a chance. We ought not undermine the process before it has reached a fair conclusion. We cannot preach multilateralism and preach burden sharing, and then before the issue is even brought to conclusion say we are not a part of this play. It does not work that way. We should not tie the President's hands.

People like to come down to the well and talk about how committed they are to peace. Mr. Speaker, there are some people in Dayton, OH, right now trying to fashion a peace after thousands of years of conflict. We ought to give them a chance. We ought not to send them a signal that we do not have confidence in what they are doing. We ought not send them a signal that we want no part of their efforts even if they come up with a lasting and significant peace process. We should not discourage the participants in this process before they have had a fair opportunity to complete their work.

It may be then in the final analysis, when the President brings his case before the Congress, we conclude that, no, we should not send U.S. troops into harm's way. We may, in fact, conclude that we may be helpful through other ways, through intelligence, through supplying materials and equipment, but that is not the decision today. We should not make a premature decision and handicap the peace process.

Mr. HEFLEY. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. CHABOT].

Mr. CHABOT. Mr. Speaker, on October 30, 315 Members of this House, Republicans and Democrats, sent a resounding message to President Clinton. The message was simple, and it could not have been more clear: Do not send American troops to Bosnia without first getting authorization from Congress. But make no mistake about it. The real vote on Bosnia is here, and it is now.

We have asked the administration for casualty estimates for weeks now, but all we have gotten is silence. Mr. President, answer our question. How many American lives are you prepared to sacrifice in Bosnia? Not one drop of American blood should be shed in Bosnia.

Mr. Speaker, enactment of this legislation could prevent a potential disaster from taking place, and therefore, I strongly urge its passage tonight.

Mr. HEFLEY. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota [Mr. RAMSTAD].

Mr. RAMSTAD. Mr. Speaker, I want to read a letter I received today from a constituent:

> Jim, please do not send our young men and women to Bosnia. I was a combat corpsman in Viet Nam, I volunteered to go. The death and carnage which is caused by war can not be described. This is not our war. We are being used by small ego driven foreign leaders. They could care less about our young men and women. You and your fellow representatives must care.
>
> Jim, I packed many body bags with parts of what was left of young men. I held young men as they died in my arms and there was nothing to do. You can do everything to save these men and women . . . it is not our war . . . for the mothers and fathers, sisters and brothers, please do not allow our young people to be killed . . . Sincerely, Bill Wenmark.

Mr. Speaker, this letter says it all. Support the Hefley resolution.

Mr. HEFLEY. Mr. Speaker, I yield 1 minute to the gentleman from Virginia [Mr. BATEMAN].

Mr. BATEMAN. Mr. Speaker, I thank the gentleman from Colorado [Mr. HEFLEY] for yielding this time, and I hope that through the rest of our debate that our passions will be sufficiently curbed, that we can maintain civility with one another as we deal with this issue that all of us have obviously anguished over, and I have anguished with my colleagues.

I would like to make it clear that I am deeply opposed to the way the President has gone about the negotiations ongoing in Dayton, not that we are there. I am proud of him and of this country, that we have produced those negotiations. But it was, I think, extremely improvident, at best, for the President to have said in advance of a military mission being identified and defined that we will contribute 20 to 25,000 ground forces, more than a third of the total that has been talked about. I think it entirely improvident for those negotiations to proceed on the premise that we will arm the Bosnian Moslems.

The SPEAKER pro tempore (Mr. LAHOOD). The time of the gentleman from Virginia [Mr. BATEMAN] has expired.

Mr. DELLUMS. Mr. Speaker, I previously agreed to yield 1 minute to the gentleman from Virginia [Mr. Bateman], and I do so at this time.

Mr. BATEMAN. Mr. Speaker, I thank the distinguished ranking member for yielding the time to me.

I think it is extremely improvident for those negotiations to be cast in the context of our arming the Bosnian Muslims and training them when we are there in a capacity as a neutral peacekeeper. This is not a sound way to establish a peace.

□ 1915

There will come a day when we will have an opportunity to vote, and I cannot support that level of our participation. But we do have a role in Bosnia. There is a responsibility of the United States as the cardinal leader of NATO, and our interest of the stability on the continent of Europe, that dictates our participation. And that makes it in our national interest that we bring about a peace, but we must do it in a rational way, and on another day, on another time, I may well vote against dispatching American forces on the ground there.

For those reasons, tonight, and very reluctantly, because I am not opposed to the sense of what this bill would require, I would not be able to support it tonight.

Mr. HEFLEY. Mr. Speaker, I yield 1 minute to the gentlewoman from Florida [Mrs. FOWLER].

Mrs. FOWLER. Mr. Speaker, I rise in strong support of this bill to prohibit the deployment of ground forces to Bosnia unless Congress specifically appropriates funding.

The United States does have an interest in resolving the war in the Balkans peacefully, and we have engaged in appropriate efforts, including active diplomacy and the provision of air, sea, logistical and intelligence support, to that end.

But I disagree strongly with the President on placing United States troops on the ground to keep the peace in Bosnia. We must not forget that U.S. airpower has already engaged in military action against one party to this conflict. I, for one, cannot countenance placing our soldiers on the ground under those circumstances, where they will be convenient targets.

For me, the bottom line is this: I simply could never look into the eyes of a mother or father or spouse or child of a soldier killed in Bosnia and say that American interests in Bosnia were worth their sacrifice.

This legislation properly assures that Congress has a say in this affair, as it should in virtually any instance where United States troops are put in harm's way. I urge its support.

Mr. HEFLEY. Mr Speaker, I yield 1 minute to the gentleman from Illinois [Mr. MANZULLO].

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

Mr. MANZULLO. Mr. Speaker, let me pose one simple question: Why are United States soldiers being asked to flight the Bosnia's war? The Bosnians should fight their own war. The Bosnians should be arming and defending themselves. In fact, they have been asking us even since the war began in 1991. Yet, the administration has refused to allow the Bosnians a level playing field. It is unconscionable that President Clinton has refused to lift the Bosnian arms embargo, while making every effort to send 25,000 American troops to protect the very country he has worked to disarm.

This contradiction involves the proposed roles of the U.S. personal in Bosnian. Can someone explain to me how some U.S. personal can serve as neutral peacekeepers, while others serve as suppliers and instructors to the Bosnian government's army?

These contradictory jobs personify the conflict and confusion in the Clinton administration's Balkan policy. American soldiers will not be viewed as neutral, they will be viewed as Bosnian mercenaries. Therefore, we should vote for the resolution.

Mr. HEFLEY. Mr. Speaker, I yield 1 minute to the gentlewoman from California [Mrs. SEASTRAND].

Mrs. SEASTRAND. Mr. Speaker, I rise in strong support of this legislation.

For more than 2 years President Clinton has failed to articulate a clear position in Bosnia. Now he tells us he will send up to 25,000 of our men and women to Bosnia to enforce a peace settlement that has yet to be agreed.

The President has failed to meet the clear objectives his own Secretary of State Warren Christopher laid out 2 years ago:

Our goals must be clear.

The chances of this mission's success must be high.

We must have a clear and established exit strategy for our troops before they are sent.

The American people must support this effort.

Clearly, none of these objectives have been met.

This administration is preparing to put our sons and daughters in harms way because of offhanded promises from a President that has had no clear policy in Bosnia for more than 2 years.

Mr. Speaker, President Clinton has amoral obligation to come before this body and explain what our national interests are in Bosnia and our clear objectives for this deployment. The clearest foreign policy lesson of the past 30 years is the President's obligation to build a public consensus before committing American forces to hazardous long-term mission. America should never commit its troops without first committing the Nation.

Mr. HEFLEY. Mr. Speaker, I yield 1 minute to the gentleman from Mississippi [Mr. TAYLOR].

Mr. TAYLOR of Mississippi. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, people may be quick to forget that the first President who tried to get us involved in Bosnia was President Bush. When he did that, I was against it. I was against it because of a conversation I had with then-Chairman of the Joint Chiefs, Colin Powell, when I asked him repeatedly whether or not we should send ground troops into Yugoslavia. He being a good soldier said, ''That is not my decision to make. I am going to do what I am told.'' Only after I cornered him and only after I asked him the question 5 or 10 times he said, ''No, we should not put ground troops in Yugoslavia. If you recall, I said that in front of Secretary Baker, and then-Secretary of Defense Cheney, in the meeting at the time when President Bush was trying to get us involved broke up.''

Folks, it did not make sense then. It does not make sense now. There is something worse than the sight of dead Yugoslavs. It is the sight of dead young Americans who were sent someplace with no clear-cut missions, who cannot tell the good guys from the bad guys, and who die in a needless cause.

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

Mr. LONGLEY. Mr. Speaker, this is a difficult issue to address. In fact, this may be one of the most difficult issues that any one of us has had to address, certainly in my 10 months. I am not a supporter of putting American troops on the ground in Bosnia. I think it would be a terrible mistake. It is my intention to work as hard as I can to prevent in from taking place. I believe in the 10 months that I have been in office I have received more calls on this issue than on any other issue, and not a single call has been in favor of it; but nevertheless, I have to respect the authority of the Commander in Chief to conduct foreign policy.

I think the timing is not good. I think that there is information to which we may not be privy that could very well be instrumental in any decision that we might make. Again, we may be acting without knowing that information. We have to assume that the President does have that information and is prepared to exercise that constitutional authority.

Furthermore, Mr. Speaker, I think there is no greater threat to American lives than a Congress that attempts to micromanage foreign policy. I have told the President that I would respect his authority as Commander in Chief, and I would suggest, in all candor, Mr. Speaker, to the administration that they really have not consulted with the Congress. They have informed the Congress, but I know there are respected Members on both sides of the aisle whose opinions are valuable, who have a tremendous amount of experience, who have not truly been consulted on the development of this policy.

Mr. Speaker, I would also remind this Chamber that there is one other issue, an overriding issue that hangs over this Chamber. That is the question of the Federal budget. Here we are, debating one aspect of foreign policy at the very same time that 800,000 Federal employees have been furloughed. I would submit to the administration that under no circumstances could I see us deploying a single soldier anywhere in the world without resolving this issue.

Mr. HEFLEY. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. BAKER].

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

Mr. BAKER of California. Mr. Speaker, there are three important points to consider before American lives are committed to serve as ground troops in Bosnia. First, there must be a vital American interest before one life is risked on foreign soil. There is no NATO country in the region and no economic, political, or military justification for this risk.

Second, Bosnia, the patient, has died. First, the Serbs; now Croatia sought territorial advantage. No one cares about Bosnia and the Bosnian federation. Let us put this State Department fiction to rest.

Third, who will vote to pay $2 billion to $3 billion to deploy ground troops in Bosnia? Let those in Europe and the Middle East who have been arming the combatants enforce the peace. The liberal Democrats who have been demanding that we cut to the bone our military spending are now insisting that we involve American lives in yet another military action.

Vote yes on the Hefley amendment. Keep American troops out of Bosnia.

Mr. HEFLEY. Mr. Speaker, I yield 1 minute to the gentleman from Tennessee [Mr. DUNCAN].

Mr. DUNCAN. Mr. Speaker, I rise in strong support of this legislation by the gentleman from Colorado, and I thank him for yielding me this time.

President Kennedy said in 1961:

> We must fact the fact that the U.S. is neither omnipotent nor omniscient—that we are only 6% of the world's population—that we cannot impose our will upon the other 94%—that we cannot right every wrong or reverse each adversity—and that therefore there cannot be an American solution to every world problem.

This statement by President Kennedy is even more true today, because we are now less than 5 percent of the world population and especially because we now have a $5 trillion national debt.

We should never send young American men and women to fight and die on foreign battlefields unless there is a real threat to our national security or a vital U.S. interest at stake.

Neither of these is present in Bosnia.

B.J. Cutler, the Scripps-Howard foreign affairs columnist, recently wrote: ''if guarding people from the savagery of their rules is America's duty, it would be fighting all over the world, squandering lives and bankrupting itself.''

We cannot solve the situation in Bosnia even if we spend billions that we do not have and jeopardize our own future in the process.

Mr. DELLUMS. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Mississippi, Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Speaker, I rise in opposition to this resolution. Mr. Speaker, we gave this courtesy to President Bush not to bring up the Persian Gulf resolution at a certain time. Mr. Speaker, I was part of that agreement.

Now this President, President Clinton, has asked the body to delay a resolution such as this, and President Clinton told me tonight, as he has told other Members, that before he commits total forces into the Bosnian area, he will come back to the Congress of the United States. I think this President is entitled to the same thing that we gave President Bush.

Mr. HEFLEY. Mr. Speaker, I yield 1 minute to the gentleman from Nevada [Mr. ENSIGN].

□ 1930

Mr. ENSIGN. Mr. Speaker, on Veterans Day recently I was out in Boulder City, NV, at a veterans' memorial cemetery and I saw a woman who has obviously a mother kneeling over her son's grave weeping. I could tell the pain on this mother's face, and I thought about the pain of everyone who has lost a son or daughter in a military conflict in this country.

Mr. Speaker, the thought came up to me during that day, and during some of the conversations that I had on Veterans Day with so many who have sacrificed so much, would that woman that was kneeling over that grave that day, would she accept this mission that the President wants to send our young men into in Bosnia? Would this be a mission that she would consider in vital U.S. American interest? Would this be a mission that she thinks that threatens our allies or that threatens the very defense of our country?

Mr. Speaker, I think that that woman would say no, and I would agree with her. We should only be sending our troops where there is a vital U.S. American interest or a threat to the United States.

Mr. Speaker, I support this resolution.

Mr. DELLUMS. Mr. Speaker, I yield 1 minute to the distinguished gentlewoman from Hawaii [Mrs. MINK].

(Mrs. MINK of Hawaii asked and was given permission to revise and extend her remarks.)

Mrs. MINK of Hawaii. Mr. Speaker, I take this time to rise in opposition to this bill, because several Members on the majority side have kept noting that on October 30, over 300 Members voted for House Resolution 247, which asked the President to consult the Congress before sending troops.

Mr. Speaker, I happen to be one of those individuals that voted for the resolution because, on principle, I deeply feel that the President has an obligation to come to consult with the Congress before taking such a major step. But, on this instance where the peace negotiations are in a position of just being concluded, the timing is absolutely wrong.

Mr. Speaker, if we vote on this bill today, and it should pass this House, I believe it will have untoward consequences in bringing together the parties in Dayton, OH. The cutoff of these funds today is absolutely premature. Passing this bill will seriously jeopardize the negotiations. In fact, it might even sabotage them altogether. I believe very deeply that the President must be given an opportunity to succeed, to bring peace to this area.

Mr. Speaker, I urge a ''no'' vote on this bill.

Mr. HEFLEY. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. KNOLLENBERG].

Mr. KNOLLENBERG. Mr. Speaker, I rise to express my strong support for the Hefley amendment. It has been stated there is no public support for a mission to Bosnia. There is no national security interest to send American soldiers to die in Bosnia.

Mr. Speaker, we in Congress have a responsibility. We have a responsibility to say no to the funding. We can help this President. We can prevent the President from making a mistake that will cost him more than a few points in the polls. It will cost the lives of young American men and women, our sons and daughters.

Some may argue—and the gentleman from Pennsylvania [Mr. MURTHA] did a tremendous job—that this is not the role of Congress to deny the President the ability to forge his own foreign policy. But the President has never told us why he believes that peace can be established in a war zone, a civil war, a mission impossible. He has never made his case.

Mr. Speaker, we have tried to show the White House our concerns and the problems with their policies. They have looked away. Therefore, we must stand up and shout with our only real power: the funding. There should be no funds for Americans to die in a war that is not ours.

Mr. DELLUMS. Mr. Speaker, might I inquire as to the remaining time?

The SPEAKER pro tempore (Mr. HOBSON). The gentleman from California [Mr. DELLUMS] has 14½ minutes remaining, and the gentleman from Colorado [Mr. HEFLEY] has 16 minutes remaining.

Mr. DELLUMS. Mr. Speaker, I yield 1 minute to the distinguished gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Speaker, as a Member of the Subcommittee on Foreign Operations of the Committee on Appropriations, I rise to join our chairman, the gentleman from Alabama [Mr. CALLAHAN], and our ranking member, the gentleman from Texas [Mr. WILSON], in opposition to the Hefley amendment.

Mr. Speaker, with all due respect for the intentions of the gentleman from Colorado [Mr. HEFLEY], but in all opposition to the timing of the gentleman's resolution.

Mr. Speaker, it has taken too many years and cost too many lives to get the warring parties of the Bosnian conflict to the peace talks. They are finally there. They are talking, not shooting. Voting today to prohibit a possible deployment tomorrow gives impetus to the parties to lay aside their voices, to take up their arms, and renew a genocidal conflict that is a blot on the world's conscience.

Mr. Speaker, I do not think this body wants to be responsbile for the collapse of the peace process. My problem, I have said again, is in the timing of the Hefley resolution. I believe that this legislation at this time before us today risks the lives of hundreds of thousands of civilians in the former Yugoslavia.

Mr. Speaker, 50 years ago when the reality of the Holocaust came to light, people said, ''Never again'' to ethnic cleansing and genocide. These abhorrent actions continue, despite this promise. I believe the world can no longer turn a blind eye to Bosnia.

Mr. Speaker, I urge my colleagues to vote ''no'' on the Hefley anendment.

Mr. DELLUMS. Mr. Speaker, I yield 30 seconds to the distinguished gentleman from Maine [Mr. LONGLEY] to continue his earlier thoughts.

Mr. LONGLEY. Mr. Speaker, I would add to my earlier remarks that there is an overriding issue that hangs over this entire discussion, and that is the question of the Federal budget.

Mr. Speaker, I cannot conceive of a situation wherein this Congress could be approving any foreign policy decision without our resolving the issue that affects 250 million Americans and their future, and that is the need to balance the Federal budget.

Mr. HEFLEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia [Mr. CHAMBLISS].

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

Mr. CHAMBLISS. Mr. Speaker, while I have some reluctance about overriding the authority of the President given by this body, we have no choice in this case. Mr. Speaker, I rise in support of this amendment.

Mr. Speaker, I would like to take this opportunity to express my concern about the vote we are about to make tonight.

Scenes of the fighting in Bosnia have torn this country apart. The bloodshed is real, and the death is overwhelming. At this very hour, peace talks continue between the leaders of the warring parties, and there is reason to believe that a preliminary agreement is in the works.

Mr. Speaker, I was elected to this Congress with a commitment to the people I represent to seek a seat on the House National Security Committee. It is a responsibility I take very seriously because the decisions we make will

impact the lives of every brave American who volunteers to defend this great Nation.

The threshold decision we must make, Mr. Speaker, is whether the war in Bosnia invokes a vital national security interest for the people of the United States. If such interest exists, we must act and act decisively.

However, a vital national interest does not exist. This Nation, together with NATO, has made a firm commitment over the past several months in the form of air strikes in defense of United Nations safe havens. It is a humanitarian commitment that is worthy of our involvement. But the introduction of U.S. ground troops, American sons and daughters, is another matter, entirely.

Having said this, Mr. Speaker, I must also express my grave reservations over the soundness of judgment exercised to this point by this particular President. His indecisiveness and lack of vision could prove lethal to the many men and women who would serve as the ground force.

I also find it to the height of hypocracy for this President to send to Congress inadequate defense budgets in light of this newfound commitment to the projection of American power.

It seems that this sentiment is shared widely among my colleagues in this Congress. In my judgment, it is better that the negotiations in Ohio proceed with this fact in mind, rather than congressional action of disapproval after a peace accord is signed.

While I have difficulty casting this vote in light of the powers specifically enumerated this President as Commander in Chief, the safety of the men and women in our Armed Services demand me to cast a vote in support of this binding action.

Mr. HEFLEY. Mr. Speaker, I yield 1 minute to the gentlewoman from Idaho [Mrs. CHENOWETH].

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

Mrs. CHENOWETH. Mr. Speaker, observers are sickened by the strife and atrocities in Bosnia. The human reaction is to want to do whatever we can to restore peace. And as the only remaining superpower on the planet it seems to many that we have the power to accomplish this goal.

However, I agree with an observation offered by the columnist William Raspberry, ''If righting manifest wrongs were the only consideration, we'd be endlessly at war.''

History has shown that there is a limit on our ability to impose our will on other nations' internal problems. That limit is especially constricting when you add the problems caused if we place our soldiers under the command and control of an international organization.

Before our Government sends our most precious resource—young Americans—off to fight and die in a foreign land, we have to ask ourselves to support the Hefley amendment.

Mr. DELLUMS. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Pennsylvania [Mr. FOGLIETTA].

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

Mr. FOGLIETTA. Mr. Speaker, I rise in strong opposition to the Hefley resolution. President Clinton has exercised extraordinary leadership in bringing the warring parties in former Yugoslavia face to face for the first time to work toward a negotiated peace settlement. At last, peace might be close at hand.

Mr. Speaker, now some of my colleagues seem determined to pull the rug out from under these fragile peace negotiations at this very most critical time. After years of fierce fighting and senseless bloodshed, we are finally on the brink of creating a lasting peace in Bosnia, a peace which will prevent the further killing of innocent women and children.

However, by passing this resolution, we threaten to create a new leadership vacuum which will ignite renewed fighting and result in the death of more innocents. Furthermore, without decisive American leadership, this fight could easily engulf Albania and Macedonia, leading to a dangerous escalation of hostilities between our important NATO allies, Greece and Turkey. Also, it could be the end of NATO as we know it. This would be disastrous.

Mr. Speaker, let us not sabotage our best and maybe only chance to bring peace to Bosnia.

Mr. HEFLEY. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. HERGER].

Mr. HERGER. Mr. Speaker, why is President Clinton insisting on sending 25,000 American troops into Bosnia where a number of them will most certainly die? We cannot take this situation lightly. Submitting our young men and women into a battle region is a dangerous proposition at best, yet President Clinton has still failed to articulate just what U.S. interest is at stake that requires putting American combat troops in war-torn Bosnia.

Mr. Speaker, why should U.S. blood be spilled for a cause that is better handled within the European Community? What will we tell these brave soldiers' parents? What will we say their children died for?

Mr. Speaker, I do not believe President Clinton has answers to these questions. The administration should remember the lessons of Somalia and Beirut. When we commit U.S. troops to unstable regions of the world without a defined mission, Americans die.

Mr. Speaker, I urge my colleagues to support this resolution.

Mr. DELLUMS. Mr. Speaker, I yield 4 minutes to distinguished gentleman from Alabama [Mr. CALLAHAN].

Mr. CALLAHAN. Mr. Speaker, I have been listening to this debate for a couple of hours, and while listening to it I had an opportunity to read the CONGRESSIONAL RECORD of January 12, 1991.

Mr. Speaker, it is interesting to note that there is a difference this year from 1991, because the Republicans, with a Republican President, were saying the same things that the Democrats with a Democratic President are saying tonight. And the Democrats, with a Republican President, are saying the opposite of what they were saying in 1991.

Mr. Speaker, it would behoove all of my colleagues to get the CQ Almanac, the 46th annual edition of the almanac, and read the brief history of the entire debate on the Persian Gulf and the entire debate on whether or not the President of the United States has the authority to do what he is doing.

Mr. Speaker, this issue tonight is not over whether or not the President has the authority. It is over whether we ought to delay the vote on this for a few days until the peace negotiations end.

Mr. Speaker, in 1991, under a similar situation, a Republican President then called Speaker Foley and said, ''Could you delay a vote,'' because of some strategic timing needs that the President was aware of. Mr. Foley, who ultimately voted against the resolution that we ultimately submitted, granted that to the President of the United States.

Now, the President has come to us today. I understand he called the Speaker of the House and he requested the Speaker, and I know he called the sponsor of this bill, and requested that they at least delay this vote until after this weekend, when they are optimistic that most of negotiations will be finished.

Mr. Speaker, this is not going to be the law of the land after tonight. This is not going to be the law of the land because we pass it tonight. The Senate more than likely will not pass it. If they do, the President is going to veto it. So, it is not going to be the law of the land.

Mr. Speaker, if my colleagues want an expression, then they should introduce a sense of Congress resolution and I will vote with them, because I do not believe that we ought to send troops to Bosnia either. Mr. Speaker, I have sent that message to the President. I have told the Secretary of State this. All of us have this same right to do this very same thing, to express our views to the President.

But for this body at this time, when it is meaningless because it will not become law, to insult the President, let me tell my colleagues, I am not here defending Bill Clinton. I am here defending President Clinton, and there is a big difference.

Mr. Speaker, the hardest message I ever gave on this floor was in 1991 when I stood here and supported President Bush in the Persian Gulf resolution. If it gets to that, the President has sent us a letter and he has said that before he takes action, he will bring that message to the Congress.

So, we can talk about constitutionality; we can talk about right or wrong; we can talk about history, but to deny the President of the United States, during the middle of peace negotiations which conceivably will stop this horrible bloodshed in Bosnia, is wrong.

Mr. Speaker, I know that all of my colleagues on my side of the aisle are

going to disagree with me, and that is their prerogative. I am espousing my views. I am telling my colleagues that some of them, and I probably too, are hopeful that in 1996, that there will be a Republican President there. Mr. Speaker, I hope we are not in this type of situation. But if we are, I am going to protect that President, just as I am going to protect this President tonight.

□ 1945

Mr. HEFLEY. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. THORNBERRY].

Mr. THORNBERRY. Mr. Speaker, voting to prevent the President of whatever party from sending troops somewhere should never be done lightly, but no Member of this body can ignore our responsibility to our soldiers and to our Nation as well.

The issue is not whether a peace treaty or a piece of paper gets signed in Ohio this weekend. That is not what we are after. What we are after is a peace that will stick, a peace that will be enforceable. It has to be based on solid ground. If they negotiate a treaty that assumes U.S. combat troops will be part of the peace enforcement, they are making a false assumption because the support is not there in the Congress or the country to do that. It is better they know the facts now and tonight rather than find out the hard way later.

The fact is the President promised to send in troops without consulting Congress and now he is asking us to back him up. Our job, on the other hand, is to ask whether there is a vital national security interest in Bosnia that justifies risking the lives of young men and women. I do not think there is. Risking their lives just to make good on a rash, premature promise by the President is flat wrong and we ought to stop it.

Mr. HEFLEY. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin [Mr. ROTH].

Mr. ROTH. Mr. Speaker, I thank my friend for yielding me time.

This is the key vote this evening, whether we send troops into Bosnia or not. And the reason for that is because the President point-blank tells us that he is going to preposition a number of troops into Bosnia.

We are going to be deploying some 4,000 NATO troops, either a third or a half of them U.S. troops. So the next time this issue comes up for a vote, it is not whether we are going to send troops into Bosnia. The issue will be whether we are going to support the troops that are already there, and that is why this vote this evening is such a crucial vote, and that is why this vote this evening is a historic vote.

Speaking of history, Mr. Speaker, sometimes I think the only thing we learn from history is that we do not learn from history. I see in the paper here we have Mr. McNamara, Secretary of Defense during the time of Vietnam, and what is he saying is, he said I knew we could not win the war. He said I did not believe in the war. But they kept on putting thousands, hundreds of thousands of boys over into Vietnam. 58,000 names we can see when we walk out of this building and walk down to The Mall.

But where is McNamara? He is a big hero over in Vietnam. He is selling his book all around the country. But there are 58,000 names we have on the plaque down here. Look at history. Let us learn from history this evening.

Mr. HEFLEY. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. ROHRABACHER].

Mr. ROHRABACHER. Mr. Speaker, we hear give peace a chance; do not disrupt the negotiations. That is the central argument being offered by this side for us not to act. And I will tell my colleagues that if we do not act and we send 25,000 Americans into the Balkans meat grinder, it will be because we bought that argument that some of our colleagues have presented to us. But that argument is nonsense. Total absolute nonsense.

If peace talks are predicated on deploying 25,000 American troops into the Balkans, what is going on in Ohio is not a peace process but a tragic game. We are doing no one a favor. We are not bringing peace 1-inch closer by having the parties of a negotiation in Ohio base their agreement on predicating that 25,000 American troops are going to be sent to the Balkans.

What is reality? That is not reality. Ignoring reality and wishful thinking will not bring peace to the Balkans or anywhere else in this world. All it will do is put 25,000 young Americans in harm's way and possibly bringing them back in body bags. What is reality? The American people do not support the deployment of these thousands of young Americans, our young defenders, into this bloody and confusing morass.

Mr. Speaker, I worked in the Reagan White House when he made his worst mistake, and that was deploying the Marines to Beirut. This has every small of that same situation. We had very little chance of success. I ran all over the White House saying what are we doing? What are we trying to accomplish? They said, well, if this happens and that happens and this happens, we are eventually going to bring peace to the Middle East. I said, look, the chances of success are 1 in 10. The chances of this turning into a bloody failure are one in two. It makes no sense.

Well, that is exactly what we are doing tonight. The situation in Bosnia, our chances of success are maybe 1 in 10, maybe 1 in 100. The chances of a catastrophic failure and the death of many young Americans is very high. It is nonsense. This is a horrible policy. We must do everything we can not to let it happen.

Mr. HEFLEY. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. SOLOMON], the chairman of the Committee on Rules.

Mr. SOLOMON. Mr. Speaker, earlier today I spoke in support of this resolution. Let me please urge Members to vote for this. It may be their last chance to stop these troops from going into this place called Bosnia where they have no place being.

Mr. Speaker, I rise in strong support of H.R. 2606 and commend Mr. HEFLEY for forcing this critical issue to the floor.

Mr. Speaker, I have been a member of the North Atlantic Assembly for 16 years and currently serve as chairman of the Political Committee.

I have been proud to be affiliated with what has been the greatest treaty of all time—NATO.

And for that matter, it has been the greatest peacekeeper of all time too.

NATO, with its laser-like focus on military deterrence and collective defense, kept the peace in Europe for over 40 years in the face of the Soviet threat.

But let me tell you what is going on in our allied European countries. There is a noticeable leftward drift, especially in terms of foreign policy.

More and more, NATO is being pushed by this leftward drift into out of area missions—missions that don't involve direct threats to NATO members, such as civil wars, ethnic conflicts, and the like.

Missions like Bosnia.

And the Clinton administration has been getting us sucked into this morass for 3 years.

After 3 years of doing nothing, after 3 years of subjecting the Bosnian victims to a cruel and strategically myopic arms embargo, the administration now says that if we don't send 20,000 young people into harm's way in this hornet's nest, we will destroy NATO.

Ladies and gentlemen, that's baloney.

This mission will destroy NATO. Let me tell you how.

The administration has a plan, folks. They have a plan to partition Bosnia, divide it into sectors, and insert United States, British, French, and yes, Russian troops in to enforce the partition.

What does that sound like? It sounds an awful lot like Berlin to me.

And another Berlin is exactly what NATO cannot withstand.

We can't afford another 40-year deployment, Mr. Speaker, especially in this place where there is no vital national interest.

And we can't afford to let the Russians snatch victory from the jaws of defeat by giving them a free pass into the Balkans.

To be blunt, they have a history of coming to a place and hanging around for a while. How are we going to get them out?

And how are we going to prevent them from arming and supplying the Serb aggressors?

We know they will do this.

And are American soldiers going to square off with the Russians if they do this, or are we going to turn a blind eye as the Serbs re-arm?

Either way, it is a fiasco for NATO.

Mr. Speaker, let's stop this mission from proceeding until the President comes to us and secures our approval.

This is what the Hefley bill will do and I urge a "yes" vote.

Mr. HEFLEY. Mr. Speaker, I yield 1 minute to the gentleman from Washington [Mr. METCALF], who has been so effective and so helpful in helping to bring this matter before us tonight.

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

Mr. METCALF. Mr. Speaker, I thank the gentleman for his kind words.

Mr. Speaker, American ground troops may soon be dispatched to Bosnia. These men and women are entering a combat zone plagued by centuries of conflict and three failed peace agreements in recent years. It is the duty, the constitutional duty of Congress to allocate funds or to deny funds for long-term troop deployments. We have learned through sad experience that it is easy to rush troops into a conflict, but it is extremely difficult to solve the problems once they get there, and even more difficult to get out in a timely and honorable way.

Mr. Speaker, the American people know that it is folly to send combat troops to Bosnia, and I ask Members to support them with their vote for this resolution.

Mr. HEFLEY. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. DORNAN].

Mr. DORNAN. Mr. Speaker, November 17 is the 30th anniversary of the Ia Drang Valley. Three hundred two killed in action. Americans. Look where that led.

I rise again for this amendment.

I include the following for the RECORD.

IADRANG VALLEY BATTLE

About 1,200 troops of the U.S. First Cavalry Division (Airmobile) fought North Vietnamese regular troops Nov. 14–17 in the Iadrang Valley, between the Cambodian border and Pleime. The First Cavalry troops had been scouring the area in a search-and-destroy operation since the Communists had mounted an unsuccessful siege of a U.S. Special Forces camp at Pleime in late October. The Iadrang Valley clash was the operation's 4th contact with the Communist forces.

About 2,000 North Vietnamese of the 66th Regiment were reportedly involved in the Iadrang engagement. Before U.S. troops withdrew from the valley Nov. 17 a total of 890 North Vietnamese bodies were counted, according to a military spokesman in Saigon. Although First Cavalry losses were described as ''moderate,'' they were believed to have been the heaviest sustained by U.S. troops in any single engagement of the war.

The North Vietnamese opened their attack Nov. 14 with a heavy 4-hour assault on U.S. positions. The Communists renewed the attack Nov. 15 against 4 U.S. companies of 750 men defending a clearing in the valley for a helicopter landing. The North Vietnamese then broke off the attack, pressed the assault again Nov. 16 but were thrown back in 3 separate drives. The U.S. troops repelled 2 similar Communist attacks later in the day. U.S. commanders decided Nov. 17 to withdraw the First Cavalry units from the valley since North Vietnamese had a tactical advantage by holding positions on high ground. About ½ of the U.S. troops were evacuated by helicopters; the remaining soldiers walked out of the valley.

(A U.S. military spokesman in Saigon had reported Nov. 5 that 5 regiments of North Vietnam's 325th Division were in operation in South Vietnam.)

VIETNAM WAR ALMANAC—BATTLE OF IA DRANG

(By Harry G. Summers, Jr., Colonel of Infantry)

Although it was not apparent at the time, the Battle of the Ia Drang Valley between elements of the U.S. Army's First Air Cavalry Division and regiments of the North Vietnamese Army was especially significant. It not only marked the first major engagement between American and North Vietnamese troops, it also presaged the final campaign almost 10 years later that would lead to the total collapse of South Vietnam.

In 1964 the North Vietnamese Politburo had made the decision to commit regular army units to the war in the south. After a buildup in supposedly neutral Cambodia, the North Vietnamese intended to attack across the Central Highlands and drive to the sea, splitting South Vietnam in two and ultimately seizing the entire country. They executed this plan on October 19, 1965 with an attack on the U.S. Special Forces camp at Plei Me, but they did not foresee the reaction to this attack. General William Westmoreland made the decision to commit the U.S. Army First Air Cavalry Division, just arrived from the United States, to the relief of Plei Me. The division's helicopters enabled it to fly over enemy roadblocks, and its firepower was instrumental in breaking the Plei Me siege. On October 26, South Vietnamese relief forces were able to break through to the camp. With this success, General Westmoreland ordered the U.S. First Air Cavalry Division to switch from defensive to offensive operations and its reconnaissance units began to seek out the fleeing enemy.

Unknown to the Americans, the North Vietnamese Army's 2,000-man 66th Regiment, joined by the 700 survivors of the 33rd Regiment that had laid siege to Plei Me, was regrouping in the Ia Drang Valley to the southwest. On November 14, the 430 men of the U.S. First Battalion, Seventh Cavalry were ordered to make a helicopter assault into what appeared to be an unoccupied landing zone in the Ia Drang Valley. As soon as they landed they came in contact with elements of the North Vietnamese Army 66th Regiment. Fighting was intense and one U.S. platoon was cut off from the main body. Reinforced by air by elements of the U.S. Second Battalion, Seventh Cavalry and supported by intense artillery and air support, including strikes by B–52 bombers, the First Battalion was able to hold on in the face of heavy odds. On November 15 it was further reinforced by the Second Battalion, Fifth Cavalry, which had moved by air to a landing zone some two and a half miles to the southeast and had marched overland to the sound of guns. Thus reinforced, the First Battalion, Seventh Cavalry was finally able to reestablish contact with its isolated platoon. The North Vietnamese broke contact, with some troops fleeing back across the border into Cambodia and others fleeing eastward into the jungles of the Ia Drang Valley.

Ten years later the North Vietnamese would launch their Final Offensive to conquer South Vietnam just a few miles south of Ia Drang Valley with their attack on Ban Me Thuot on March 10, 1975. They had tipped their hand to their long-range strategic objectives in 1965, but because the United States was so obsessed with the doctrines of counterinsurgency, it could not see that with the Battle of Ia Drang the entire nature of the war had changed. The North Vietnamese Army, not the Viet Cong, would prove to be the decisive military force in the war.

Mr. HEFLEY. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts [Mr. TORKILDSEN].

Mr. TORKILDSEN. Mr. Speaker, as a member of the National Security Committee, I rise in strong support of the bill offered by my friend and colleague from Colorado.

Before this Congress offers its support for any commitment of troops, several critical questions must be answered.

What are United States interests in Bosnia? Are they solely humanitarian, or does the U.S. have other interests in the area as well?

What are United States objectives in Bosnia?

Can the commitment of U.S. troops protect these interests and achieve these objectives? If yes, how many Americans will be expected to give their lives to protect these interests and achieve these goals.

These are the questions that must be answered in advance of any congressional support to commit troops to this or any other area. I have voted in the past to give this President, and any President, the greatest possible leeway in setting the foreign policy of the United States.

But I cannot sit back and allow a President to commit troops to a part of the world when he has not defined U.S. interests, and has not identified what his objectives are.

Mr. Speaker, I reject the notion that this Chamber should withhold judgment on the critical issue of whether or not to commit troops while talks are underway in Dayton.

As we learned in Beirut and Somalia, once deployed, even for the most humanitarian and noblest of reasons, United States forces often become a target of aggression rather than a symbol of peace.

Peace may well be the objective, but the deployment of tens of thousands of American soldiers in Bosnia may escalate the conflict beyond anything this administration acknowledges.

I ask my colleagues to support this bill and require the Congress to be involved in any decision to commit troops in Bosnia.

Mr. HEFLEY. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. COX], chairman of our Republican Policy Committee.

Mr. COX of California. Mr. Speaker, this debate comes on a day when the hot news topics in Washington are the Government shutdown, the question of whether we will raise the debt ceiling, whether we will pass a Balanced Budget Act. But I think all of us, if we pause for a moment, recognize that 6 months from now that will not matter so much. That will be old news. The Government will be back operating again and we will have our Balanced Budget Act in place and the debt ceiling will have been raised.

The more important decision is the one we are voting on tonight. I venture to say it is the most important decision we will make in the 104th Congress. Six months from now, this decision will undoubtedly loom large. What we do or do not do tonight is irrevocable. We cannot take it back.

I support the peace process. I congratulate President Clinton for bringing the parties together. But if we fail to act now, while there is still time, then, yes, an agreement will proceed

for Dayton, one built on the false premise that the United States will commit over 200,000 combat ground troops to Bosnia.

If we do nothing tonight, United States will have negligently sidled into the Balkans trying to be neutral just weeks after bombing the Serbs; treating war criminals like Slobodan Milosevic the same as victims of hideous ethnic cleansing; foolishly inviting Russian troops into Central Europe without any guaranty that they will not continue to side with the Serbs, without any guaranty that they will leave when we want them to; putting United States ground troops into the middle of a three-way crossfire with no military objective other than to be shot at.

If we do nothing tonight, make no mistake, it will be an irretrievable decision. While Congress could theoretically vote on this question after the commitment is made in Dayton, the reality is, as NPR has reported tonight, prepositioning troops will move into the Balkans from the United States within hours. Fourteen days later, when the final agreement is initialed, it will take, according to NPR, having been just briefed by the Pentagon, no more than 72 hours to get the bulk of the 20,000 United States troops on to the ground in Bosnia.

We will have no chance to turn back. And if we did, we would be voting to unravel the peace agreement. How responsible would that be? We would be voting to make seemingly worthless the executive commitment of the President of the United States in Dayton, OH. It is much more responsible to act now while there is still time.

Mr. Speaker, what is really at stake here is not the unquestioned power of the Commander-in-Chief to send troops anywhere he likes on the planet. He has the power. What is at stake here tonight is the power of the purse, because the Congress also has the power to pay for or not to pay for things over which we approve or disapprove.

The administration has made it clear they will send these troops. I have been down to the White House three times in the last few weeks. They have said so. If we fail to act tonight, we will be acquiescing to plans to divert funds from other vital and legitimate national security functions that will represent nothing less than an usurpation of this Congress' power of the purse.

I urge Members to vote yes on the Hefley bill, to act responsibly tonight and to say no while there is still time.

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Mr. DELLUMS. Mr. Speaker, I yield 3 minutes to my distinguished colleague, the gentleman from New Jersey [Mr. TORRICELLI].

Mr. TORRICELLI. Mr. Speaker, some Members rise with answers. I rise tonight with a question. What is wrong with us? What has become of this Chamber where for generations we have come together for common national purpose? Has our appetite for partisan differing made us lose our taste for national purpose? Is it not enough that the Government of our country has been paralyzed by bipartisan bickering that now, indeed, a desire to embarrass our President can make us lose a chance for a desperately needed peace?

Several hundred miles from here, in Dayton, OH, there is just a chance that the worst human carnage in a generation can be brought to a close, while in Bosnia the soil is still fresh from the mass graves of the victims. Children still seek to heal from their wounds. And yet there is an end in sight, just a chance that peace can be restored.

It is not right, it is not right that in a few moments from now we will have a vote and those negotiations will be interrupted by the passing of notes to those who came from peace and are told that the United States has lost the resolve. Our secretary of State has lost the credibility. Our President has been undermined.

Mr. Speaker, I do not come here tonight holding any brief for the President of the United States. I believed long ago we should have given the Bosnians the right to arm themselves. I come here for no administration but for the purpose of national unity at a time when we can give meaning to these peace negotiations.

Mr. Speaker, from Pearl Harbor to the Persian Gulf, Democrats and Republicans have come to this floor, to this Chamber and put aside partisanship for national purpose. Indeed, it has become a national axiom, a national division stops at the water's edge.

Tonight this President has asked for no troops. He has proposed no plan of military involvement. Indeed, he has pledged to come to the this floor and ask for Members' support before we take that national step.

Mr. Speaker, if this were the British parliament and this vote were to pass, this government would come down. We have a different system. Our government will endure, but it will not be the same.

American power does not rest on our armed forces alone. We are not respected simply because of our wealth. We are respected, indeed, the combatants tonight are in Dayton and not in Paris and not in London and not in Rome, because of the credibility of those who sat in these chairs before us, generations of Americans who came here and put their partisan affiliations beside.

Mr. Speaker, that credibility is at issue tonight. I ask that this resolution be defeated. I ask that we stand together. I ask that we give the peace of Bosnia a chance and stand with Bill Clinton just for these days.

Mr. HEFLEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio [Mr. HOKE].

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

Mr. HOKE. Mr. Speaker, I rise in strong support of this resolution.

Mr. HEFLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. BUYER], a gentleman who has invested an enormous amount of himself and his time in this effort.

Mr. BUYER. Mr. Speaker, this is not about scoring political points tonight. I have worked with many of my Democrat colleagues, the gentlewoman from California [Ms. HARMAN] and others, the gentleman from Indiana [Mr. ROEMER], on this issue, along with my Republican colleagues.

If this body does not want to send ground troops to Bosnia, when do we deliver that blow? Do we do it while the parties and the diplomats are at the table, or do we wait until the diplomats go home? I would say that we place a greater blow than once they go home.

Let me add something that is thought provoking. I have been sitting there watching many come to the well in argument, and the Gulf war has been referenced. I have watched many, this is very thought provoking, from the last vote that we had there are many who voted that said, yes, it is all right to send ground troops to Bosnia, but voted against use of force in the Gulf war. I think that is extremely thought provoking.

When vital national security interests are at stake, vote no. But vote yes to send troops in harm's way to an ill-conceived, poorly defined and highly dangerous mission.

I will share with Members that I stand here tonight with the soldiers who took an oath to give their life to protect freedoms, liberties and economic opportunities. Sending troops in harm's way is very serious. Some feel that it is the military's job and there is something glorious about flexing our might.

My colleagues, war may sound glorious in verse or prose, but in reality it is not, because it is the soldier, the sailor, the airman and marine who sees the face of death and witnesses the long dark shadows of horror. But glory is found in the new levels of courage and fear that erupt from the American character.

However, the strength of the American soldier's character is in her willingness or his willingness to give the ultimate sacrifice to protect United States vital security interests, not for an ill-conceived, poorly defined and highly dangerous proposal that places ground troops as a predicate to a peace agreement.

We can, the United States, and should participate in the peace process by providing our leadership in NATO, our air power and sea power, our airlift and sealift and our logistical support. But we must vote now, not later, now, while they are at the table.

I ask my colleagues to support the Hefley amendment and send that message.

Mr. DELLUMS. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, we are down to the last two speakers, the tail end of this debate. I would like to conclude this debate where my distinguished colleague, the gentleman from Colorado [Mr. HEFLEY] began this debate.

My friend and my colleague started this debate saying today is about American lives. With all due and profound respect to my colleague, I would dissent from that. Tonight is not about American lives. It is not about American lives because we all know that the predicate for deployment of American troops is a peace plan. There is no peace plan. Therefore, there is no request for the deployment of American troops. Therefore, this is not about American lives. The appropriate moment and the appropriate forum for that to take place is when the predicate becomes a reality.

So what is tonight about? Tonight is about the lives of people who are living in Bosnia-Herzegovina at this moment. It is not about American lives. It is about the lives of people over there, the lives that many of us came into this Chamber just a few months ago, with wringing hands about the murder, the slaughter, the rape and the pain of people.

I saw many of my colleagues on both sides of the aisle march into the well with anger and with pain and with raw emotion about how women were plundered and raped, children killed, 16,000 of them, thousands of people dying in the insanity of ethnic cleansing. And as a black man, I understand that.

I would like to have believed that I would have had the courage and the dignity, in the context of Nazi Germany, to stand up and rise above the notion of narrowly construed vital national interests to assume the moral responsibility to say that we have the responsibility to save human lives.

So tonight is not about American troops. That issue is somewhere else. It is about those lives you cared about.

Mr. Speaker, Members of Congress voted to unilaterally lift the arms embargo because they were angry and frustrated at the killing, the dying and the slaughter and the rape and the plunder. And you argued that point on moral grounds.

I came here 25 years to raise my voice as an advocate of peace and the moral argument. It defied logic for me because I could not understand what was moral about placing more weapons in the hands of people so they could continue to slaughter, maim and kill each other.

I believe, Mr. Speaker, that the human being has the capacity to rise beyond that level of cannibalism, beyond that level of caveman mentality. I believe that we can rise to a higher order of how we deal with each other. Tonight is not about American lives. It is about those lives we cared about. If we could raise the moral argument that the only thing left to do was to lift the arms embargo, why then are we now presented with a new option?

People now who were slaughtering and killing each other are sitting down around a negotiating table. That has been my greatest dream. My argument has been that peace is a superior idea and the table of diplomacy is the best battlefield, not out there in the hinterlands killing, slaughtering and maiming human beings.

If you believe that so strongly, if you care about those human lives, then why is this about American lives when that is not the issue? Care about those people you cared about when you wanted to lift the arms embargo. Assume the moral imperative to embrace the notion that peace is a superior idea.

I have given my life to that notion. Suddenly, I would say to my colleague from California, the world is turned around. It has turned around because we find ourselves in the context of the post-cold war era where war itself is the enemy, where the challenge is peace. Remember what Rabin said, he said, you do not have to make peace with your friends. You make it with your enemies. And that is tough going. But we should do nothing in these Chambers that would shake that fragile process called peace, where people are engaging in the Herculean task of moving from the field of blood to the negotiating table where they have a possibility for peace.

As I said earlier today, there are moments, folks, when we need to rise far beyond pedestrianism, rise above our partisanship, rise above all of these things to achieve a lofty place, that notion that what we do makes sense.

We will have the chance, whether you are for or against deployment of the troops, that is a proper question. You have the right to step up to it. I stand second to no one in these Chambers about Congress's prerogatives. I took the President to the court of the United States to guarantee constitutional prerogatives when many of my colleagues did not have the heart to do it. I did it, if I had to stand alone.

So I believe in the right and the responsibility. I believe the President of the United States, as a practical matter, needs to come here to the people's representatives any time you put people in harm's way.

I conclude, tonight is not about American lives. It is about the lives of the people in Bosnia, and I think we have a moral obligation to stand on the threshold of peace.

I urge my colleagues to defeat this proposition.

Mr. HEFLEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois [Mr. FLANAGAN].

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

Mr. FLANAGAN. Mr. Speaker, I rise in strong support of the measure.

Mr. HEFLEY. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, the gentleman from California [Mr. DELLUMS], first of all, I would like to start by thanking him for the level of this debate. By and large I think the level of this debate was excellent, considering the emotional foundation of it, how strongly we feel. I respect the passion that the gentleman just expressed here on this House floor. I appreciate that tremendously.

The gentleman says that we predicate sending troops on a peace plan. Let me say to my friend that we should have predicated committing troops on a peace plan, cart before the horse. We should not have committed and then say, oh, you have got to back up the commitment, when we have not even seen a peace plan.

What we are saying by this legislation tonight is that we want to see the peace plan; we want the arguments made. We want the questions answered. And then we may say, OK, it is worth doing.

Most of the disagreement tonight is about time. Member after Member on that side went to the floor and said, I may vote against sending troops but the time is not right.

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Mr. Speaker, let me say to my colleagues that I think, if we do not do it tonight, in this time, and insist that the President bring this matter before this House before troops hit the ground over there, the time is lost, the time is gone. If this hurts the peace process, then the peace process is too fragile for us to risk lives in.

I do not think this will hurt the peace process. What we are saving to the President is to get us together, how much stronger the process would be if we are together, Congress, and the President, and the American people on this.

Mr. Speaker, I am sorry, but I have to personalize this a little bit. I had one of our Members, one of our colleagues, come to me before the debate started tonight and said, ''Joel, I have an 18-year-old son that I do not want to go to Bosnia,'' and I think of that when I make these kinds of decisions. Have I been given the information necessary to say to my three daughters:

Janet, Bosnia is worth it; Laurie, go to Bosnia for your country; Julie, we need you to go to Bosnia.

And I would ask every Member in this Chamber to personalize it a little bit. Based on the evidence we have, would my colleagues say, yes, let us send our children, our fathers, our brothers, our sisters to Bosnia? Do my colleagues have the answer of ''for what?'' For a vague dream that it might create peace? Somalia. For What? Twenty-nine Americans lost. We sent some people, we did some good; but for what? Lebanon 241 lost. For What? Vietnam, 58,000 lost, and we look back on it today.

I talked to a Vietnam Veteran yesterday who said, ''The reason the pain of Vietnam is still so in people's hearts is because they cannot answer the ''for what?''

I sometimes go to Arlington Cemetery to help remind me what this country is based on. Started burying people there in 1863. Civil war; we could answer the for what. First World War; we could answer the for what. Second World War; the answers were there.

And all we are asking is that the President come down here and tell us, before he puts troops there, he tells us for what.

As my colleagues know, in the Book of Revelations the scripture tells us to beware of those who cry or shout peace peace when there is no peace, and I am afraid that is the situation we have here. Before our troops hit the ground, I want the answer for what.

I would encourage support of the Hefley bill.

Mr. KIM. Mr. Speaker, I rise in support of H.R. 2606, the pending legislation that would prohibit the unauthorized use of Defense Department funds for sending United States ground troops to Bosnia.

I realize that the situation in Bosnia is very complex and that the peace negotiations between the warring parties are at a very sensitive stage. I appreciate the concerns of some that every possible effort should be made to avoid adding further complications and questions to these peace talks. Therefore, given these circumstances, it is unfortunate that it has become necessary to consider and adopt H.R. 2606 today.

Approximately 2 years ago, President Clinton first stated that if a peace settlement in Bosnia was reached, he would commit United States troops to any larger NATO peacekeeping force. Clearly, the deployment of American military forces in as dangerous an environment as Bosnia should occur only after the Congress and the American people have been convinced that such action is absolutely necessary and that a comprehensive political and military plan for such action has been developed. yet, up to the present time, these conditions have not been met—even in the most minimal of fashion.

As a member of the International Relations Committee, I have received many briefings from many different administration officials regarding Bosnia. In his own testimony before our committee, Secretary of State Warren Christopher laid out the four criteria that he said had to be met before the deployment of any U.S. forces: First, the goals must be clear and understandable to the American people. Second, the chances of success must be high. Third, the American people must support the effort. And, fourth, an exit strategy for getting the troops out must be established from the beginning. None of these criteria have yet been met, setting the stage for another Somalia debacle.

Despite these failures, it appears that the administration is blindly committed to sending substantial numbers of American ground forces into the Bosnian quagmire. The argument is made that modifying or conditioning this hastily-made commitment could jeopardize the Bosnia peace process. Everything seems to revolve around the purported overwhelming need for American military participation.

I understand the humanitarian motivation behind trying to end the bloodshed and suffering in Bosnia as soon as possible. However, Bosnian lives are not worth more than American lives. And, risking the lives of thousands—potentially tens of thousands—of American military personnel is a very, very serious matter. It must be treated as such.

Furthermore, I do not believe that a genuine, lasting peace in Bosnia is completely contingent on American ground forces. Consider the current paradox: if American troops and the military might they possess are required to stop the fighting in Bosnia, then it sounds to me like the warring factions really haven't reached a true peace settlement. They've really just been cowered into stopping their fighting by the overwhelming power of the United States military. Conversely, if the warring factions have truly found a way to live with and not kill each other, then why are American troops absolutely necessary? If neutral observers are needed to for peace monitoring purposes, why must they be American?

Because Congress is concerned about the administration's perceived indifference to these issues, on October 30, the House, with my ''yes'' vote, adopted H. Res. 247 urging the President to obtain Congressional approval before deploying any United States troops in Bosnia. While this was a non-binding resolution, its passage nonetheless should have sent a very strong message to the administration about the serious problems Congress and the American people have with its current Bosnia policy. Unfortunately, it seems to me that this important message was received by deaf ears.

Thus, I feel it has become necessary for Congress to assert its constitutional authority and require the administration to receive the approval of the American people—through their representatives in Congress—before any American ground forces go to Bosnian. This was the process used before committing to Operation Desert Storm during the Persian Gulf War and it resulted in overwhelming success. Any future American military operations should try to duplicate the success of Desert Storm, not repeat the failure of Somalia. That is what H.R. 2606 is designed to do and I urge my colleagues to join me in supporting it today.

Mr. PAYNE of New Jersey. I oppose H.R. 2606 which prohibits the use of Defense Department funds for United States participation in a multi-national effort to implement a future peace agreement in Bosnia.

The national interest of the United States is at stake. United States foreign policy should be concerned with the security and stability of Europe.

Finally, we should support American participation in a NATO alliance with other countries. This is our job and responsibility to take a leadership role in ending the war. Without U.S. participation, NATO will be hard pressed to enforce a peace agreement.

There must be international military presence to give parties to the Bosnian conflict the confidence that they can lay down their arms and begin rebuilding their nation.

This bill that is before us will seriously derail the peace process and cause havoc in the entire region. The United States must not turn its eyes on the massive human rights violations.

I have been fighting for human rights for a long time. The bloody conflict of ethnic cleansing must end.

Democracy can be restored and democratic institutions of government at the regional and national levels will flourish if the United States keeps their promise to the peace efforts.

Also by limiting the President's authority as this bill will do, risks derailing the negotiating before any such settlement can be reached.

How can the United States work toward reaching a settlement with the Serbs and Croats when we are not willing to support the cause?

Let us defeat this measure. This undermines everything we have worked for in the name of peace. This is a crucial time.

Mr. EWING. Mr. Speaker, I rise in strong support of this legislation. I first want to thank the leadership in Congress for their quick movement and attention to this issue.

The President says that he wants to put 25,000 American men and women in Bosnia in order to facilitate a peace process. I think this action would be a mistake and has raised many questions not only in my mind, but in the minds of many Americans.

The President is asking Congress to blindly fund American involvement in an ethnic battle which represents no national security interest to America. The President has failed to explain to the American people what our goals and objectives are in Bosnia or what national security issues are at stake. While we are all deeply concerned about the terrible ethnic warfare in Bosnia, we cannot send American troops into a deadly situation without a clear mission, a timetable for their commitment, and a plan for getting them out. I do not think one American life is worth the President's misdirected, uncoordinated, loosely defined mission in Bosnia. I urge a ''yes'' vote on this legislation.

Mr. STOKES. Mr. Speaker, I rise in strong opposition to H.R. 2606, prohibiting the use of funds for the deployment of United States forces in Bosnia for peacekeeping operations. By interfering with the constitutional responsibilities of the President of the United States this bill retreats from our obligations as Americans and world citizens to establish peace throughout the world. As the recent tragedy of the atrocities in Rwanda and Bosnia clearly demonstrate, this is no time for America to retire from the world community.

The stated objective of H.R. 2606 is to prohibit the use of funds appropriated to the Department of Defense from being used for the deployment of United States ground forces in furtherance of the peace in Bosnia. This shortsighted and rushed legislation will reorder American foreign policy objectives by interfering with the peace negotiations taking place now in my home State of Ohio.

Bosnia has been torn by warring factions engulfed in a brutal civil war. The current level of tensions in Bosnia represent a real threat to world peace. On June 9, 1994, the House of Representatives voted 244 to 178 to unilaterally lift the arms embargo of bosnia. I voted against this effort.

It has been and continues to be my position that the United States should exercise leadership on this issue and continue to work with the international community to restore peace to the region. This includes support for the peace process, permitting humanitarian aid to the citizens of Bosnia and enforcing international laws prohibiting genocide.

Just last week this house voted 315 to 103 to support a resolution that stated that no United States Armed Forces should be deployed in Bosnia to enforce the peace process. Sensitive to the wishes of Congress, the President stated that if the negotiations in Ohio are successful, he will seek Congress' support for any

future deployment of ground forces in Bosnia. There is simply no need for H.R. 2606.

Mr. Speaker, H.R. 2606 will not only undermine the peace process in Bosnia, it also compromises the President's initiatives in foreign affairs. In a seven to one decision, the United States Supreme Court in *United States* v. *Curtiss-Wright Export Corp.*, 299 U.S. 304(1936) held that because of ''fundamental differences'' in national power with respect to internal and external affairs, the President of the United States possesses additional prerogatives in the foreign affairs field that in my opinion this resolution compromises. This bill seeks to hamper the ability of the United States to follow through with its obligations to contribute to maintaining peace in Bosnia.

Contrary to the arguments that have been made by the supporters of H.R. 2606, President Clinton demonstrated admirable leadership in the quest for peace in Bosnia. Negotiations taking place in my home State of Ohio offer the best chance for peace in Bosnia since the war began nearly 4 years ago. Continued American leadership is vital if we are to seize that chance and do what is right for Bosnia, for Europe and for the United States.

Making peace will prevent a war we have managed to keep from spreading. Making peace in Bosnia will promote our goal of a peaceful, democratic and undivided Europe. A Europe at peace will make America more secure and more prosperous. We should not at this critical moment short circuit the peace process in Bosnia.

Mr. Speaker, there is no doubt that with the end of the cold war the United States now reigns supreme as the world's only superpower. Over the past 7 years, our foreign policy has undergone a massive undertaking to adjust to a post-cold war world which as allowed us to help promote peace throughout the world. I urge my colleagues to vote against the bill.

Mr. POMEROY. Mr. Speaker, as a Member of Congress, I feel strongly that no United States troops should be deployed as part of a peacekeeping force in Bosnia without prior congressional authorization.

That is why the November 13, 1995, correspondence from the President to the Speaker of the House is so important. In that letter, the President stated:

> I will submit a request for a Congressional expression of support for U.S. participation in a NATO-led Implementation Force in Bosnia promptly if and when the parties have initiated an agreement that I consider to be a genuine agreement and after I have reviewed the final NATO operational plan
>
> After initialing of an agreement, there will be a timely opportunity for Congress to consider and act upon my request for support before American forces are deployed in Bosnia.

In light of this assurance, I cannot support the resolution before the House.

This resolution appears to be driven by a political motive to embarrass the President, irrespective of the peace negotiations underway between the warring parties in Dayton, Ohio.

The carnage and devastation in the Former Yugoslavia has been far too tragic to jeopardize the fragile hope of reaching a peace accord in any way by premature congressional action.

The President has said he will send no troops without a prior vote in Congress. If that event would occur, I will vote against sending troops unless a compelling case is made to justify the U.S. commitment.

I will reserve judgment on this important issue until all relevant facts are known, including the precise mission and objectives of U.S. forces, the number of troops, the length of the mission, the risk to U.S. troops, the probability of success, and the equity of our role relative to our NATO partners.

Congress—by the vote today—is callously jeopardizing vitally important peace talks. The memories of all the innocent men, women and children whose lies have been lost in this savage civil war deserve more responsible action by us sitting comfortably here in the House of Representatives this afternoon.

Mr. LAZIO of New York. Mr. Speaker, there is an old maxim that we ignore at our own peril when we consider sending United States troops to Bosnia: ''Look before you leap.''

Before we leap towards sending the young men and women of our Armed Forces to former Yugoslavia, we ought to know where they will go, what they will do when they get there and how they will get home.

Will our Armed Forces be assigned to keeping the peace or creating peace between the various warring factions? What will the rules of engagement be? Will our troops be able to adequately defend themselves? Will there be clearly defined and obtainable military objectives? Will there be a clear exit strategy and a finite time commitment? And will the mission have the full support of the American people?

Until we have clear, unambiguous answers to these questions, we should not be sending United States troops into harm's way, in Bosnia or anywhere else.

Recent history shows that well-intentioned peacekeeping missing sometimes end in disaster. Take the case of Somalia. This tragedy did not just result in the loss of young American lives, it led to the loss of American prestige and raised serious questions about American resolve among our friends and our foes.

The three sides involved in this conflict, Bosnians, Croats, and Serbs are meeting for peace talks at Wright-Patterson Air Force Base in Dayton, OH as we speak. On October 30, 1995, the House overwhelming approved a bipartisan resolution stating that there should be no presumption by the parties of any Bosnia peace negotiations that the enforcement of any peace agreement will involved the deployment of United States troops. We all pray that these talks will produce a lasting peace agreement on which all sides will agree. At the same time, I feel strongly that if the President wants to commit our nation to a military role in the former Yugoslavia, he should first make the case to the American people,and get the approval of Congress.

This bill prohibits the use of funds appropriated to the Department of Defense to pay for the deployment of United States ground forces, or any implementation force, in Bosnia, as part of a peacekeeping operation, unless such funds have been specifically appropriated by Congress for that purpose. Article I of the Constitution gives the legislative branch, the one that is closest to the people, the power of the purse, and the power to declare war. This measure simply fulfills our constitutional duty.

Without a doubt, the atrocities that the world has witnessed in Bosnia are reprehensible. That is why I supported lifting the United Nations arms embargo, so that the Bosnian victims of that embargo could defend themselves. But sending our sons and daughters who wear our country's uniform to Bosnia is quite a different matter.

We must look before we leap into a region that has been embroiled in conflict for generations. The stakes are far too high for precipitous action. Let's not give the President a free hand to send our troops to Bosnia without a full debate by this Congress. I urge my colleagues to vote for this proposal.

Mr. LIGHTFOOT. Mr. Speaker, I rise in strong support of this legislation to prohibit an unauthorized commitment of United States troops to Bosnia.

The war raging in Bosnia is one of the most terrible, unexpected results of the end of the cold war. No longer restrained by superpower rivalry, the ethnic and religious hatreds of Bosnian Serbs, Croats, and Moslems have been unleashed in an awful conflict. Sound evidence has recently come to light which shows Bosnian Serbs executed thousands of Moslems prisoners. There is also evidence of Croats shooting innocent Serbs and of Bosnian Moslems summarily executing Serbs. We should all pray for the success of the negotiations in Dayton.

However, President Clinton's desire to commit up to 25,000 American troops to Bosnia to enforce a peace agreement is another matter. One of the hallmarks of the Clinton administration is its propensity to commit American troops to dubious causes. We all remember the disastrous loss of American lives in Somalia when President Clinton elected to expand a humanitarian mission to one of ''nation building.'' And while we are relieved the invasion of Haiti was accomplished without loss of life, at this point it appears we have only succeeded in replacing a right-wing military junta with a left-wing strongman. In neither case did President Clinton elect to seek the consent of Congress even though Congress was then controlled by his own party.

Bosnia is shaping up to be a similar situation. Approximately 2 years ago President Clinton pledged American troops as part of a NATO force to enforce a Bosnian peace agreement. Recently, the President has asked for an ''expression of support'' from Congress. But the President has also made clear that his deployment of American troops to Bosnia does not need the approval of Congress. If we take no action now, President Clinton may send troops to Bosnia over the holiday recess and then dare Congress to take the only action constitutionally left to its disposal, cutting off funds in the midst of deployment.

Mr. Speaker, at this point I simply see no national interest worthy of risking American lives in Bosnia. NATO was formed to defend Europe and the United States from communist aggression. It was not formed to act as referee to a centuries-old ethnic and religious conflict in the Balkans. If the parties truly want peace, an American presence is not necessary. This terrible situation's best hope for an enduring peace is in Dayton, OH, and on an agreement which is not based on American guns to enforce it.

I urge my colleagues strongly to support this bill.

Mr. DOOLITTLE. Mr. Speaker, I rise today in strong support of H.R 2606 to prohibit the unauthorized use of Defense Department funds for peacekeeping in Bosnia.

Although I supported the Buyer-McHale resolution last month, that resolution was nonbinding and does not have the effect of law. President Clinton said publicly that passage of the Buyer resolution will not have ''any effect'' on the current settlement negotiations in Dayton.

I had pushed to include binding language in the fiscal year 1996 Department of Defense appropriations conference report, but H.R. 2606, if passed, will achieve the same objective; it will prohibit troop deployment until Congress has authorized such a deployment.

The arguments against this bill and the timing of this vote are simply misguided:

This prohibition is not premature. We cannot wait. It would be more irresponsible to cut off funds after the troops are already committed.

Such action is not unconstitutional. The President does have the power as Commander-in-Chief to send troops abroad, but Congress has the constitutional authority to appropriate funds for the deployment of troops—or not appropriate funds.

This legislation will not hurt the peace process. Rather, it will prevent the President from making commitments the American people do not want to fulfill.

We are not tying the President's hands. If he makes a compelling case to the American people that 25,000 American service men and women are needed to enforce a peace agreement in Bosnia, Congress will authorize the funds for such a deployment.

Mr. Speaker, I welcome a debate on whether or not the United States should send ground troops to Bosnia. But until that debate occurs, and until I am convinced that sending American men and women to Bosnia is the proper course of action, I intend to do everything in my power to keep us out of that civil war.

I urge my colleagues to support H.R. 2606.

Mr. MARTINI. Mr. Speaker, I rise today in support of H.R. 2606 and ask unanimous consent to revise and extend my remarks.

The President of the United States is on the verge of committing our sons and daughters to a peacekeeping operation in Bosnia.

In May of this year, Secretary of State Warren Christopher, established very specific criteria that should be met prior to the commitment of American ground troops in Bosnia.

Mr. Speaker, in the opinion of this Member of Congress the President has not satisfied his own stipulations.

In view of this I firmly believe it is a reasonable request that the President should be required to gain approval from this Congress before one American life is placed in harms ways.

The commitment of U.S. troops to foreign soil is the most awesome power that the President possess.

We owe it to the American people and to the brave men and women who proudly serve their country in uniform to pass H.R. 2606.

Let us send the President a message by passing his important legislation today.

The SPEAKER pro tempore (Mr. HOBSON). All time has expired.

Pursuant to the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

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

RECORDED VOTE

Mr. DELLUMS. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 243, noes 171, answered ''present'' 2, not voting 16, as follows:

[Roll No. 814]

AYES—243

Allard
Andrews
Archer
Armey
Bachus
Baker (CA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bereuter
Bilbray
Bilirakis
Blute
Boehlert
Boehner
Bonilla
Bono
Browder
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Costello
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Deal
DeFazio
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Durbin
Ehlers
Ehrlich
Emerson
English
Ensign
Evans
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Green
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Hunter
Hutchinson
Inglis
Istook
Jacobs
Johnson (CT)
Johnson (SD)
Johnson, Sam
Jones
Kasich
Kelly
Kim
Kingston
Kleczka
Klug
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (KY)
Lightfoot
Linder
Lipinski
LoBiondo
Lucas
Manton
Manzullo
Martini
McCollum
McDade
McHugh
McInnis
McIntosh
McKeon
McNulty
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Moorhead
Morella
Myers
Myrick
Nethercutt
Ney
Norwood
Nussle
Oxley
Packard
Paxon
Peterson (MN)
Petri
Pombo
Porter
Poshard
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanders
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Traficant
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wolf
Wyden
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—171

Abercrombie
Ackerman
Baesler
Baldacci
Barcia
Barrett (WI)
Bateman
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Bliley
Bonior
Borski
Boucher
Brown (CA)
Brown (FL)
Brown (OH)
Callahan
Cardin
Clay
Clayton
Clement
Clinger
Clyburn
Coleman
Collins (MI)
Conyers
Coyne
Davis
de la Garza
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Farr
Fazio
Filner
Flake
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gibbons
Gonzalez
Gordon
Gutierrez
Hall (OH)
Hamilton
Hastings (FL)
Hefner
Hilliard
Hinchey
Houghton
Hoyer
Jackson-Lee
Jefferson
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
King
Klink
LaFalce
Lantos
Levin
Lewis (CA)
Lewis (GA)
Lincoln
Longley
Lowey
Luther
Maloney
Markey
Martinez
Mascara
Matsui
McCarthy
McHale
McKinney
Meehan
Meek
Menendez
Mfume
Miller (CA)
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Parker
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Pickett
Pomeroy
Portman
Rahall
Rangel
Reed
Richardson
Rivers
Rose
Roybal-Allard
Rush
Sabo
Sawyer
Schroeder
Schumer
Scott
Serrano
Sisisky
Skaggs
Skelton
Slaughter
Spratt
Stenholm
Stokes
Studds
Stupak
Tanner
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Velazquez
Vento
Visclosky
Ward
Waters
Watt (NC)
White
Williams
Wilson
Wise
Woolsey
Wynn
Yates

ANSWERED ''PRESENT''—2

Harman
Lofgren

NOT VOTING—16

Baker (LA)
Brewster
Collins (IL)
Fattah
Fields (LA)
Hyde
Largent
Livingston
McCrery
McDermott
Neumann
Smith (MI)
Stark
Tucker
Volkmer
Waxman

☐ 2038

The Clerk announced the following pair:

On this vote:

Mr. Stark for, with Mr. Waxman against.

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

N O T I C E

Incomplete record of House proceedings. Except for concluding business which follows, today's House proceedings will be continued in the next issue of the Record.

CONFERENCE REPORT ON H.R. 2099, DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1996

Mr. LEWIS of California submitted the following conference report and statement on the bill (H.R. 2099), making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1996, and for other purposes:

CONFERENCE REPORT (H. REPT. 104–353)

The committee on conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2099) ''making appropriations for the Department of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1996, and for other purposes,'' having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, 3, 5, 12, 14, 20, 24, 43, 62, 67, 75, 82, 86, 87, 89, 90, 91, 92, 98, 111, 112, and 116.

That the House recede from its disagreement to the amendments of the Senate numbered 6, 7, 10, 11, 17, 19, 21, 22, 26, 27, 28, 29, 30, 34, 35, 38, 39, 30, 42, 44, 45, 46, 47, 49, 50, 51, 52, 53, 54, 55, 56, 57, 59, 60, 61, 64, 69, 73, 78, 79, 84, 85, 88, 93, 95, 96, 97, 99, 100, 101, 103, 106, 107, 108, 113, and 115, and agree to the same.

Amendment numbered 4:

That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$16,564,000,000*; and the Senate agree to the same.

Amendment numbered 8:

That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *$848,143,000: Provided, That of the amount appropriated and any other funds made available from any other source for activities funded under this heading, except reimbursements, not to exceed $214,109,000 shall be available for General Administration; including not to exceed (1) $2,450,000 for personal compensation and benefits and $50,000 for travel in the Office of the Secretary, (2) $4,392,000 for personnel compensation and benefits and $75,000 for travel in the Office of the Assistant Secretary for Policy and Planning, (3) $1,980,000 for personnel compensation and benefits and $33,000 for travel in the Office of the Assistant Secretary for Congressional Affairs, and (4) $3,500,000 for personnel compensation and benefits and $100,000 for travel in the Office of the Assistant Secretary for Public and Intergovernmental Affairs: Provided further, That during fiscal year 1996, notwithstanding any other provision of law, the number of individuals employed by the Department of Veterans Affairs (1) in other than ''career appointee'' positions in the Senior Executive Service shall not exceed 6, and (2) in schedule C positions shall not exceed 11: Provided further, That not to exceed $6,000,000 of the amount appropriated shall be available for administrative expenses to carry out the direct and guaranteed loan program under the Loan Guaranty Program Account;* and the Senate agree to the same.

Amendment numbered 9:

That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$136,155,000*; and the Senate agree to the same.

Amendment numbered 13:

That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows:

Delete the matter proposed by said amendment and on page 16 of the House engrossed bill, H.R. 2099, delete the language on lines 9–18; and the Senate agree to the same.

Amendment numbered 15:

That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows:

In lieu of the sum named in said amendment, insert: *$4,500,000*; and the Senate agree to the same.

Amendment numbered 16:

That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

For assistance under the United States Housing Act of 1937, as amended (''the Act'' herein) (42 U.S.C. 1437), not otherwise provided for, $10,155,795,000, to remain available until expended: Provided, That of the total amount provided under this head, $160,000,000 shall be for the development or acquisition cost of public housing for Indian families, including amounts for housing under the mutual help homeownership opportunity program under section 202 of the Act (42 U.S.C. 1437bb): Provided further, That of the total amount provided under this head, $2,500,000,000 shall be for modernization of existing public housing projects pursuant to section 14 of the Act (42 U.S.C. 1437l), including up to $20,000,000 for the inspection of public housing units, contract expertise, and training and technical assistance, directly or indirectly, under grants, contracts, or cooperative agreements, to assist in the oversight and management of public and Indian housing (whether or not the housing is being modernized with assistance under this proviso) or tenant-based assistance, including, but not limited to, an annual resident survey, data collection and analysis, training and technical assistance by or to officials and employees of the Department and of public housing agencies and to residents in connection with the public and Indian housing program: Provided further, That of the total amount provided under this head, $400,000,000 shall be for rental subsidy contracts under the section 8 existing housing certificate program and the housing voucher program under section 8 of the Act, except that such amounts shall be used only for units necessary to provide housing assistance for residents to be relocated from existing federally subsidized or assisted housing, for replacement housing for units demolished or disposed of (including units to be disposed of pursuant to a homeownership program under section 5(h) or title III of the United States Housing Act of 1937) from the public housing inventory, for funds related to litigation settlements, for the conversion of section 23 projects to assistance under section 8, for public housing agencies to implement allocation plans approved by the Secretary for designated housing, for funds to carry out the family unification program, and for the relocation of witnesses in connection with efforts to combat crime in public and assisted housing pursuant to a request from a law enforcement or prosecution agency: Provided further, That of the total amount provided under this head, $4,350,862,000 shall be for assistance under the United States Housing Act of 1937 (42 U.S.C. 1437) for use in connection with expiring or terminating section 8 subsidy contracts, such amount shall be merged with all remaining obligated and unobligated balances heretofore appropriated under the heading ''Renewal of expiring section 8 subsidy contracts'': Provided further, That notwithstanding any other provision of law, assistance reserved under the two preceding provisos may be used in connection with any provision of Federal law enacted in this Act or after the enactment of this Act that authorizes the use of rental assistance amounts in connection with such terminated or expired contracts: Provided further, That the Secretary may determine not to apply section 8(o)(6)(B) of the Act to renewals of housing vouchers during fiscal year 1996: Provided further, That of the total amount provided under this head, $610,575,000 shall be for amendments to secton 8 contracts other than contracts for projects developed under section 202 of the Housing Act of 1959, as amended; and $261,000,000 shall be for section 8 assistance and rehabilitation grants for property disposition: Provided further, That during fiscal year 1996, the Secretary of Housing and Urban Development may manage and dispose of multifamily properties owned by the Secretary and multifamily mortgages held by the Secretary without regard to any other provision of law: Provided further, That 50 per centum of the amounts of budget authority, or in lieu thereof 50 per centum of the cash amounts associated with such budget authority, that are recaptured from projects described in section 1012(a) of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (Public Law 100–628, 102 Stat. 3224, 3268) shall be rescinded, or in the case of cash, shall be remitted to the Treasury, and such amounts of budget authority or cash recaptured and not rescinded or remitted to the Treasury shall be used by State housing finance agencies or local governments or local housing agencies with projects approved by the Secretary of Housing and Urban Development for which settlement occurred after January 1, 1992, in accordance with such section: Provided further, That of the total amount provided under this head, $171,000,000 shall be for housing opportunities for persons with AIDS under title VIII, subtitle D of the Cranston-Gonzalez National Affordable Housing Act; and $65,000,000 shall be for the lead-based paint hazard reduction program as authorized under sections 1011 and 1053 of the Residential Lead-Based Hazard Reduction Act of 1992: Provided further, That the Secretary may make up to $5,000,000 of any amount recaptured in this account available for

the development of performance and financial systems.

Of the total amount provided under this head, $624,000,000, plus amounts recaptured from interest reduction payment contracts for section 236 projects whose owners prepay their mortgages during fiscal year 1996 (which amounts shall be transferred and merged with this account), shall be for use in conjunction with properties that are eligible for assistance under the Low Income Housing Preservation and Resident Homeownership Act of 1990 (LIHPRHA) or the Emergency Low-Income Housing Preservation Act of 1987 (ELIHPA): Provided, That prior to July 1, 1996, funding to carry out plans of action shall be limited to sales of projects to nonprofit organizations, tenant-sponsored organizations, and other priority purchasers: Provided further, That of the amount made available by this paragraph, up to $10,000,000 shall be available for preservation technical assistance grants pursuant to section 253 of the Housing and Community Development Act of 1987, as amended: Provided further, That with respect to amounts made available by this paragraph, after July 1, 1996, if the Secretary determines that the demand for funding may exceed amounts available for such funding, the Secretary (1) may determine priorities for distributing available funds, including giving priority funding to tenants displaced due to mortgage prepayment and to projects that have not yet been funded but which have approved plans of action; and (2) may impose a temporary moratorium on applications by potential recipients of such funding: Provided further, That an owner of eligible low-income housing may prepay the mortgage or request voluntary termination of a mortgage insurance contract, so long as said owner agrees not to raise rents for sixty days after such prepayment: Provided further, That an owner of eligible low-income housing who has not timely filed a second notice under section 216(d) prior to the effective date of this Act may file such notice by March 1, 1996: Provided further, That such developments have been determined to have preservation equity at least equal to the lesser of $5,000 per unit or $500,000 per project or the equivalent of eight times the most recently published fair market rent for the area in which the project is located as the appropriate unit size for all of the units in the eligible project: Provided further, That the Secretary may modify the regulatory agreement to permit owners and priority purchasers to retain rental income in excess of the basic rental charge in projects assisted under section 236 of the National Housing Act, for the purpose of preserving the low and moderate income character of the housing: Provided further, That the Secretary may give priority to funding and processing the following projects provided that the funding is obligated not later than August 1, 1996: (1) projects with approved plans of action to retain the housing that file a modified plan of action no later than July 1, 1996 to transfer the housing; (2) projects with approved plans of action that are subject to a repayment or settlement that was executed between the owner and the Secretary prior to September 1, 1995; (3) projects for which submissions were delayed as a result of their location in areas that were designated as a federal disaster area in a Presidential Disaster Declaration; and (4) projects whose processing was, in fact or in practical effect, suspended, deferred, or interrupted for a period of twelve months or more because of differing interpretations, by the Secretary and an owner or by the Secretary and a state or local rent regulatory agency, concerning the timing of filing eligibility or the effect of a presumptively applicable state or local rent control law or regulation on the determination of preservation value under section 213 of LIHPRHA, as amended, if the owner of such project filed notice of intent to extend the low-income affordability restrictions of the housing, or transfer to a qualified purchaser who would extend such restrictions, on or before November 1, 1993: Provided further, That eligible low-income housing shall include properties meeting the requirements of this paragraph with mortgages that are held by a State agency as a result of a sale by the Secretary without insurance, which immediately before the sale would have been eligible low-income housing under LIHPRHA: Provided further, That notwithstanding any other provision of law, subject to the availability of appropriated funds, each unassisted low-income family residing in the housing on the date of prepayment or voluntary termination, and whose rent, as a result of a rent increase occurring no later than one year after the date of the prepayment, exceeds 30 percent of adjusted income, shall be offered tenant-based assistance in accordance with section 8 or any successor program, under which the family shall pay no less for rent than it paid on such date: Provided further, That any family receiving tenant-based assistance under the preceding proviso may elect (1) to remain in the unit of the housing and if the rent exceeds the fair market rent or payment standard, as applicable, the rent shall be deemed to be the applicable standard, so long as the administering public housing agency finds that the rent is reasonable in comparison with rents charged for comparable unassisted housing units in the market or (2) to move from the housing and the rent will be subject to the fair market rent of the payment standard, as applicable, under existing program rules and procedures: Provided further, That up to $10,000,000 of the amount made available by this paragraph may be used at the discretion of the Secretary to reimburse owners of eligible properties for which plans of action were submitted prior to the effective date of this Act, but were not executed for lack of available funds, with such reimbursement available only for documented costs directly applicable to the preparation of the plan of action as determined by the Secretary, and shall be made available on terms and conditions to be established by the Secretary: Provided further, That, notwithstanding any other provision of law, effective October 1, 1996, the Secretary shall suspend further processing of preservation applications which do not have approved plans of action.

Of the total amount provided under this head, $780,190,000 shall be for capital advances, including amendments to capital advance contracts, for housing for the elderly, as authorized by section 202 of the Housing Act of 1959, as amended, and for project rental assistance, and amendments to contracts for project rental assistance, for supportive housing for the elderly under section 202(c)(2) of the Housing Act of 1959; and $233,168,000 shall be for capital advances, including amendments to capital advance contracts, for supportive housing for persons with disabilities, as authorized by section 811 of the Cranston-Gonzalez National Affordable Housing Act; and for project rental assistance, and amendments to contracts for project rental assistance, for supportive housing for persons with disabilities as authorized by section 811 of the Cranston-Gonzalez National Affordable Housing Act: Provided, That the Secretary may designate up to 25 percent of the amounts earmarked under this paragraph for section 811 of the Cranston-Gonzalez National Affordable Housing Act for tenant-based assistance, as authorized under that section which is five-years in duration: Provided further, That the Secretary may waive any provision of section 202 of the Housing Act of 1959 and section 811 of the National Affordable Housing Act (including the provisions governing the terms and conditions of project rental assistance) that the Secretary determines is not necessary to achieve the objectives of these programs, or that otherwise impedes the ability to develop, operate or administer projects assisted under these programs, and may make provision for alternative conditions or terms where appropriate.

PUBLIC HOUSING DEMOLITION, SITE REVITALIZATION, AND RE

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For grants to public housing agencies for the purposes of enabling the demolition of obsolete public housing projects or portions thereof, the revitalization (where appropriate) of sites (including remaining public housing units) on which such projects are located, replacement housing which will avoid or lessen concentrations of very low-income families, and tenant-based assistance in accordance with section 8 of the United States Housing Act of 1937 for the purpose of providing replacement housing and assisting tenants to be displaced by the demolition, $280,000,000, to remain available until expended: Provided, That the Secretary of Housing and Urban Development shall award such funds to public housing agencies by a competition which includes among other relevant criteria the local and national impact of the proposed demolition and revitalization activities and the extent to which the public housing agency could undertake such activities without the additional assistance to be provided hereunder: Provided further, That eligible expenditures hereunder shall be those expenditures eligible under section 8 and section 14 of the United States Housing Act of 1937 (42 U.S.C. 1437f and l): Provided further, That the Secretary may impose such conditions and requirements as the Secretary deems appropriate to effectuate the purposes of this paragraph: Provided further, That the Secretary may require an agency selected to receive funding to make arrangements satisfactory to the Secretary for use of an entity other than the agency to carry out this program where the Secretary determines that such action will help to effectuate the purpose of this paragraph: Provided further, That in the event an agency selected to receive funding does not proceed expeditiously as determined by the Secretary, the Secretary shall withdraw any funding made available pursuant to this paragraph and that has not been obligated by the agency and distribute such funds to one or more other eligible agencies, or to other entities capable of proceeding expeditiously in the same locality with the original program: Provided further, That of the foregoing $280,000,000, the Secretary may use up to .67 per centum for technical assistance, to be provided directly or indirectly by grants, contracts or cooperative agreements, including training and cost of necessary travel for participants in such training, by or to officials and employees of the Department and of public housing agencies and to residents: Provided further, That any replacement housing provided with assistance under this head shall be subject to section 18(f) of the United States Housing Act of 1937, as amended by section 201(b)(2) of this Act.

And the Senate agree to the same.

Amendment numbered 18:

That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert:

DRUG ELIMINATION GRANTS FOR LOW-INCOME HOUSING

For grants to public and Indian housing agencies for use in eliminating crime in public housing projects authorized by 42 U.S.C. 11901–11908, for grants for federally assisted low-income housing authorized by 42 U.S.C. 11909, and for drug information clearinghouse services authorized by 42 U.S.C. 11921–11925, $290,000,000, to remain available until expended, of which $10,000,000 shall be for grants, technical assistance, contracts and other assistance training, program assessment, and execution for or on behalf of public housing agencies and resident organizations (including the cost of necessary travel for participants in such training) and of which $2,500,000 shall be used in connection with efforts to combat violent crime in public

and assisted housing under the Operation Safe Home program administered by the Inspector General of the Department of Housing and Urban Development: Provided, That the term ''drug-related crime'', as defined in 42 U.S.C. 11905(2), shall also include other types of crime as determined by the Secretary.

And the Senate agree to the same.

Amendment numbered 23:

That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$823,000,000*; and the Senate agree to the same.

Amendment numbered 25:

That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$50,000,000*; and the Senate agree to the same.

Amendment numbered 31:

That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert:

Of the amount provided under this heading, the Secretary of Housing and Urban Development may use up to $53,000,000 for grants to public housing agencies (including Indian housing authorities), nonprofit corporations, and other appropriate entities for a supportive services program to assist residents of public and assisted housing, former residents of such housing receiving tenant-based assistance under section 8 of such Act (42 U.S.C. 1437f), and other low-income families and individuals to become self-sufficient: Provided, That the program shall provide supportive services, principally for the benefit of public housing residents, to the elderly and the disabled, and to families with children where the head of household would benefit from the receipt of supportive services and is working, seeking work, or is preparing for work by participating in job training or educational programs: Provided further, That the supportive services shall include congregate services for the elderly and disabled, service coordinators, and coordinated educational, training, and other supportive services, including academic skills training, job search assistance, assistance related to retaining employment, vocational and entrepreneurship development and support programs, transportation, and child care: Provided further, That the Secretary shall require applications to demonstrate firm commitments of funding or services from other sources: Provided further, That the Secretary shall select public and Indian housing agencies to receive assistance under this head on a competitive basis, taking into account the quality of the proposed program (including any innovative approaches), the extent of the proposed coordination of supportive services, the extent of commitments of funding or services from other sources, the extent which the proposed program includes reasonably achievable, quantifiable goals for measuring performance under the program over a three-year period, the extent of success an agency has had in carrying out other comparable initiatives, and other appropriate criteria established by the Secretary.

Of the amount made available under this heading, notwithstanding any other provision of law, $12,000,000 shall be available for contracts, grants, and other assistance, other than loans, not otherwise provided for, for providing counseling and advice to tenants and homeowners both current and prospective, with respect to property maintenance, financial management, and such other matters as may be appropriate to assist them in improving their housing conditions and meeting the responsibilities of tenancy or homeownership, including provisions for training and for support of voluntary agencies and services as authorized by section 106 of the Housing and Urban Development Act of 1968, as amended, notwithstanding section 106(c)(9) and section 106(d)(13) of such Act.

Of the amount made available under this heading, notwithstanding any other provision of law, $15,000,000 shall be available for the tenant opportunity program.

Of the amount made available under this heading, notwithstanding any other provision of law, $20,000,000 shall be available for youthbuild program activities authorized by subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act, as amended, and shall be an eligible activity with respect to any funds made available under this heading.

And the Senate agree to the same.

Amendment numbered 32:

That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert *$31,750,000*; and the Senate agree to the same.

Amendment numbered 33:

That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *$1,500,000,000: Provided further, That the Secretary of Housing and Urban Development may make guarantees not to exceed the immediately foregoing amount notwithstanding the aggregate limitation on guarantees set forth in section 108(k) of the Housing and Community Development Act of 1974*; and the Senate agree to the same.

Amendment numbered 36:

That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

FAIR HOUSING AND EQUAL OPPORTUNITY

FAIR HOUSING ACTIVITIES

For contracts, grants, and other assistance, not otherwise provided for, as authorized by title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, and for contracts with qualified fair housing enforcement organizations, as authorized by section 561 of the Housing and Community Development Act of 1987, as amended by the Housing and Community Development Act of 1992, $30,000,000, to remain available until September 30, 1997.

And the Senate agree to the same.

Amendment numbered 37:

That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$962,558,000*; and the Senate agree to the same.

Amendment numbered 41:

That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$47,850,000*; and the Senate agree to the same.

Amendment numbered 48:

That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

For the cost of guaranteed loans, as authorized by sections 238 and 519 of the National Housing Act (12 U.S.C. 1715z-3 and 1735c), including the cost of modifying such loans, $85,000,000, to remain available until expended: Provided, That such costs shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That these funds are available to subsidize total; and the Senate agree to the same.

Amendment numbered 58:

That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

SEC. 201. EXTEND ADMINISTRATIVE PROVISIONS FROM THE RESCISSION ACT.

(a) PUBLIC AND INDIAN HOUSING MODERNIZATION.—

(1) EXPANSION OF USE OF MODERNIZATION FUNDING.—Subsection 14(q) of the United States Housing Act of 1937 is amended to read as follows:

''(q)(1) In addition to the purposes enumerated in subsections (a) and (b), a public housing agency may use modernization assistance provided under section 14, and development assistance provided under section 5(a) that was not allocated, as determined by the secretary, for priority replacement housing, for any eligible activity authorized by this section, by section 5, or by applicable Appropriations Acts for a public housing agency, including the demolition, rehabilitation, revitalization, and replacement of existing units and projects and, for up to 10 percent of its allocation of such funds in any fiscal year, for any operating subsidy purpose authorized in section 9. Except for assistance used for operating subsidy purposes under the preceding sentence, assistance provided to a public housing agency under this section shall principally be used for the physical improvement or replacement of public housing and for associated management improvements, except as otherwise approved by the Secretary. Public housing units assisted under this paragraph shall be eligible for operating subsidies, unless the Secretary determines that such units or projects have not received sufficient assistance under this Act or do not meet other requirements of this Act.

''(2) A public housing agency may provide assistance to developments that include units for other than very low-income families ('mixed income developments') in the form of a grant, loan, operating assistance, or other form of investment which may be made to—

(A) a partnership, a limited liability company, or other legal entity in which the public housing agency or its affiliate is a general partner, managing member, or otherwise participates in the activities of such entity; or

(B) any entity which grants to the public housing agency the option to purchase the development within 20 years after initial occupancy in accordance with section 42(i)(7) of the Internal Revenue Code of 1986, as amended. Units shall be made available in such developments for periods of not less than 20 years, by master contract or by individual lease, for occupancy by low-income families referred from time to time by the public housing agency. The number of such units shall be:

(i) in the same proportion to the total number of units in such development that the total financial commitment provided by the public housing agency bears to the value of the total financial commitment in the development, or

(ii) not be less than the number of units that could have been developed under the conventional public housing program with the assistance involved, or

(iii) as may otherwise be approved by the Secretary.

''(3) A mixed income development may elect to have all units subject only to the applicable local real estate taxes, notwithstanding that the low-income units assisted by public housing funds would otherwise be subject to section 6(d) of the Housing Act of 1937.

''(4) If any entity that owns or operates a mixed-income project under this subsection enters into a contract with a public housing agency, the terms of which obligate the entity to operate and maintain a specified number of units in the project as public housing units in accordance with the requirements of this Act for the period required by law, such contractual terms may provide that, if, as a result of a reduction in appropriations under section 9, or any other change in applicable law, the public housing agency is unable to fulfill its contractual obligations with respect to those public housing units, that entity may deviate, under procedures and requirements developed through regulations by the Secretary, from otherwise applicable restrictions under this Act regarding rents, income eligibility, and other areas of public housing management with respect to a portion or all of those public housing units, to the extent necessary to preserve the viability of those units while maintaining the low-income character of the units, to the maximum extent practicable.''.

(2) Extension of authority.—Section 1001(b) of the Emergency Supplemental Appropriations for Additional Disaster Assistance, for Anti-Terrorism Initiatives, for Assistance in the Recovery from the Tragedy that Occurred at Oklahoma City, and Rescissions Act, 1995 (109 Stat. 235), is amended to read as follows:

''(b) APPLICABILITY.—Section 14(q) of the United States Housing Act of 1937, as added by subsection (a) of this section, shall be effective only with respect to assistance provided from funds made available for fiscal year 1996 or any preceding fiscal year.''.

(3) APPLICABILITY.—In accordance with section 201(b)(2) of the United States Housing Act of 1937, the amendment made by this subsection shall apply to public housing developed or operated pursuant to contract between the Secretary of Housing and Urban Development and an Indian housing authority.

(b) ONE-FOR-ONE REPLACEMENT OF PUBLIC AND INDIAN HOUSING.—

(1) EXTENDED AUTHORITY.—Section 1002(d) of Public Law 104–19 is amended to read as follows:

''(d) Subsections (a), (b), and (c) shall be effective for applicants for the demolition, disposition, or conversion to homeownership of public housing approved by the Secretary, and other consolidation and relocation activities of public housing agencies undertaken, on, before, or after September 30, 1995 and before September 30, 1996.''.

(2) Section 18(f) of the United States Housing Act of 1937 is amended by adding at the end the following new sentence:

''No one may rely on the preceding sentence as the basis for reconsidering a final order of a court issued, or a settlement approved by, a court.''.

(3) APPLICABILITY.—In accordance with section 201(b)(2) of the United States Housing Act of 1937, the amendments made by this subsection and by sections 1002 (a), (b), and (c) of Public Law 104–19 shall apply to public housing developed or operated pursuant to a contract between the Secretary of Housing and Urban Development and an Indian housing authority.

SEC. 202. PUBLIC AND ASSISTED HOUSING RENTS, INCOME ADJUSTMENTS, AND PREFERENCES.

(a) MINIMUM RENTS.—Notwithstanding sections 3(a) and 8(o)(2) of the United States Housing Act of 1937, as amended, effective for fiscal year 1996 and no later than October 30, 1995—

(1) public housing agencies shall require each family who is assisted under the certificate or moderate rehabilitation program under section 8 of such Act to pay a minimum monthly rent of not less than $25, and may require a minimum monthly rent of up to $50;

(2) public housing agencies shall reduce the monthly assistance payment on behalf of each family who is assisted under the voucher program under section 8 of such Act so that the family pays a minimum monthly rent of not less than $25, and may require a minimum monthly rent of up to $50;

(3) owners of housing assisted under other programs for rental assistance under section 8 of such Act shall require each family who is assisted under such program to pay a minimum monthly rent of not less than $25 for the unit, and may require a minimum monthly rent of up to $50; and

(4) public housing agencies shall require each family who is assisted under the public housing program (including public housing for Indian families) of such Act to pay a minimum monthly rent of not less than $25, and may require a minimum monthly rent of up to $50.

(b) ESTABLISHMENT OF CEILING RENTS.—

(1) Section 3(a)(2) of the United States Housing Act of 1937 is amended to read as follows:

''(2) Notwithstanding paragraph (1), a public housing agency may—

''(A) adopt ceiling rents that reflect the reasonable market value of the housing, but that are not less than the monthly costs—

''(i) operate the housing of the agency; and

''(ii) to make a deposit to a replacement reserve (in the sole discretion of the public housing agency); and

''(B) allow families to pay ceiling rents referred to in subparagraph (A), unless, with respect to any family, the ceiling rent established under this paragraph would exceed the amount payable as rent by the family under paragraph (1).''.

(2) REGULATIONS.—

(A) IN GENERAL.—The Secretary shall, by regulation, after notice and an opportunity for public comment, establish such requirements as may be necessary to carry out section 3(a)(2)(A) of the United States Housing Act of 1937, as amended by paragraph (1).

(B) TRANSITION RULE.—Prior to the issuance of final regulations under paragraph (1), a public housing agency may implement ceiling rents, which shall be not less than the monthly costs to operate the housing of the agency and—

(i) determined in accordance with section 3(a)(2)(A) of the United States Housing Act of 1937, as that section existed on the day before enactment of this Act;

(ii) equal to the 95th percentile of the rent paid for a unit of comparable size by tenants in the same public housing project or a group of comparable projects totaling 50 units or more; or

(iii) equal to the fair market rent for the area in which the unit is located.

(c) DEFINITION OF ADJUSTED INCOME.—Section 3(b) of the United States Housing Act of 1937 is amended—

(1) at the end of subparagraph (F), by striking ''and'';

(2) at the end of subparagraph (G), by striking the period and inserting ''; and''; and

(3) by inserting after subparagraph (G) the following:

''(H) for public housing, any other adjustments to earned income established by the public housing agency. If a public housing agency adopts other adjustments to income pursuant to subparagraph (H), the Secretary shall not take into account any reduction of or increase in the public housing agency's per unit dwelling rental income resulting from those adjustments when calculating the contributions under section 9 for the public housing agency for the operation of the public housing.''.

(d) REPEAL OF FEDERAL PREFERENCES.—

(1) PUBLIC HOUSING.—

Section 6(c)(4)(A) of the United States Housing Act of 1937 (42 U.S.C. 1437d(c)(4)(A)) is amended to read as follows:

''(A) the establishment, after public notice and an opportunity for public comment, of a written system of preferences for admission to public housing, if any, that is not inconsistent with the comprehensive housing affordability strategy under title I of the Cranston-Gonzalez National Affordable Housing Act;''.

(2) SECTION 8 EXISTING AND MODERATE REHABILITATION.—

Section 8(d)(1)(A) of the United States Housing Act of 1937 (42 U.S.C. 1437f(d)(1)(A)) is amended to read as follows:

''(A) the selection of tenants shall be the function of the owner, subject to the provisions of the annual contributions contract between the Secretary and the agency, except that for the certificate and moderate rehabilitation programs only, for the purpose of selecting families to be assisted, the public housing agency may establish, after public notice and an opportunity for public comment, a written system of preferences for selection that is not inconsistent with the comprehensive housing affordability strategy under title I of the Cranston-Gonzalez National Affordable Housing Act;''.

(3) SECTION 8 VOUCHER PROGRAM.—Section 8(o)(3)(B) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(3)(B)) is amended to read as follows:

''(B) For the purpose of selecting families to be assisted under this subsection, the public housing agency may establish, after public notice and an opportunity for public comment, a written system of preferences for selection that is not inconsistent with the comprehensive housing affordability strategy under title I of the Cranston-Gonzalez National Affordable Housing Act.''.

(4) SECTION 8 NEW CONSTRUCTION AND SUBSTANTIAL REHABILITATION.—

(A) REPEAL.—Section 545(c) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note) is amended to read as follows:

''(c) [Reserved.]''.

(B) PROHIBITION.—Notwithstanding any other provision of law, no Federal tenant selection preferences shall apply with respect to—

(i) housing constructed or substantially rehabilitated pursuant to assistance provided under section 8(b)(2) of the United States Housing Act of 1937 (as such section existed on the day before October 1, 1983); or

(ii) projects financed under section 202 of the Housing Act of 1959 (as such section existed on the day before the date of enactment of the Cranston-Gonzalez National Affordable Housing Act).

(5) RENT SUPPLEMENTS.—Section 101(k) of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s(k)) is amended to read as follows:

''(k) [Reserved.]''.

(8) CONFORMING AMENDMENTS.—

(A) UNITED STATES HOUSING ACT OF 1937.—The United States Housing Act of 1937 (42 U.S.C. 1537 et seq.) is amended—

(i) in section 6(o), by striking ''preference rules specified in'' and inserting ''written system of preferences for selection established pursuant to'';

(ii) in section 7(a)(2), by striking ''according to the preferences for occupancy under'' and inserting ''in accordance with the written system of preferences for selection established pursuant to'';

(iii) in section 8(d)(2)(A), by striking the last sentence;

(iv) in section 8(d)(2)(H), by striking ''Notwithstanding subsection (d)(1)(A)(i), an'' and inserting ''An'';

(v) in section 16(c), in the second sentence, by striking ''the system of preferences established by the agency pursuant to section 6(c)(4)(A)(ii)'' and inserting ''the written system of preferences for selection established by the public housing agency pursuant to section 6(c)(4)(A)''; and

(vi) in section 24(e)—

(I) by striking ''(e) Exceptions'' and all that follows through ''The Secretary may'' and inserting the following:

''(e) EXCEPTION TO GENERAL PROGRAM REQUIREMENTS.—The Secretary may''; and

(II) by striking paragraph (2).

(B) CRANSTON-GONZALEZ NATIONAL AFFORDABLE HOUSING ACT.—Section 522(f)(6)(B) of the Cranston-Gonzalez National Affordable Housing

Act (42 U.S.C. 12704 et seq.) is amended by striking ''any preferences for such assistance under section 8(d)(1)(A)(i)'' and inserting ''the written system of preferences for selection established pursuant to section 8(d)(1)(A)''.

(C) HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1992.—Section 655 of the Housing and Community Development Act of 1992 (42 U.S.C. 13615) is amended by striking ''the preferences'' and all that follows through the period at the end and inserting ''any preferences''.

(D) REFERENCES IN OTHER LAW.—Any reference in any Federal law other than any provision of any law amended by paragraphs (1) through (5) of this subsection to the preferences for assistance under section 6(c)(4)(A)(i), 8(d)(1)(A)(i), or 8(o)(3)(B) of the United States Housing Act of 1937 (as such sections existed on the day before the date of enactment of this Act) shall be considered to refer to the written system of preferences for selection established pursuant to section 6(c)(4)(A), 8(d)(1)(A), or 8(o)(3)(B), respectively, of the United States Housing Act of 1937, as amended by this section.

(e) APPLICABILITY.—In accordance with section 201(b)(2) of the United States Housing Act of 1937, the amendments made by subsections (a), (b), (c), and (d) of this section shall also apply to public housing developed or operated pursuant to a contract between the Secretary of Housing and Urban Development and an Indian housing authority.

(f) This section shall be effective upon the enactment of this Act and only for fiscal year 1996.

SEC. 203. CONVERSION OF CERTAIN PUBLIC HOUSING TO VOUCHERS.

(a) IDENTIFICATION OF UNITS.—

(1) Each public housing agency shall identify any public housing developments—

(A) that are on the same or contiguous sites;

(B) that total more than—

(i) 300 dwelling units; or

(ii) in the case of high-rise family buildings or substantially vacant buildings, 300 dwelling units;

(C) that have a vacancy rate of at least 10 percent for dwelling units not in funded, on-schedule modernization programs;

(D) identified as distressed housing that the public housing agency cannot assure the long-term viability as public housing through revitalization, density reduction, or achievement of a broader range of household income; and

(E) for which the estimated cost of continued operation and modernization of the developments as public housing exceeds the cost of providing tenant-based assistance under section 8 of the United States Housing Act of 1937 for all families in occupancy, based on appropriate indicators of cost (such as the percentage of total development cost required for modernization).

(b) IMPLEMENTATION AND ENFORCEMENT.—

(1) STANDARDS FOR IMPLEMENTATION.—The Secretary shall establish standards to permit implementation of this section in fiscal year 1996.

(2) CONSULTATION.—Each public housing agency shall consult with the applicable public housing tenants and the unit of general local government in identifying any public housing developments under subsection (a).

(3) FAILURE OF PHA'S TO COMPLY WITH SUBSECTION (a).—Where the Secretary determines that—

(A) a public housing agency has failed under subsection (a) to identify public housing developments for removal from the inventory of the agency in a timely manner;

(B) a public housing agency has failed to identify one or more public housing developments which the Secretary determines should have been identified under subsection (a); or

(C) one or more of the developments identified by the public housing agency pursuant to subsection (a) should not, in the determination of the Secretary, have been identified under that subsection;

the Secretary may designate the developments to be removed from the inventory of the public housing agency pursuant to this section.

(c) REMOVAL OF UNITS FROM THE INVENTORIES OF PUBLIC HOUSING AGENCIES.—

(1) Each public housing agency shall develop and carry out a plan in conjunction with the Secretary for the removal of public housing units identified under subsection (a) or subsection (b)(3), over a period of up to five years, from the inventory of the public housing agency and the annual contributions contract. The plan shall be approved by the relevant local official as not inconsistent with the Comprehensive Housing Affordability Strategy under title I of the Housing and Community Development Act of 1992, including a description of any disposition and demolition plan for the public housing units.

(2) The Secretary may extend the deadline in paragraph (1) for up to an additional five years where the Secretary makes a determination that the deadline is impracticable.

(3) The Secretary shall take appropriate actions to ensure removal of developments identified under subsection (a) or subsection (b)(3) from the inventory of a public housing agency, if the public housing agency fails to adequately develop a plan under paragraph (1), or fails to adequately implement such plan in accordance with the terms of the plan.

(4) To the extent approved in appropriations, the Secretary may establish requirements and provide funding under the Urban Revitalization Demonstration program for demolition and disposition of public housing under this section.

(5) Notwithstanding any other provision of law, if a development is removed from the inventory of a public housing agency and the annual contributions contract pursuant to paragraph (1), the Secretary may authorize or direct the transfer of—

(A) in the case of an agency receiving assistance under the comprehensive improvement assistance program, any amounts obligated by the Secretary for the modernization of such development pursuant to section 14 of the United States Housing Act of 1937;

(B) in the case of an agency receiving public and Indian housing modernization assistance by formula pursuant to section 14 of the United States Housing Act of 1937, any amounts provided to the agency which are attributable pursuant to the formula for allocating such assistance to the development removed from the inventory of that agency; and

(C) in the case of an agency receiving assistance for the major reconstruction of obsolete projects, any amounts obligated by the Secretary for the major reconstruction of the development pursuant to section 5 of such Act,

to the tenant-based assistance program or appropriate site revitalization of such agency.

(6) CESSATION OF UNNECESSARY SPENDING.—Notwithstanding any other provision of law, if, in the determination of the Secretary, a development meets or is likely to meet the criteria set forth in subsection (a), the Secretary may direct the public housing agency to cease additional spending in connection with the development, except to the extent that additional spending is necessary to ensure decent, safe, and sanitary housing until the Secretary determines or approves an appropriate course of action with respect to such development under this section.

(d) CONVERSION TO TENANT-BASED ASSISTANCE.—

(1) The Secretary shall make authority available to a public housing agency to provide tenant-based assistance pursuant to section 8 to families residing in any development that is removed from the inventory of the public housing agency and the annual contributions contract pursuant to subsection (b).

(2) Each conversion plan under subsection (c) shall—

(A) require the agency to notify families residing in the development, consistent with any guidelines issued by the Secretary governing such notifications, that the development shall be removed from the inventory of the public housing agency and the families shall receive tenant-based or project-based assistance, and to provide any necessary counseling for families; and

(B) ensure that all tenants affected by a determination under this section that a development shall be removed from the inventory of a public housing agency shall be offered tenant-based or project-based assistance and shall be relocated, as necessary, to other decent, safe, sanitary, and affordable housing which is, to the maximum extent practicable, housing of their choice.

(e) IN GENERAL.—

(1) The Secretary may require a public housing agency to provide such information as the Secretary considers necessary for the administration of this section.

(2) As used in this section, the term ''development'' shall refer to a project or projects, or to portions of a project or projects, as appropriate.

(3) Section 18 of the United States Housing Act of 1937 shall not apply to the demolition of developments removed from the inventory of the public housing agency under this section.

SEC. 204. STREAMLINING SECTION 8 TENANT-BASED ASSISTANCE.

(a) ''TAKE-ONE, TAKE-ALL''.—Section 8(t) of the United States Housing Act of 1937 is hereby repealed.

(b) EXEMPTION FROM NOTICE REQUIREMENTS FOR THE CERTIFICATE AND VOUCHER PROGRAMS.—Section 8(c) of such Act is amended—

(1) in paragraph (8), by inserting after ''section'' the following: ''(other than a contract for assistance under the certificate or voucher program)'';

(2) in the first sentence of paragraph (9), by strike ''(but not less than 90 days in the case of housing certificates or vouchers under subsection (b) or (o))'' and inserting'', other than a contract under the certificate or voucher program''.

(c) ENDLESS LEASE.—Section 8(d)(1)(B) of such Act is amended—

(1) in clause (ii), by inserting ''during the term of the lease,'' after ''(ii)''; and

(2) in clause (iii), by striking ''provide that'' and inserting ''during the term of the lease,''.

(d) APPLICABILITY.—The provisions of this section shall be effective for fiscal year 1996 only.

SEC. 205. SECTION 8 FAIR MARKET RENTALS, ADMINISTRATIVE FEES, AND DELAY IN REISSUANCE.

(a) FAIR MARKET RENTALS.—The Secretary shall establish fair market rentals for purposes of section 8(c)(1) of the United States Housing Act of 1937, as amended, that shall be effective for fiscal year 1996 and shall be based on the 40th percentile rent of rental distributions of standard quality rental housing units. In establishing such fair market rentals, the Secretary shall consider only the rents for dwelling units occupied by recent movers and may not consider the rents for public housing dwelling units or newly constructed rental dwelling units.

(b) ADMINISTRATIVE FEES.—Notwithstanding the second sentence of section 8(q)(1) of the United States Housing Act of 1937, as amended, for fiscal year 1996, the portions of the fees for costs incurred by public housing agencies in administering the certificate, voucher, and moderate rehabilitation programs under section 8 shall not exceed 7.65 percent of the fair market rental established for a 2-bedroom existing rental dwelling unit in the market area of the public

housing agency for the first 600 units administered by any such public housing agency, and 7.0 percent of the fair market rental established for a 2-bedroom existing rental dwelling unit in the market area of the public housing agency.

(c) DELAY REISSUANCE OF VOUCHERS AND CERTIFICATES.—Notwithstanding any other provision of law, a public housing agency administering certificate or voucher assistance provided under subsection (b) or (o) of section 8 of the United States Housing Act of 1937, as amended, shall delay for 3 months, the use of any amounts of such assistance (or the certificate or voucher representing assistance amounts) made available by the termination during fiscal year 1996 of such assistance on behalf of any family for any reason, but not later than October 1, 1996; with the exception of any certificate assigned or committed to project based assistance as permitted otherwise by the Act, accomplished prior to the effective date of this Act.

SEC. 206. PUBLIC HOUSING/SECTION 8 MOVING TO WORK DEMONSTRATION.

(a) PURPOSE.—The purpose of this demonstration is to give public housing agencies and the Secretary of Housing and Urban Development the flexibility to design and test various approaches for providing and administering housing assistance that: reduce cost and achieve greater cost effectiveness in Federal expenditures: give incentives to families with children where the head of household is working, seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient; and increase housing choices for low-income families.

(b) PROGRAM AUTHORITY.—The Secretary of Housing and Urban Development shall conduct a demonstration program under this section beginning in fiscal year 1996 under which up to 30 public housing agencies (including Indian housing authorities) administering the public or Indian housing program and the section 8 housing assistance payments program, administering a total number of public housing units not in excess of 25,000, may be selected by the Secretary to participate. The Secretary shall provide training and technical assistance during the demonstration and conduct detailed evaluations of up to 15 such agencies in an effort to identify replicable program models promoting the purpose of the demonstration. Under the demonstration, notwithstanding any provision of the United States Housing Act of 1937 except as provided in subsection (e), an agency may combine operating assistance provided under section 9 of the United States Housing Act of 1937, modernization assistance provided under section 14 of such Act, and assistance provided under section 8 of such Act for the certificate and voucher programs, to provide housing assistance for low-income families, as defined in section 3(b)(2) of the United States Housing Act of 1937, and services to facilitate the transition to work on such terms and conditions as the agency may propose and the Secretary may approve.

(c) APPLICATION.—An application to participate in the demonstration—

(1) shall request authority to combine assistance under sections 8, 9, and 14 of the United States Housing Act of 1937;

(2) shall be submitted only after the public housing agency provides for citizen participation through a public hearing and, if appropriate, other means;

(3) shall include a plan developed by the agency that takes into account comments from the public hearing and any other public comments on the proposed program, and comments from current and prospective residents who would be affected, and that includes criteria for—

(A) families to be assisted, which shall require that at least 75 percent of the families assisted by participating demonstration public housing authorities shall be very low-income families, as defined in section 3(b)(2) of the United States Housing Act of 1937, and at least 50 percent of the families selected shall have incomes that do not exceed 30 percent of the median family income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 30 percent of the median for the area on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family income;

(B) establishing a reasonable rent policy, which shall be designed to encourage employment and self-sufficiency by participating families, consistent with the purpose of this demonstration, such as by excluding some or all of a family's earned income for purposes of determining rent;

(C) continuing to assist substantially the same total number of eligible low-income families as would have been served had the amounts not been combined;

(D) maintaining a comparable mix of families (by family size) as would have been provided had the amounts not been used under the demonstration; and

(E) assuring that housing assisted under the demonstration program meets housing quality standards established or approved by the Secretary; and

(4) may request assistance for training and technical assistance to assist with design of the demonstration and to participate in a detailed evaluation.

(d) SELECTION.—In selection among applications, the Secretary shall take into account the potential of each agency to plan and carry out a program under the demonstration, the relative performance by an agency under the public housing management assessment program under section 6(j) of the United States Housing Act of 1937, and other appropriate factors as determined by the Secretary.

(e) APPLICABILITY OF 1937 ACT PROVISIONS.—

(1) Section 18 of the United States Housing Act of 1937 shall continue to apply to public housing notwithstanding any use of the housing under this demonstration.

(2) Section 12 of such Act shall apply to housing assisted under the demonstration, other than housing assisted solely due to occupancy by families receiving tenant-based assistance.

(f) EFFECT ON SECTION 18, OPERATING SUBSIDIES, AND COMPREHENSIVE GRANT PROGRAM ALLOCATIONS.—The amount of assistance received under section 8, section 9, or pursuant to section 14 by a public housing agency participating in the demonstration under this part shall not be diminished by its participation.

(g) RECORDS, REPORTS, AND AUDITS.—

(1) KEEPING OF RECORDS.—Each agency shall keep such records as the Secretary may prescribe as reasonably necessary to disclose the amounts and the disposition of amounts under this demonstration, to ensure compliance with the requirements of this section, and to measure performance.

(2) REPORTS.—Each agency shall submit to the Secretary a report, or series of reports, in a form and at a time specified by the Secretary. Each report shall—

(A) document the use of funds made available under this section;

(B) provide such data as the Secretary may request to assist the Secretary in assessing the demonstration; and

(C) describe and analyze the effect of assisted activities in addressing the objectives of this part.

(3) ACCESS TO DOCUMENTS BY THE SECRETARY.—The Secretary shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to assistance in connection with, and the requirements of, this section.

(4) ACCESS TO DOCUMENTS BY THE COMPTROLLER GENERAL.—The Comptroller General of the United States, or any of the duly authorized representatives of the Comptroller General, shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to assistance in connection with, and the requirements of, this section.

(h) EVALUATION AND REPORT.—

(1) CONSULTATION WITH PHA AND FAMILY REPRESENTATIVES.—In making assessments throughout the demonstration, the Secretary shall consult with representatives of public housing agencies and residents.

(2) REPORT TO CONGRESS.—Not later than 180 days after the end of the third year of the demonstration, the Secretary shall submit to the Congress a report evaluating the programs carried out under the demonstration. The report shall also include findings and recommendations for any appropriate legislative action.

(i) FUNDING FOR TECHNICAL ASSISTANCE AND EVALUATION.—From amounts appropriated for assistance under section 14 of the United States Housing Act of 1937 for fiscal years 1996, 1997, and 1998, the Secretary may use up to a total of $5,000,000—

(1) to provide, directly or by contract, training and technical assistance—

(A) to public housing agencies that express an interest to apply for training and technical assistance pursuant to subsection (c)(4), to assist them in designing programs to be proposed for the demonstration; and

(B) to up to 10 agencies selected to receive training and technical assistance pursuant to subsection (c)(4), to assist them in implementing the approved program; and

(2) to conduct detailed evaluations of the activities of the public housing agencies under paragraph (1)(B), directly or by contract.

SEC 207. REPEAL OF PROVISIONS REGARDING INCOME DISREGARDS.

(a) MAXIMUM ANNUAL LIMITATION ON RENT INCREASES RESULTING FROM EMPLOYMENT.—Section 957 of the Cranston-Gonzales National Affordable Housing Act is hereby repealed, retroactive to November 28, 1990, and shall be of no effect.

(b) ECONOMIC INDEPENDENCE.—Section 923 of the Housing and Community Development Act of 1992 is hereby repealed, retroactive to October 28, 1992, and shall be of no effect.

SEC 208. EXTENSION OF MULTIFAMILY HOUSING FINANCE PROGRAMS.

(a) The first sentence of section 542(b)(5) of the Housing and Community Development Act of 1992 (12 U.S.C. 1707 note) is amended by striking ''on not more than 15,000 units over fiscal years 1993 and 1994'' and inserting ''on not more than 7,500 units during fiscal year 1996''.

(b) The first sentence of section 542(c)(4) of the Housing and Community Development Act of 1992 (12 U.S.C. 1707 note) is amended by striking ''on not to exceed 30,000 units over fiscal years 1993, 1994, and 1995'' and inserting ''on not more than 10,000 units during fiscal year 1996''.

SEC 209. FORECLOSURE OF HUD-HELD MORTGAGES THROUGH THIRD PARTIES.

During fiscal year 1996, the Secretary of Housing and Urban Development may delegate to one or more entities the authority to carry out some or all of the functions and responsibilities of the Secretary in connection with the foreclosure of mortgages held by the Secretary under the National Housing Act.

SEC 210. RESTRUCTURING OF THE HUD MULTIFAMILY MORTGAGE PORTFOLIO THROUGH STATE HOUSING FINANCE AGENCIES.

During fiscal year 1996, the Secretary of Housing and Urban Development may sell or otherwise transfer multifamily mortgages held by the Secretary under the National Housing Act to a State housing finance agency in connection with a program authorized under section 542 (b)

or (c) of the Housing and Community Development Act of 1992 without regard to the unit limitations in section 542(b)(5) or 542(c)(4) of such Act.

SEC 211. TRANSFER OF SECTION 8 AUTHORITY.

(a) Section 8 of the United States Housing Act of 1937 is amended by adding the following new subsection at the end:

''(bb) TRANSFER OF BUDGET AUTHORITY.—If an assistance contract under this section, other than a contract for tenant-based assistance, is terminated or is not renewed, or if the contract expires, the Secretary shall, in order to provide continued assistance to eligible families, including eligible families receiving the benefit of the project-based assistance at the time of the termination, transfer any budget authority remaining in the contract to another contract. The transfer shall be under such terms as the Secretary may prescribe.''.

SEC 212. DOCUMENTATION OF MULTIFAMILY REFINANCINGS.

Notwithstanding the 16th paragraph under the item relating to ''administrative provisions'' in title II of the Departments of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Act, 1995 (Public Law 103–327; 108 Stat. 2316), the amendments to section 223(a)(7) of the National Housing Act made by the 15th paragraph of such Act shall be effective during fiscal year 1996 and thereafter.

SEC. 213. FHA MULTIFAMILY DEMONSTRATION AUTHORITY.

(a) On and after October 1, 1995, and before October 1, 1997, the Secretary of Housing and Urban Development shall initiate a demonstration program with respect to multifamily projects whose owners agree to participate and whose mortgages are insured under the National Housing Act and that are assisted under section 8 of the United States Housing Act of 1937 and whose present section 8 rents are, in the aggregate, in excess of the fair market rent of the locality in which the project is located. These programs shall be designed to test the feasibility and desirability of the goal of ensuring, to the maximum extent practicable, that the debt service and operating expenses, including adequate reserves, attributable to such multifamily projects can be supported with or without mortgage insurance under the National Housing Act and with or without above-market rents and utilizing project-based assistance or, with the consent of the property owner, tenant based assistance, while taking into account the need for assistance of low and very low income families in such projects. In carrying out this demonstration, the Secretary may use arrangements with third parties, under which the Secretary may provide for the assumption by the third parties (by delegation, contract, or otherwise) of some or all of the functions, obligations, and benefits of the Secretary.

(1) GOALS.—The Secretary of Housing and Urban Development shall carry out the demonstration programs under this section in a manner that—

(A) will protect the financial interests of the Federal Government;

(B) will result in significant discretionary cost savings through debt restructuring and subsidy reduction; and

(C) will, in the least costly fashion, address the goals of—

(i) maintaining existing housing stock in a decent, safe, and sanitary condition;

(ii) minimizing the involuntary displacement of tenants;

(iii) restructuring the mortgages of such projects in a manner that is consistent with local housing market conditions;

(iv) supporting fair housing strategies;

(v) minimizing any adverse income tax impact on property owners; and

(vi) minimizing any adverse impact on residential neighborhoods.

In determining the manner in which a mortgage is to be restructured or the subsidy reduced, the Secretary may balance competing goals relating to individual projects in a manner that will further the purposes of this section.

(2) DEMONSTRATION APPROACHES.—In carrying out the demonstration programs, subject to the appropriation in subsection (f), the Secretary may use one or more of the following approaches:

(A) Joint venture arrangements with third parties, under which the Secretary may provide for the assumption by the third parties (by delegation, contract, or otherwise) of some or all of the functions, obligations, and benefits of the Secretary.

(B) Subsidization of the debt service of the project to a level that can be paid by an owner receiving an unsubsidized market rent.

(C) Renewal of existing project-based assistance contracts where the Secretary shall approve proposed initial rent levels that do not exceed the greater of 120 percent of fair market rents or comparable market rents for the relevant metropolitan market area or at rent levels under a budget-based approach.

(D) Nonrenewal of expiring existing project-based assistance contracts and providing tenant-based assistance to previously assisted households.

(b) For purposes of carrying out demonstration programs under subsection (a)—

(1) the Secretary may manage and dispose of multifamily properties owned by the Secretary as of October 1, 1995 and multifamily mortgages held by the Secretary as of October 1, 1995 for properties assisted under section 8 with rents above 110 percent of fair market rents without regard to any other provision of law; and

(2) the Secretary may delegate to one or more entities the authority to carry out some or all of the functions and responsibilities of the Secretary in connection with the foreclosure of mortgages held by the Secretary under the National Housing Act.

(c) For purposes of carrying out demonstration programs under subsection (a), subject to such third party consents (if any) as are necessary including but not limited to (i) consent by the Government National Mortgage Association where it owns a mortgage insured by the Secretary; (ii) consent by an issuer under the mortgage-backed securities program of the Association, subject to the responsibilities of the issuer to its security holders and the Association under such program; and (iii) parties to any contractual agreement which the Secretary proposes to modify or discontinue, and subject to the appropriation in subsection (c), the Secretary or one or more third parties designated by the Secretary may take the following actions:

(1) Notwithstanding any other provision of law, and subject to the agreement of the project owner, the Secretary or third party may remove, relinquish, extinguish, modify, or agree to the removal of any mortgage, regulatory agreement, project-based assistance contract, use agreement, or restriction that had been imposed or required by the Secretary, including restrictions on distributions of income which the Secretary or third party determines would interfere with the ability of the project to operate without above market rents. The Secretary or third party may require an owner of a property assisted under the section 8 new construction/substantial rehabilitation program to apply any accumulated residual receipts toward effecting the purposes of this section.

(2) Notwithstanding any other provision of law, the Secretary of Housing and Urban Development may enter into contracts to purchase reinsurance, or enter into participations or otherwise transfer economic interest in contracts of insurance or in the premiums paid, or due to be paid, on such insurance to third parties, on such terms and conditions as the Secretary may determine.

(3) The Secretary may offer project-based assistance with rents at or below fair market rents for the locality in which the project is located and may negotiate such other terms as are acceptable to the Secretary and the project owner.

(4) The Secretary may offer to pay all or a portion of the project's debt service, including payments monthly from the appropriate Insurance Fund, for the full remaining term of the insured mortgage.

(5) Notwithstanding any other provision of law, the Secretary may forgive and cancel any FHA-insured mortgage debt that a demonstration program property cannot carry at market rents while bearing full operating costs.

(6) For demonstration program properties that cannot carry full operating costs (excluding debt service) at market rents, the Secretary may approve project-based rents sufficient to carry such full operating costs and may offer to pay the full debt service in the manner provided in paragraph (4).

(d) COMMUNITY AND TENANT INPUT.—In carrying out this section, the Secretary shall develop procedures to provide appropriate and timely notice to officials of the unit of general local government affected, the community in which the project is situated, and the tenants of the project.

(e) LIMITATION ON DEMONSTRATION AUTHORITY.—The Secretary may carry out demonstration programs under this section with respect to mortgages not to exceed 15,000 units. The demonstration authorized under this section shall not be expanded until the reports required under subsection (f) are submitted to the Congress.

(f) APPROPRIATION.—For the cost of modifying loans held or guaranteed by the Federal Housing Administration, as authorized by this subsection (a)(2) and subsection (c), $30,000,000, to remain available until September 30, 1997: Provided, That such costs shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended.

(g) REPORT TO CONGRESS.—The Secretary shall submit to the Congress every six months after the date of enactment of this Act a report describing and assessing the programs carried out under the demonstrations. The Secretary shall also submit a final report to the Congress not later than six months after the end of the demonstrations. The reports shall include findings and recommendations for any legislative action appropriate. The reports shall also include a description of the status of each multifamily housing project selected for the demonstrations under this section. The final report may include—

(1) the size of the projects;

(2) the geographic locations of the projects, by State and region;

(3) the physical and financial condition of the projects;

(4) the occupancy profile of the projects, including the income, family size, race, and ethnic origin of current tenants, and the rents paid by such tenants;

(5) a description of actions undertaken pursuant to this section, including a description of the effectiveness of such actions and any impediments to the transfer or sale of multifamily housing projects;

(6) a description of the extent to which the demonstrations under this section have displaced tenants of multifamily housings projects;

(7) a description of any of the functions performed in connection with this section that are transferred or contracted out to public or private entities or to States;

(8) a description of the impact to which the demonstrations under this section have affected the localities and communities where the selected multifamily housing projects are located; and

(9) a description of the extent to which the demonstrations under this section have affected the owners of multifamily housing projects.

SEC. 214. SECTION 8 CONTRACT RENEWALS.

(a) For fiscal year 1996 and henceforth, the Secretary of Housing and Urban Development

may use amounts available for the renewal of assistance under section 8 of the United States Housing Act of 1937, upon termination or expiration of a contract for assistance under section 8 of such Act of 1937 (other than a contract for tenant-based assistance and notwithstanding section 8(v) of such Act for loan management assistance), to provide assistance under section 8 of such Act, subject to the Section 8 Existing Fair Market Rents, for the eligible families assisted under the contracts at expiration or termination, which assistance shall be in accordance with terms and conditions prescribed by the Secretary.

(b) Notwithstanding subsection (a) and except for projects assisted under section 8(e)(2) of the United States Housing Act of 1937 (as it existed immediately prior to October 1, 1991), at the request of the owner, the Secretary shall renew for a period of one year contracts for assistance under section 8 that expire or terminate during fiscal year 1996 at the current rent levels.

(c) Section 8(v) of the United States Housing Act of 1937 is amended to read as follows:

''The Secretary may extend expiring contracts entered into under this section for project-based loan management assistance to the extent necessary to prevent displacement of low-income families receiving such assistance as of September 30, 1996.''.

(d) Section 236(f) of the National Housing Act (12 U.S.C. 1715z–1(f)) is amended:

(1) by striking the second sentence in paragraph (1) and inserting in lieu thereof the following: ''The rental charge for each dwelling unit shall be at the basic rental charge or such greater amount, not exceeding the lower of (i) the fair market rental charge determined pursuant to this paragraph, or (ii) the fair market rental established under section 8(b) of the United States Housing Act of 1937 for the market area in which the housing is located, as represents 30 per centum of the tenant's adjusted income.''; and

(2) by striking paragraph (6).''.

SEC. 215. EXTENSION OF HOME EQUITY CONVERSION MORTGAGE PROGRAM.

Section 255(g) of the National Housing Act (12 U.S.C. 1715z–20(g)) is amended—

(1) in the first sentence, by striking ''September 30, 1995'' and inserting ''September 30, 1996''; and

(2) in the second sentence, by striking ''25,000'' and inserting ''30,000''.

SEC. 216. ASSESSMENT COLLECTION DATES FOR OFFICE OF FEDERAL HOUSING ENTERPRISE OVERSIGHT.

Section 1316(b) of the Housing and Community Development Act of 1992 (12 U.S.C. 4516(b)) is amended by striking paragraph (2) and inserting the following new paragraph:

''(2) TIMING OF PAYMENT.—The annual assessment shall be payable semiannually for each fiscal year, in October 1st and April 1st.''.

SEC. 217. MERGER LANGUAGE FOR ASSISTANCE FOR THE RENEWAL OF EXPIRING SECTION 8 SUBSIDY CONTRACTS AND ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING.

All remaining obligated and unobligated balances in the Renewal of Expiring Section 8 Subsidy Contracts account on September 30, 1995, shall immediately thereafter be transferred to and merged with the obligated and unobligated balances, respectively, of the Armed Contributions for Assisted Housing account.

SEC. 218. DEBT FORGIVENESS.

(a) The Secretary of Housing and Urban Development shall cancel the indebtedness of the Hubbard Hospital Authority of Hubbard, Texas, relating to the public facilities loan for Project Number PFL–TEX–215, issued under title II of the Housing Amendments of 1955. Such hospital authority is relieved of all liability to the Government for the outstanding principal balance on such loan, for the amount of accrued interest on such loan, and for any fees and charges payable in connection with such loan.

(b) The Secretary of Housing and Urban Development shall cancel the indebtedness of the Groveton Texas Hospital Authority relating to the public facilities loan for Project Number TEX–41–PFL0162, issued under title II of the House Amendments of 1955. Such hospital authority is relieved of all liability to the Government for the outstanding principal balance on such loan, for the amount of accrued interest on such loan, and for any fees and charges payable in connection with such loan.

(c) The Secretary of Housing and Urban Development shall cancel the indebtedness of the Hepzibah Public Service District of Hepzibah, West Virginia, relating to the public facilities loan for Project Number WV–46–PFL0031, issued under title II of the Housing Amendments of 1955. Such public service district if relieved of all liability to the Government for the outstanding principal balance on such loan, for the amount of accrued interest on such loan, and for any fees and charges payable in connection with such loan.

SEC. 219. CLARIFICATIONS.

For purposes of Federal law, the Paul Mirabile Center in San Diego, California, including areas within such Center that are devoted to the delivery of supportive services, has been determined to satisfy the ''continuum of care'' requirements of the Department of Housing and Urban Development, and shall be treated as:

(a) consisting solely of residential units that (i) contain sleeping accommodations and kitchen and bathroom facilities, (ii) are located in a building that is used exclusively to facilitate the transition of homeless individuals (within the meaning of section 103 of the Stewart B. McKinney Homeless Assistance Act (42 U.W.C. 11302)) to independent living within 24 months, (iii) suitable for occupancy, with each cubicle constituting a separate bedroom and residential unit, (iv) are used on other than a transient basis, and (v) shall be originally placed in service on August 1, 1995; and

(b) property that is entirely residential rental property, namely, a project for residential rental property.

SEC. 220. EMPLOYMENT LIMITATIONS.

(a) By the end of fiscal year 1996 the Department of Housing and Urban Development shall enjoy no more than seven Assistant Secretaries, notwithstanding section 4(a) of the Department of Hosing and Urban Development Act.

(b) By the end of fiscal year 1996 the Department of Housing and Urban Development shall employ no more than 77 schedule C and 20 noncareer senior executive service employees.

SEC. 221. USE OF FUNDS.

(a) Of the $93,400,000 earmarked in Public Law 101–144 (103 Stat 850), as amended by Public Law 101–302 (104 Stat 237), for special projects and purposes, any amounts remaining of the $500,000 made available to Bethlehem House in Highland, California, for site planning and land acquisition shall instead be made available to the County of San Bernardino in California to assist with the expansion of the Los Padrinos Gang Intervention Program and the Unity Home Domestic Violence Shelter.

(b) The amount made available for fiscal year 1995 for the removal of asbestos from an abandoned public school building in Toledo, Ohio shall be made available for the renovation and rehabilitation of an industrial building at the University of Toledo in Toledo, Ohio.

SEC. 222. LEAD-BASED PAINT ABATEMENT.

(a) SECTION 1011 OF TITLE X—Residential Lead-Based Paint Hazard Reduction Act of 1992 is amended as follows: Strike ''priority housing'' wherever it appears in said section and insert ''housing''.

(b) Section 1011(a) shall be amended as follows: At the end of the subsection after the period, insert:

''Grants shall only be made under this section to provide assistance for housing which meets the following criteria—

''(1) for grants made to assist rental housing, at least 50 percent of the units must be occupied by or made available to families with incomes at or below 50 percent of the area median income level and the remaining units shall be occupied or made available to families with incomes at or below 80 percent of the area median income level, and in all cases the landlord shall give priority in renting units assisted under this section, for not less than 3 years following the completion of lead abatement activities, to families with a child under the age of six years—

''(A) except that buildings with five or more units may have 20 percent of the units occupied by families with incomes above 80 percent of area median income level;

''(2) for grants made to assist housing owned by owner-occupants, all units assisted with grants under this section shall be the principal residence of families with incomes at or below 80 percent of the area median income level, and not less than 90 percent of the units assisted with grants under this section shall be occupied by a child under age of six years or shall be units where a child under the age of six years spends a significant amount of time visiting; and

''(3) notwithstanding paragraphs (1) and (2), Round II grantees who receive assistance under this section may use such assistance for priority housing.''.

SEC. 223. EXTENSION PERIOD FOR SHARING UTILITY COST SAVINGS WITH PHAS.

Section 9(A)(3)(b)(i)(I) of the United States Housing Act of 1937 is amended by striking ''for a period not to exceed 6 years''.

SEC. 223A. MORTGAGE NOTE SALES.

The first sentence of section 221(g)(4)(C)(viii) of the National Housing Act is amended by striking ''September 30, 1995'' and inserting in lieu thereof ''September 30, 1996''.

SEC. 223B. REPEAL OF FROST-LELAND.

Section 415 of the Department of Housing and Urban Development-Indpendent Agencies Appropriations Act, 1988 (Public Law 100–202; 101 Stat. 1329–213) is repealed.

SEC. 223C. FHA SINGLE-FAMILY ASSIGNMENT PROGRAM REFORM.

(a) FORECLOSURE AVOIDANCE.—The last sentence of section 204(a) of the National Housing Act (12 U.S.C. 1710(a)) is amended by inserting before the period the following: ''; And provided further, That the Secretary may pay insurance benefits to the mortgagee to recompense the mortgagee to recompense the mortgagee for its actions to provide an alternative to the foreclosure of a mortgage that is in default, which actions may include special foreclosure, loan modification, and deeds in lieu of foreclosure, all upon terms and conditions as the mortgagee shall determine in the mortgagee's sole discretion, within guidelines provided by the Secretary, but which may not include assignment of a mortgage to the Secretary: And provided further, That for purposes of the preceding proviso, no action authorized by the Secretary and no action taken, nor any failure to act, by the Secretary or the mortgagee shall be subject to judicial review.''.

(b) AUTHORITY TO ASSIST MORTGAGORS IN DEFAULT.—Section 230 of the National Housing Act (12 U.S.C. 1715u) is amended to read as follows:

''AUTHORITY TO ASSIST MORTGAGORS IN DEFAULT

''SEC. 230. (a) PAYMENT OF PARTIAL CLAIM—The Secretary may establish a program for payment of a partial claim to a mortgagee that agrees to apply the claim amount to payment of a mortgage on a 1- to 4-family residence that is in default. Any such payment under such program to the mortgagee shall be made in the sole discretion of the Secretary and on terms and conditions acceptable to the Secretary, except that—

''(1) the amount of the payment shall be in an amount determined by the Secretary, not to exceed an amount equivalent to 12 of the monthly

mortgage payments and any costs related to the default that are approved by the Secretary; and

''(2) the mortgagor shall agree to repay the amount of the insurance claim to the Secretary upon terms and conditions acceptable to the Secretary

The Secretary may pay the mortgagee, from the appropriate insurance fund, in connection with any activities that the mortgagee is required to undertake concerning repayment by the mortgagor of the amount owed to the Secretary.

''(b) ASSIGNMENT.—

(1) PROGRAM AUTHORITY.—The Secretary may establish a program for assignment to the Secretary, upon request of the mortgagee, of a mortgage on a 1- to 4-family residence insured under this Act.

(2) PROGRAM REQUIREMENTS.—The Secretary may accept assignment of a mortgage under a program under this subsection only if—

''(A) the mortgage was in default;

''(B) the mortgagee has modified the mortgage to cure the default and provide for mortgage payments within the reasonable ability of the mortgagor to pay, at interest rates not exceeding current market interest rates; and

''(C) the Secretary arranges for servicing of the assigned mortgage by a mortgagee (which may include the assigning mortgagee) through procedures that the Secretary has determined to be in the best interests of the appropriate insurance fund.

''(3) PAYMENT OF INSURANCE BENEFITS.—Upon accepting assignment of a mortgage under a program established under this subsection, the Secretary may pay insurance benefits to the mortgagee from the appropriate insurance fund, in an amount that the Secretary determines to be appropriate, not to exceed the amount necessary to compensate the mortgagee for the assignment and any losses and expenses resulting from the mortgage modification.

''(c) PROHIBITION OF JUDICIAL REVIEW.—No decision by the Secretary to exercise or forego exercising any authority under this section shall be subject to judicial review.''.

(c) SAVINGS PROVISION.—Any mortgage for which the mortgagor has applied to the Secretary, before the date of enactment of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996, for assignment pursuant to subsection (b) of this section as in effect before such date of enactment shall continue to be governed by the provisions of such section, as in effect immediately before such date of enactment.

(d) APPLICABILITY OF OTHER LAWS.—No provision of this Act, or any other law, shall be construed to require the Secretary of Housing and Urban Development to provide an alternative to foreclosure for mortgagees with mortgages on 1- to 4-family residences insured by the Secretary under the National Housing Act, or to accept assignments of such mortgages.

(e) APPLICABILITY OF AMENDMENTS. —Except as provided in subsection (d), the amendments made by subsections (a) and (b) shall apply with respect to mortgages originated before fiscal year 1996.

(f) REGULATIONS.—Not later than 60 days after the date of enactment of this Act, the Secretary of Housing and Urban Development shall issue interim regulations to implement this section and amendments made by this section.

(g) EFFECTIVENESS AND APPLICABILITY.—If this Act is enacted after the date of enactment of the Balanced Budget Act of 1995—

(1) subsections (a), (b), (c), (d), and (e) of this section shall not take effect; and

(2) section 2052(c) of the Balanced Budget Act of 1995 is amended by striking ''that are originated on or after October 1, 1995'' and inserting in lieu thereof'' ''to mortgages originated before, during, and after fiscal year 1996.''.

SEC. 223D. SPENDING LIMITATIONS.

(a) None of the funds in this Act may be used by the Secretary to impose any sanction, or penalty because of the enactment of any State or local law or regulation declaring English as the official language.

(b) No part of any appropriation contained in this Act shall be used for lobbying activities as prohibited by law.

SEC. 223E. TRANSFER OF FUNCTIONS TO THE DEPARTMENT OF JUSTICE.

All functions, activities and responsibilities of the Secretary of Housing and Urban Development relating to title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, and the Fair Housing Act, including any rights guaranteed under the Fair Housing Act (including any functions relating to the Fair Housing initiatives program under section 561 of the Housing and Community Development Act of 1987), are hereby transferred to the Attorney General of the United States effective April 1, 1997: Provided, That none of the aforementioned authority or responsibility for enforcement of the Fair Housing Act shall be transferred to the Attorney General until adequate personnel and resources allocated to such activity at the Department of Housing and Urban Development are transferred to the Department of Justice.

And the Senate agree to the same.

Amendment numbered 65:

That the House recede from its disagreement to the amendment of the Senate numbered 65, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

SCIENCE AND TECHNOLOGY

For science and technology, including research and development activities, which shall include research and development activities under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA), as amended; necessary expenses for personnel and related costs and travel-expenses, including uniforms, or allowances therefore, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS–18; procurement of laboratory equipment and supplies; other operating expenses in support of research and development; construction, alteration, repair, rehabilitation and renovation of facilities, not to exceed $75,000 per project; $525,000,000, which shall remain available until September 30, 1997.

And the Senate agree to the same.

Amendment numbered 66:

That the House recede from its disagreement to the amendment of the Senate numbered 66, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

ENVIRONMENTAL PROGRAMS AND MANAGEMENT

For environmental programs and management, including necessary expenses for personnel and related costs and travel expenses, including uniforms, or allowances therefore, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS–18; hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; purchase of reprints; library memberships in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members; construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project; and not to exceed $6,000 for official reception and representation expenses; $1,550,300,000, which shall remain available until September 30, 1997: Provided, That, notwithstanding any other provision of law, for this fiscal year and hereafter, an industrial discharger that is a pharmaceutical manufacturing facility and discharged to the Kalamazoo Water Reclamation Plant (an advanced wastewater treatment plant with activated carbon) prior to the date of enactment of this Act may be exempted from categorical pretreatment standards under section 307(b) of the Federal Water Pollution Control Act, as amended, if the following conditions are met: (1) the owner or operator of the Kalamazoo Water Reclamation Plant applies to the State of Michigan for an exemption for such industrial discharger, (2) the State or Administrator, as applicable, approves such exemption request based upon a determination that the Kalamazoo Water Reclamation Plant will provide treatment and pollution removal equivalent to or better than that which would be required through a combination of pretreatment by such industrial discharger and treatment by the Kalamazoo Water Reclamation Plant in the absence of the exemption, and (3) compliance with paragraph (2) is addressed by the provisions and conditions of a permit issued to the Kalamazoo Water Reclamation Plant under section 402 of such Act, and there exists an operative financial contract between the City of Kalamazoo and the industrial user and an approved local pretreatment program, including a joint monitoring program and local controls to prevent against interference and pass through.

And the Senate agree to the same.

Amendment numbered 68:

That the House recede from its disagreement to the amendment of the Senate numbered 68, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$28,500,000*; and the Senate agree to the same.

Amendment numbered 70:

That the House recede from its disagreement to the amendment of the Senate numbered 70, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *consisting of $913,400,000 as authorized by section 517(a) of the Superfund Amendments and Reauthorization Act of 1986 (SARA), as amended by Public Law 101–508, and $250,000,000 as a payment from general revenues to the Hazardous Substance Superfund as authorized by section 517(b) of SARA, as amended by Public Law 101–508*

On page 61, line 1, of the House engrossed bill, H.R. 2099, delete ''$1,003,400,000'' and insert ''*$1,163,400,000*''; and the Senate agree to the same.

Amendment numbered 71:

That the House recede from its disagreement to the amendment of the Senate numbered 71, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$11,000,000*; and the Senate agree to the same.

Amendment numbered 72:

That the House recede from its disagreement to the amendment of the Senate numbered 72, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$59,000,000*; and the Senate agree to the same.

Amendment numbered 74:

That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert: *: Provided further, That none of the funds made available under this heading may be used by the Environmental Protection Agency to propose for listing or to list any additional facilities on the National Priorities List established by section 105 of the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), as amended (42 U.S.C. 9605), unless the Administrator receives a written request to propose for listing or to list a facility from the Governor of the State*

in which the facility is located, or unless legislation to reauthorize CERCLA is enacted; and the Senate agree to the same.

Amendment numbered 76:

That the House recede from its disagreement to the amendment of the Senate numbered 76, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$7,000,000*; and the Senate agree to the same.

Amendment numbered 77:

That the House recede from its disagreement to the amendment of the Senate numbered 77, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$500,000*; and the Senate agree to the same.

Amendment numbered 80:

That the House recede from its disagreement to the amendment of the Senate numbered 80, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

STATE AND TRIBAL ASSISTANCE GRANTS

For environmental programs and infrastructure assistance, including capitalization grants for state revolving funds and performance partnership grants, $2,323,000,000, to remain available until expended, of which $1,400,000,000 shall be for making capitalization grants for State revolving funds to support water infrastructure financing; $100,000,000 for architectural, engineering, design, construction and related activities in connection with the construction of high priority water and wastewater facilities in the area of the United States-Mexico Border, after consultation with the appropriate border commission; $50,000,000 for grants to the State of Texas, which shall be matched by an equal amount of State funds from State resources, for the purpose of improving wastewater treatment for colonias; $15,000,000 for grants to the State of Alaska, subject to an appropriate cost share as determined by the Administrator, to address wastewater infrastructure needs of rural and Alaska Native villages; and $100,000,000 for making grants for the construction of wastewater treatment facilities and the development of groundwater in accordance with the terms and conditions specified for such grants in the conference report to accompany this Act (H.R. 2099): Provided, That beginning in fiscal year 1996 and each fiscal year thereafter, and notwithstanding any other provision of law, the Administrator is authorized to make grants annually from funds appropriated under this heading, subject to such terms and conditions as the Administrator shall establish, to any State or federally recognized Indian tribe for multimedia or single media pollution prevention, control and abatement and related environmental activities at the request of the Governor or other appropriate State official or the tribe: Provided further, That from funds appropriated under this heading, the Administrator may make grants to federally recognized Indian governments for the development of multimedia environmental programs: Provided further, That of the $1,400,000,000 for capitalization grants for State revolving funds to support water infrastructure financing, $275,000,000 shall be for drinking water State revolving funds, but if no drinking water State revolving fund legislation is enacted by June 1, 1996, these funds shall immediately be available for making capitalization grants under title VI of the Federal Water Pollution Control Act, as amended: Provided further, That of the funds made available in Public Law 103–327 and in Public Law 103–124 for capitalization grants for State revolving funds to support water infrastructure financing, $225,000,000 shall be made available for capitalization grants for State revolving funds under title VI of the Federal Water Pollution Control Act, as amended, if no drinking water State revolving fund legislation is enacted by June 1, 1996: Provided further, That of the funds made available under this heading for capitalization grants for State Revolving Funds under title VI of the Federal Water Pollution Control Act, as amended, $50,000,000 shall be for wastewater treatment in impoverished communities pursuant to section 102(d) of H.R. 961 as approved by the United States House of Representatives on May 16, 1995: Provided further, That of the funds appropriated in the Construction Grants and Water Infrastructure/State Revolving Funds accounts since the appropriation for the fiscal year ending September 30, 1992, and hereafter, for making grants for wastewater treatment works construction projects, portions may be provided by the recipients to States for managing construction grant activities, on condition that the States agree to reimburse the recipients from State funding sources: Provided further, That the funds made available in Public Law 103–327 for a grant to the City of Mt. Arlington, New Jersey, in accordance with House Report 103–715, shall be available for a grant to that city for water and sewer improvements.

And the Senate agree to the same.

Amendment numbered 81:

That the House recede from its disagreement to the amendment of the Senate numbered 81, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert: *Administrative Provisions*; and the Senate agree to the same.

Amendment numbered 83:

That the House recede from its disagreement to the amendment of the Senate numbered 83, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert:

Sec. 301. None of the funds provided in this Act may be used within the Environmental Protection Agency for any final action by the Administrator or her delegate for signing and publishing for promulgation of a rule concerning any new standard for radon in drinking water. ; and the Senate agree to the same.

Amendment numbered 94:

That the House recede from its disagreement to the amendment of the Senate numbered 94, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended as follows:

In lieu of the sum named in the matter restored, insert: *$222,000,000*; and the Senate agree to the same.

Amendment numbered 102:

That the House recede from its disagreement to the amendment of the Senate numbered 102, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$5,456,600,000*; and the Senate agree to the same.

Amendment numbered 104:

That the House recede from its disagreement to the amendment of the Senate numbered 104, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$5,845,900,000*; and the Senate agree to the same.

Amendment numbered 105:

That the House recede from its disagreement to the amendment of the Senate numbered 105, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$2,502,200,000*; and the Senate agree to the same.

Amendment numbered 109:

That the House recede from its disagreement to the amendment of the Senate numbered 109, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert:

Upon the determination by the Administrator that such action is necessary, the Administrator may, with the approval of the Office of Management and Budget, transfer not to exceed $50,000,000 of funds made available in this Act to the National Aeronautics and Space Administration between such appropriations or any subdivision thereof, to be merged with and to be available for the same purposes, and for the same time period, as the appropriation to which transferred: Provided, That such authority to transfer may not be used unless for higher priority items, based on unforeseen requirements, than those for which originally appropriated: Provided further: That the Administrator of the National Aeronautics and Space Administration shall notify the Congress promptly of all transfers made pursuant to this authority. ; and the Senate agree to the same.

Amendment numbered 110:

That the House recede from its disagreement to the amendment of the Senate numbered 110, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$2,274,000,000*; and the Senate agree to the same.

Amendment numbered 114:

That the House recede from its disagreement to the amendment of the Senate numbered 114, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

Sec. 519. In fiscal year 1996, the Director of the Federal Emergency Management Agency shall sell the disaster housing inventory of mobile homes and trailers, and the proceeds thereof shall be deposited in the Treasury. ; and the Senate agree to the same.

The committee of conference report in disagreement amendment numbered 63.

Managers on the Part of the House.

JERRY LEWIS,
TOM DELAY,
BARBARA F. VUCANOVICH,
JAMES T. WALSH,
DAVID L. HOBSON,
JOE KNOLLENBERG,
RODNEY P. FRELINGHUYSEN,
MARK W. NEUMANN,
BOB LIVINGSTON,

Managers on the Part of the Senate.

CHRISTOPHER S. BOND,
CONRAD BURNS,
TED STEVENS,
RICHARD C. SHELBY,
ROBERT F. BENNETT,
BEN NIGHTHORSE CAMPBELL,
MARK O. HATFIELD,
BARBARA A. MIKULSKI,
PATRICK J. LEAHY,
J. BENNETT JOHNSTON,
J. ROBERT KERREY,
ROBERT C. BYRD,

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2099) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, commissions, corporations, and offices for the fiscal year ending September 30, 1996, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

TITLE I—DEPARTMENT OF VETERANS AFFAIRS

VETERANS BENEFITS ADMINISTRATION

Amendment No. 1: Earmarks not to exceed $25,180,000 of compensation and pensions funds for payments to the general operating expenses and medical care appropriations to implement savings provisions of authorizing legislative as proposed by the House, instead of $27,431,000 as proposed by the Senate. The additional administrative funds are not required as the limitation on compensation payments to certain incompetent veterans as deleted.

Amendment No. 2: Appropriates $1,345,300,000 for readjustment benefits as proposed by the House, instead of $1,352,180,000 as proposed by the Senate.

Amendment No. 3: Deletes language proposed by the Senate earmarking $6,880,000 of the readjustment benefits appropriations for funding costs of the Service Members Occupational Conversion and Training Program. The conferees note that language is included under the general operating expenses appropriation permitting the payment of administrative costs for the Service Members Occupational Conversion and Training Act in fiscal year 1996.

VETERANS HEALTH ADMINISTRATION

Amendment No. 4: Appropriations $16,564,000,000 for medical care, instead of $16,777,474,000 as proposed by the House and $16,450,000,000 as proposed by the Senate.

The conferees note that the amount provided for medical care represents an increase of appropriately $400,000,000 above the fiscal year 1995 level—and is the only appropriation in the bill with such a significant increase. While not the full amount requested, the increase provided will enable the Department to provide quality care to all veterans currently being served by the VA medical system. The conferees continue to be concerned about the Secretary's refusal to adopt systemic reforms and administrative improvements which would result in significant budgetary savings, without in any way compromising patient care. The Inspector General, the General Accounting Office, the Congressional Budget Office, and the service organization have suggested changes which, if implemented, would yield hundreds of millions of dollars in administrative savings. As part of the operating plan, the Secretary is to submit a plan to implement the improvements identified by these organizations and any other reforms which would result in administrative savings totaling a minimum of $400,000,000 for fiscal year 1996.

The conference agreement includes funding for the following:

+$500,000 for a Low Vision Center in Ophthalmology at the East Orange VA Medical Center.

+$500,000 for a geriatric patient care program at the Lyons VA Medical Center.

+$396,000 to provide outpatient care at the Grafton Development Center in Grafton, North Dakota.

+$300,000 to provide outpatient care in Williamsport, Pennsylvania.

+$1,500,000 to expand existing community-based outpatient clinics in Wood County and Tucker County, West Virginia.

+$1,600,000 to establish a primary care clinic in Liberal, Kansas.

The conference committee is aware of the difficulty in staffing several VA facilities in the southwest, particularly in El Paso, Texas. This situation is compounded by budgetary constraints the VA faces in allocating FTEE's among its facilities. The conferees urge that the VA, through the veterans integrated service networks, engage in intra–VISN FTEE transfers during the fiscal year for purposes of staffing as warranted by changing circumstances in VA medical facilities. The conferees also urge the Department to review the staffing situation in El Paso and to move personal as necessary to meet the new service demands that will exist if veterans are not required to travel to other VA facilities for treatment.

The conferees commend the Department for its participation in an advanced coal technology project at the Lebanon, Pennsylvania VA Medical Center in which a fluidized bed boiler will co-fire coal and medical wastes to provide steam for the hospital. Given the potential cost savings for energy and hospital waste disposal, the conferees direct the Department to study the potential for using this technology at other VA facilities.

The conference committee strongly urges VA to develop a center to coordinate academic training programs for physical therapists at the Brooklyn VA hospital. The conferees are aware there is a shortage of physical therapists nationwide. A training center would provide the opportunity for students to complete research projects in physical therapy and rehabilitation. In view of the critical shortage of clinical training sites in the New York City area, the Brooklyn VA would provide an excellent location for such a training program.

The conferees note with considerable interest that the VA has used laser-imaging, nonsilver, dry-medium technology to provide high resolution hard copy images for X-ray examinations in various hospitals around the country. This type of system produces faster diagnosis, with attendant cost savings, and is environmentally safe. Accordingly, the conferees strongly encourage the VA to expand the use of this type of technology in all of its facilities.

The VA plans to expand access to outpatient care. These access points are being considered in more than 180 locations. The conferees are concerned with associated policy, legal, and budgetary issues and expect the VA to address these matters before proceeding with such expansion plans.

The conferees understand that the Department expends approximately $212,000,000 annually on utility costs. Opportunities for creative private sector funding of energy efficiency programs exist through procurements sanctioned by the Department of Energy's Federal Energy Management Program. The VA is encouraged to explore such opportunities, and, where appropriate, to take advantage of them.

Questions have been raised concerning the expansion of the Los Angeles National Cemetery by utilizing open space at the West Los Angeles VA Medical Center. The conferees direct that no property disposal, leasing action or capital improvements be taken that would jeopardize the Government's title to any land at the West Los Angeles VA Medical Center until all options have been reviewed by the VA and the Congress.

Amendment No. 5: Deletes language proposed by the Senate enabling the VA to treat veterans eligible for hospital care or medical services in the most efficient manner. In deleting this language, the conferees wish to make clear that they support budget neutral eligibility reform. Current eligibility requirements for VA medical care are in need of simplification and reform. Such legislation will, within any given dollar amount, permit the medical treatment of a greater number of veterans on an outpatient basis, as compared to the current approach which emphasizes inpatient treatment.

Amendment No. 6: Appropriates $257,000,000 for medical and prosthetic research as proposed by the Senate, instead of $251,743,000 as proposed by the House. The conferees agree that the recommended amount includes $1,250,000 to establish an Office of Veterans Affairs Technology Transfer Center.

Amendment No. 7: Deletes language proposed by the House and stricken by the Senate appropriating $10,386,000 for the health professional scholarship program.

DEPARTMENTAL ADMINISTRATION

Amendment No. 8: Appropriates $848,143,000 for general operating expenses, instead of $821,487,000 as proposed by the House and $872,000,000 as proposed by the Senate. Language has been inserted to limit funding for General Administration activities, and the number of schedule C and non-career senior executive service positions. Language is also inserted to permit up to $6,000,000 of the appropriation to be used for administrative expenses of the housing loan guaranty programs.

The conference agreement includes the following changes from the budget estimate:

−$32,000,000 in the Veterans Benefits Administration as an offset to legislation carried in the VA administrative provisions which permits excess revenues in three insurance funds to be used for administrative expenses.

−$25,500,000 in the Veterans Benefits Administration as an offset to the provision carried under this heading permitting the $25,500,000 earmarked in the 1995 Appropriations Act for VBA's modernization program to be available for the general purposes of the account.

−$7,423,000 (as a minimum) to be taken from the $221,532,000 appropriation requested for General Administration activities. This will permit not to exceed $214,109,000, the 1995 level, for such activities. The conferees intend that to the maximum extent possible all reductions in General Administration and Veterans Benefits Administration be taken from central office activities.

−$2,577,000 as a general reduction in Veterans Benefits Administration activities, subject to normal reprogramming procedures. To continue improving the timeliness of claims, the conferees do not intend that any reduction in funding be applied to the compensation, pensions, and education program. The conferees further intend that VBA will utilize $1,000,000 for a study by the National Academy of Public Administration of the claims processing system. The conferees agree that the NAPA report should build upon and not duplicate any previous or ongoing evaluations of the Veterans Benefits Administration. NAPA is to coordinate with those entities which have conducted evaluations in the past and provide to the Department and the appropriate Committees of Congress a detailed and specific implementation plan for the recommendations it makes.

Language is included to limit to not to exceed $214,109,000 for General Administration costs, including not to exceed $2,450,000 for salaries and $50,000 for travel costs of the Office of the Secretary; $4,392,000 for salaries and $75,000 for travel costs of the Office of the Assistant Secretary for Policy and Planning; $1,980,000 for salaries and $33,000 for travel costs of the Office of the Assistant Secretary for Congressional Affairs; and $3,500,000 for salaries and $100,000 for travel costs of the Office of the Assistant Secretary for Public and Intergovernmental Affairs. The balance of the savings is to be taken at the discretion of the VA, subject to normal reprogramming procedures, from funds requested for the Office of the Assistant Secretary for Human Resources and Administration, the Office of General Counsel, and the Office of the Assistant Secretary for Acquisition and Facilities.

Language has also been included that would limit the number of schedule C employees to 11 and the number of non-career

senior executive service positions to 6 in fiscal year 1996.

Language has also been included to permit up to $6,000,000 of general operating expenses funds to be used for administrative expenses of the loan guaranty and insured loans programs. The VA has requested this provision so as to avoid furloughs.

Amendment No. 9: Appropriates $136,155,000 for construction, major projects, instead of $183,455,000 as proposed by the House and $35,785,000 as proposed by the Senate.

The conference agreement includes the following changes from the budget estimate:

−$146,900,000 from the $145,700,000 requested for the new medical center and nursing home project in Brevard County, Florida. The balance of the request, $7,800,000, together with $17,200,000 appropriated in 1995, will provide $25,000,000 for the design and construction of a comprehensive medical outpatient clinic in Brevard County, Florida. The conferees expect the VA to commence construction of this project as soon as possible.

−$163,500,000 from the $188,500,000 requested for the VA/Air Force joint venture at Travis Air Force Base in Fairfield, California. The balance of the request, $25,000,000, is for the design and construction of an outpatient clinic project at Travis Air Force Base. The conferees recognize that the VA's preliminary cost estimate for this project is $39,500,000. The VA should evaluate the needs of the veterans in the area for outpatient services and report such findings to the Committees on Appropriations.

+$1,000,000 for design of a new national cemetery in the Albany, New York area.

+$5,000,000 for design of an ambulatory care addition, patient privacy and environmental improvements project at the Wilkes-Barre, Pennsylvania VA Medical Center.

+$4,000,000 for the relocation of medical school functions at the Mountain Home, Tennessee VA Medical Center.

+$1,500,000 for design of an ambulatory care addition project at the Asheville, North Carolina VA Medical Center.

+$1,400,000 for design of a new national cemetery in the Joliet, Illinois area.

−$9,000,000 for renovation of nursing units at the Lebanon, Pennsylvania VA Medical Center.

−$11,500,000 for environmental improvements at the Marion, Illinois VA Medical Center.

−$17,300,000 for replacement of psychiatric beds at the Marion, Indiana VA Medical Center.

−$15,100,000 for renovation of psychiatric wards at the Perry Point, Maryland VA Medical Center.

−$17,200,000 for environmental enhancements at the Salisbury, North Carolina VA Medical Center.

−$10,000,000 from the $17,500,000 requested for the advance planning fund.

The conferees have approved major construction funding only for those projects which do not require further authorization. While many of the projects requested in the budget are meritorious, without an authorization no funding can be obligated. The Department should utilize minor construction funds to meet life safety or code deficiencies and to ensure compliance with Joint Commission on Accreditation of Healthcare Organizations criteria.

The conferees believe that the Department must assemble a long-term plan for its infrastructure and construction needs, taking into consideration an increasingly constrained budgetary environment, a decline in the veteran population, shifting demographics, the need to provide more equitable access to veterans medical care systemwide, changes in health care delivery methods, and any policy changes the VA adopts with respect to access points. It is expected that the fiscal year 1997 budget request for major construction funding will be predicated on an analysis incorporating all such variables.

Amendment No. 10: Appropriates $190,000,000 for construction, minor projects, as proposed by the Senate, instead of $152,934,000 as proposed by the House. The conferees agree that this appropriation account should be used to meet any critical requirements, such as safety and fire code deficiencies, at facilities which were denied major construction funding in 1996.

ADMINISTRATIVE PROVISIONS

Amendment No. 11: Inserts language proposed by the Senate authorizing the VA to convey property to the Federal Highway Administration which is necessary for the modernization of U.S. Highway 54 in Wichita, Kansas.

Amendment No. 12: Deletes language proposed by the Senate authorizing the VA to use supply fund resources for an acquisition computer network.

Amendment No. 13: Deletes language proposed by the Senate regarding access to VA medical care for veterans in Hawaii, and deletes language in the administrative provisions which would limit compensation payments to certain incompetent veterans.

In deleting the Senate language, the conferees wish to make clear their concern that veterans in the State of Hawaii do not have access to veterans medical care comparable to that of veterans in the forty-eight contiguous states. Through sharing arrangements with the Tripler Army hospital and community facilities, and existing VA outpatient clinics, the Department is to ensure adequate and equitable access to care for Hawaii's veterans. Furthermore, VA should provide care within the State whenever possible rather than transferring patients to the West Coast for acute care services, which is extremely inconvenient for veterans and their families.

The conferees have agreed to delete language carried in sec. 107 of the VA's administrative provisions limiting compensation payments to certain incompetent veterans.

Amendment No. 14: Deletes language proposed by the Senate requiring the Secretary to develop a plan for the allocation of VA health care resources to remedy discrepancies in the allocation of funds to VA facilities across the country.

The conferees are concerned that VA's allocation of resources has not resulted in equal access to health care services for veterans nationally. Despite implementation of the resource planning and management system several years ago, VA has not shifted resources sufficiently to meet changing demand.

The conferees recognize the Veterans Health Administration recently reorganized into veterans integrated service networks and expect that the reorganization will result in a more equitable allocation of resources nationally. To ensure that this occurs, the conferees direct the Department to develop a plan to allocate resources in a manner that will result in equal access to medical care for veterans and will take into account projected changes in the workload of each facility. The plan should reflect the RPM system to account for forecasts in expected workload and should recognize facilities that provide cost-effective health care. The plan shall include procedures to identify reasons for variations in operating costs among similar facilities and ways to improve the allocation of resources so as to promote efficient use of resources and provision of high quality care.

Amendment No. 15: Inserts language permitting the transfer of not to exceed $4,500,000 of 1996 medical care funds to the medical administration and miscellaneous operating expenses account, instead of $5,700,000 as proposed by the Senate.

The conference agreement includes permissive transfer authority of up to $4,500,000 from the medical care account to the MAMOE account to help alleviate possible furloughs. The conferees wish to make clear, however, that any transfer is to occur only through the normal reprogramming procedures. It is expected that the central office medical staffing funded through this account will be reduced to 600 by the end of fiscal year 1996.

TITLE II—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HOUSING PROGRAMS

Amendment No. 16: Appropriates $10,155,795,000 for annual contributions for assisted housing, instead of $10,182,359,000 as proposed by the House and $5,594,358,000 as proposed by the Senate. The conferees expect the Department and the Office of Management and Budget to adhere to the 1996 program detailed in the following table:

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING FISCAL YEAR 1996—GROSS RESERVATIONS

	Units	Cost	Term	Budget authority
New Authority	NA	NA	NA	$10,155,795,000
New Spending:				
Public Housing Modernization	NA	NA	NA	2,500,000,000
Indian Housing	1,603	99,800	NA	160,000,000
Section 202 Elderly	9,654	[NA]	[NA]	780,190,000
Section 811 Disabled	2,915	[NA]	[NA]	233,168,000
HOPWA	6,400	[NA]	[NA]	171,000,000
Section 7 Replacement Assistance	35,398	5,650	2	400,000,000
[Witness Relocation]	NA	NA	NA	[2,500,000]
Preservation	NA	NA	NA	624,000,000
Property Disposition	NA	NA	NA	261,000,000
Lead-based Paint	NA	NA	NA	65,000,000
Family Self-Sufficiency	NA	NA	NA	
Section 8 Contract Renewals	435,028	5,680	[1] 2	4,350,862,000
Section 8 Amendments	NA	NA	NA	610,575,000
Total	490,998	NA	NA	10,155,795,000

[1] Loan management setasides are renewed for one year.

Including these funding levels, the House and Senate agree to the resolution of the following issues:

Deletes language proposed by the House and stricken by the Senate to establish an outlay cap of $19,939,311,000 for the annual contributions for assisted housing account.

Provides $160,000,000 for Indian housing development, instead of $100,000,000 as proposed by the House and $200,000,000 as proposed by the Senate.

Provides $2,500,000,000 for public housing modernization as proposed by the House, instead of $2,510,000,000 as proposed by the Senate.

Deletes language proposed by the House and stricken by the Senate to provide the Secretary authority to direct any housing authority that receives modernization funds under this Act, or has yet to obligate rehabilitation funds from prior year appropriations Acts, to demolish, reconfigure, or reduce the density of any public housing project owned by the housing authority.

Deletes language proposed by the House and stricken by the Senate to provide $15,000,000 for the tenant opportunity program as a setaside from the public housing modernization program. Funding for this activity is provided as a separate setaside under the community development block grant program.

Inserts language proposed by the Senate to set aside funds from the public housing modernization program for technical assistance, but at a modified funding level of $20,000,000, instead of $30,000,000 as proposed.

Provides $400,000,000 for section 8 rental assistance, instead of $862,000,000 as proposed by the House and $240,000,000 as proposed by the Senate.

Inserts language proposed by the Senate to provide such section 8 rental assistance under only certain circumstances, including new language to allow funds to be used for witness relocation assistance in conjunction with the safe home initiative.

Restores language proposed by the House and stricken by the Senate to allow such section 8 rental assistance to be used in connection with subsequent authorizing legislation.

Deletes appropriations language establishing a special needs housing fund for multiple purposes as proposed by the House.

Provides $780,190,000 for section 202 elderly housing as proposed by the Senate, instead of an unspecified earmark as proposed by the House under the special needs housing appropriation. Such funding will assist 9,654 elderly households, the same number as provided for in fiscal year 1995.

Provides $233,168,000 for section 811 disabled housing as proposed by the Senate, instead of an unspecified earmark as proposed by the House under the special needs housing appropriation. Such funding will assist at least 2,915 disabled households, the number as provided for in fiscal year 1995. The figure is likely to be higher because language is added permitting the Secretary to use up to 25 percent of the funds provided to be used for section 8 vouchers to serve the same population. Such assistance must have a contract term of five years.

Provides $171,000,000 for the housing opportunities for person with AIDS program, instead of an unspecified earmark as proposed by the House under the special needs housing appropriation. Such funding will assist 6,400 households and matches the amount of funding provided for in fiscal year 1995.

Inserts language proposed by the House and agreed to by the Senate to allow the Secretary to waive any provision of the section 202 and 811 programs, including the terms and conditions of project rental assistance.

Deletes language proposed by the House and stricken by the Senate to allow the Secretary to use up to $200,000,000 of unobligated carryover balances of the annual contributions for assisted housing account to implement preservation legislation enacted subsequent to this Act.

Provides $624,000,000 for the Emergency Low Income Preservation Act of 1987, as amended, and the Low Income Housing Preservation and Resident Homeownership Act of 1990, as amended. Until July 1, 1996, such funding will be limited to sales of projects to non-profit organizations, tenant-sponsored organizations, and other priority purchasers. Up to $10,000,000 of this amount will be available for preservation technical assistance grants pursuant to section 253 of the Housing and Community Development Act of 1987, as amended. With respect to funds remaining available after July 1, 1996, the Secretary may determine priorities for distributing such funds, including giving priority to tenants displaced due to mortgage prepayment and to projects that have not yet been funded but which have approved plans of action, if the Secretary determines that demand for funding exceeds amounts remaining. In addition, the Secretary may impose a temporary moratorium on applications by potential recipients of such funding.

The legislation also provides owners the opportunity to prepay their mortgages or request voluntary termination of a mortgage insurance contract, as long as the owner agrees not to increase rents for 60 days after such prepayment. This condition is necessary in order to allow HUD time to make available rental assistance for eligible families who desire to stay or move.

As a condition of eligibility for preservation funds under this Act, the legislation establishes a threshold of the lesser of $5,000 per unit, $500,000 per project, or eight times the local fair market rent for each unit in preservation equity. This is intended to direct federal resources at those projects with the greatest likelihood of prepayment.

The Secretary also may modify the regulatory agreement to permit owners and priority purchasers to retain rental income in excess of the basic rental charge in projects assisted under section 236. In addition, the Secretary may give priority to funding obligated not later than August 1, 1996 for the following purposes: (1) projects with approved plans of action to retain the housing that file a modified plan of action not later than July 1, 1996 to transfer the housing; (2) projects with approved plans of action that are subject to a repayment or settlement agreement that was executed between the owner and the Secretary prior to September 1, 1995; (3) projects for which submissions were delayed as a result of their location in areas that were designated as a federal disaster area in a Presidential Disaster Declaration; and (4) projects that have submitted an appraisal to the New York State office.

Notwithstanding any other provision of law, subject to the availability of appropriated funds, each unassisted low-income family residing in the housing on the date of prepayment, and whose rent, as a result of prepayment exceeds 30 percent of adjusted income, shall be offered tenant-based assistance in accordance with section 8 or any successor program, under which the family shall pay rent not less than rent paid on such date. Any eligible family receiving such tenant-based assistance may elect to remain in the housing and if the rent is in excess of the fair market rent or payment standard, as applicable, the rent shall be deemed the applicable standard, so long as the administering public housing agency deems that the rent is reasonable in comparison to rents charged for comparable unassisted housing units in the market. In instances where eligible families move with such assistance to other private rental housing, the rent will be subject to the fair market rent or the payment standard, as applicable, under existing rules and procedures.

The resources provided by conferees under this Act for the preservation program ought not to be considered another payment in a long list of federal preservation program payments, but as the last payment for addressing preservation in this manner. Included in this section is a provision to effectively terminate the preservation program after October 1, 1996. Unless this program is substantially reformed, Congress will appropriate only rental assistance for eligible residents of projects where owners have decided to prepay. Such assistance will allow residents to stay in the same housing at the same cost or move to other private housing.

Provides $65,000,000 for lead-based paint activities, including abatement grants, instead of $10,000,000 as proposed by the House and $75,000,000 as proposed by the Senate.

Deletes $17,300,000 for family self-sufficiency coordinators as proposed by the House and stricken by the Senate. Such activities are eligible under the public and assisted housing services setaside under the community development block grant program.

Provides $4,350,862,000 for the renewal of expiring section 8 contracts, instead of $4,641,589,000 as proposed by the House. The Senate had proposed $4,350,862,000 for section 8 contract renewals under a separate appropriations heading.

Restores language proposed by the House and stricken by the Senate to merge funds provided for section 8 contract renewals with annual contributions for assisted housing.

The following table identifies expected section 8 contract renewal costs for fiscal year 1996:

SECTION 8—RENEWAL OF EXPIRING CONTRACTS

[Dollars in thousands]

	Units	1996 Budget authority
Certificates	241,206	$2,993,597
Vouchers	58,798	729,739
LMSA	120,587	475,354
Property Disposition	4,464	35,194
Moderate Rehabilitation	8,916	99,486
New Construction/Substantial Rehabilitation	1,957	17,492
Total	435,028	4,350,862

Note: Totals may not add due to rounding.

Restores language proposed by the House and stricken by the Senate to allow the use of section 8 contract renewal funds with subsequently enacted legislation.

Inserts language to allow the Secretary to renew housing vouchers without regard to section 8(c)(6)(B) of the Housing Act of 1937, a provision requiring HUD to budget an additional 10 percent to cover long-term inflation adjustments for housing vouchers. The Senate had proposed identical language under its separate heading for section 8 contract renewals.

Provides $610,575,000 for section 8 contract amendments as proposed by the House, instead of $500,000,000 as proposed by the Senate.

Provides $261,000,000 for property disposition as proposed by the Senate, instead of no funding as proposed by the House.

Inserts language proposed by the Senate to allow the Secretary to manage and dispose of multifamily properties owned by HUD and multifamily mortgages held by HUD without regard to any other provision of law.

Inserts language proposed by the Senate to allow state housing finance agencies, local governments, or local housing agencies to

keep 50 percent of the savings from refinancing housing projects, as specified under section 1012(a) of the Stewart B. McKinney Homeless Assistance Act of 1988. The other 50 percent of budget authority savings shall be rescinded, or in the case of cash, remitted to the U.S. Treasury.

Provides $280,000,000 for the public housing demolition, site revitalization, and replacement housing grants program. The Senate proposed $500,000,000 for this activity and the House nothing.

Inserts language identifying eligible uses of these funds, as proposed by the Senate. Conferees agree funds are needed to assist housing authorities in the demolition of obsolete public housing. However, the conferees are concerned about the Department's use of wavier authority under the Department's total development cost (TDC) controls. Upon waiving such controls, the conferees direct the Department to notify the appropriate committees of Congress.

Deletes separate appropriation for the assistance for the renewal of expiring section 8 subsidy contracts as proposed by the Senate and all other language under this heading.

Amendment No. 17: Appropriates $2,800,000,000 for payments for the operation of public housing projects as proposed by the Senate, instead of $2,500,000,000 as proposed by the House.

The conferees are concerned that the funding formula applied to Puerto Rico, which has always been excluded from the Performance Funding System (PFS) under the operating expense subsidy program of the U.S. Housing Act of 1937, may have led to the inequitable treatment for Puerto Rico as compared to the states, and even other non-PFS territories. Consistent with overall objectives of streamlining programs and funding, allowable expense levels (AELs) should be fairly and effectively allocated among all jurisdictions, both inside and outside the PFS system. The conferees encourage HUD to study the AEL formula for Puerto Rico to determine if it accurately reflects the actual costs to operate decent and affordable assisted housing in Puerto Rico.

Amendment No. 18: Appropriates $290,000,000 for Drug Elimination Grants for Low-Income Housing as proposed by the Senate, instead of the proposed consolidation of these functions into the public housing modernization program as proposed by the House. Of this amount, the conferees earmark $10,000,000 for technical assistance grants and $2,500,000 for the Safe Home initiative. In addition, the conferees agree to language in the Senate bill that would redefine ''drug-related crime'' as determined by the HUD Secretary.

In order to defer to the committees of jurisdiction, the conferees delete language proposed by the Senate to allow the Secretary to distribute Drug Elimination Grants funds through a formula allocation.

Amendment No. 19: Deletes language proposed by the House and stricken by the Senate to provide $12,000,000 for housing counseling under a separate appropriations heading. Instead, $12,000,000 is provided for identical housing counseling activities as an earmark under the Community Development Block Grants program.

Amendment No. 20: Deletes language proposed by the Senate on describing how homeless assistance funds will be distributed, including language permitting the Secretary to distribute homeless funds under a formula allocation.

Amendment No. 21: Inserts technical correction to the language as proposed by the Senate.

Amendment No. 22: Deletes language proposed by the House and stricken by the Senate to make eligible the Innovative Homeless Initiatives Demonstration program under Homeless Assistance Grants. The authorization for this initiative terminated the demonstration as of September 30, 1995.

Amendment No. 23: Appropriates $823,000,000 for Homeless Assistance Grants, instead of $676,000,000 as proposed by the House and $760,000,000 as proposed by the Senate. This amount is equivalent to a funding freeze for homeless programs instead of a reduction. In fiscal year 1994, the appropriations for HUD homeless programs totaled $823,000,000. In fiscal year 1995, Public Law 104–19 deferred the availability of $297,000,000 of the original appropriations of $1,120,000,000 until September 30, 1995, effectively reducing the fiscal year 1995 program level to $823,000,000.

The conferees remain concerned that HUD homeless programs put too much emphasis on short-term solutions instead of long-term comprehensive strategies. To the maximum extent practicable, the conferees direct the Department to allocate homeless assistance grants under the Shelter Plus Care program which requires a dollar-for-dollar match of services for HUD housing assistance. Homeless assistance of nearly $1,000,000,000 is small compared to the $120,000,000,000 of Federal service dollars that serve much of this same population. Homeless studies, such as the 1990 Annual Report of the Interagency Council on the Homeless, show that housing in combination with appropriate services is the most effective way of permanently reducing homelessness. The conferees recognize that a one-size-fits-all approach does not recognize the diversity among communities and the diverse needs of the homeless population.

Amendment No. 24: Deletes language proposed by the Senate to allow Homeless Assistance Grants to be distributed by formula in fiscal year 1996. The conferees defer to the authorizing committees to determine an adequate program formula over the coming months. Language is also deleted requiring the Secretary to complete a study on how to merge homeless assistance programs under the Stewart B. McKinney Homeless Assistance Act with the HOME program.

Amendment No. 25: Appropriates $50,000,000 for grants to Indian tribes instead of $46,000,000 as proposed by the House and $60,000,000 as proposed by the Senate.

Amendment No. 26: Inserts language proposed by the Senate to provide $2,000,000 for the Housing Assistance Council and $1,000,000 for the National American Indian Housing Council as setasides under the Community Development Block Grants program. The House had proposed funding these two councils at the same level as setasides under the HUD salaries and expenses account.

Amendment No. 27: Appropriates $27,000,000 for Section 107 grants as proposed by the Senate instead of $19,500,000 as proposed by the House. The conferees are in agreement that Section 107 funding includes $7,000,000 for insular areas, $6,000,000 for work study (including $3,000,000 for Hispanic-serving institutions), $6,500,000 for historically black colleges and universities (HBCUs), and $7,500,000 for the community outreach partnership program.

The conferees urge HUD to use community outreach partnership funds to support new and existing planning grants to universities located in and around urban areas with high minority populations, low standards of living and large numbers of empty or abandoned dwellings. Priority ought to be given to proposals that seek to address community problems comprehensively and in partnership with local government, and consideration should be made for projects which include HBCUs as local partners.

The conferees are aware of an innovative business development center proposal of Hofstra University which will coordinate and target educational and technical assistance activities designed to foster economic development and job creation on Long Island. This proposal mirrors the goals of the Community Outreach Partnership program and therefore the Department is urged to carefully review this proposal in connection with the funding recommended for this activity.

Amendment No. 28: Inserts technical correction to the language as proposed by the Senate.

Amendment No. 29: Inserts language proposed by the Senate to permanently extend homeownership activities as an eligible use of CDBG funds.

Amendment No. 30: Inserts language proposed by the Senate to extend for one year a setaside for Colonias of up to 10% of state CDBG allocations for the U.S. border states of Arizona, California, New Mexico, and Texas.

Amendment No. 31: Inserts language proposed by the Senate and amended by the House to provide $53,000,000 as a setaside from the CDBG program for pubic and assisted housing supportive services. The amended language also earmarks $15,000,000 for the Tenant Opportunity Program, $12,000,000 for Housing Counseling activities, and $20,000,000 for the Youthbuild program. With regard to the Tenant Opportunity Program, this setaside represents a 40 percent reduction from last year's funded level of $25,000,000. The conferees have been made aware of recent abuses in this program and direct the Department to eliminate such abuses if the program is to receive additional funding. Conferees agree this is the last year of appropriations funding for Youthbuild as a separate earmark and anticipate that Youthbuild will become an eligible activity under CDBG or another block grant in the coming year, to be determined by the appropriate authorizing committees. The conferees delete funding proposed by the Senate for Economic Development Initiatives at $80,000,000.

Amendment No. 32: Appropriates $31,750,000 for credit subsidies for the Section 108 loan guarantee program, instead of $15,750,000 as proposed by the Senate and $10,500,000 as proposed by the House.

Amendment No. 33: Establishes a loan limitation of $1,500,000,000 for the Section 108 loan guarantee program as proposed by the Senate, instead of $1,000,000,000 as proposed by the House and inserts language to waive the aggregate loan limitation.

Amendment No. 34: Appropriates $675,000 for administrative expenses of the Section 108 loan guarantee program as proposed by the Senate, instead of $225,000 as proposed by the House.

Amendment No. 35: Inserts language for the reuse of a grant for Buffalo, New York for the central terminal and other public facilities in Buffalo, New York.

Amendment No. 36: Appropriates $30,000,000 for fair housing activities to be operated by HUD, instead of providing $30,000,000 for these activities to be funded under the Department of Justice, as proposed by the Senate. Language is added to limit eligibility under the fair housing initiatives program (FHIP) to only qualified fair housing enforcement organizations, as proposed by the Senate. The House and Senate conferees strongly support the enforcement of fair housing laws, but are concerned that FHIP funds have been used by non-traditional fair housing groups in a manner that is inconsistent with the program's intent to enforce fair housing laws. The conferees direct the Department to provide the Committees on Appropriations an opportunity to review the new standard of qualified fair housing organizations prior to awarding fiscal year 1996

FHIP funds. The House had proposed $30,000,000 for fair housing activities, but only for the fair housing program (FHAP).

Amendment No. 37: Appropriates $962,558,000 for salaries and expenses, instead of $951,988,000 as proposed by the House and $980,777,000 as proposed by the Senate. The Department is to distribute the general reduction, subject to normal reprogramming guidelines. In addition, the conferees direct the Department to outline when and how future staffing reductions will occur to meet the Administration's goal of 7,500 HUD employees by fiscal year 2000. To the extent reductions are needed to take place in fiscal year 1996 to meet fiscal year 2000 staffing goals, the conferees urge the Department to utilize early in the fiscal year any resources needed to achieve such purpose.

Amendment No. 38: Authorizes the use of $532,782,000 for salaries and expenses from the various funds of the Federal Housing Administration as proposed by the Senate, instead of $505,745,000 as proposed by the House.

Amendment No. 39: Authorizes the use of $9,101,000 for salaries and expenses from the funds of the Government National Mortgage Association as proposed by the Senate, instead of $8,824,000 as proposed by the House.

Amendment No. 40: Authorizes the use of $675,000 for salaries and expenses from the Community Development Grants program account as proposed by the Senate, instead of $225,000 as proposed by the House.

Amendment No. 41: Appropriates $47,850,000 for salaries and expenses of the Office of Inspector General, instead of $47,388,000 as proposed by the House and $48,251,000 as proposed by the Senate.

Amendment No. 42: Authorizes the use of $11,283,000 for salaries and expenses of the Office of Inspector General from the various funds of the Federal Housing Administration as proposed by the Senate, instead of $10,961,000 as proposed by the House.

Amendment No. 43: Restores language proposed by the House and deleted by the Senate to appropriate $14,895,000 for the Office of Federal Housing Enterprise Oversight (OFHEO).

Amendment No. 44: Inserts language proposed by the Senate to allow the Secretary to sell up to $4,000,000,000 of assigned mortgage notes under the FHA Mutual Mortgage Insurance (FHA-MMI) program account and use any negative credit subsidy amounts from such sales during fiscal year 1996 for the disposition of properties or notes under the FHA-MMI program.

Amendment No. 45: Appropriates $341,595,000 for administrative expenses of the guaranteed and direct loan programs of the FHA-MMI program account as proposed by the Senate, instead of $308,846,000 as proposed by the House.

Amendment No. 46: Authorizes the transfer of $334,483,000 for departmental salaries and expenses from the FHA-MMI program account as proposed by the Senate, instead of $308,290,000 as proposed by the House.

Amendment No. 47: Authorizes the transfer of $7,112,000 for the Office of Inspector General from the FHA-MMI program account as proposed by the Senate, instead of $6,790,000 as proposed by the House.

Amendment No. 48: Appropriates $85,000,000 for credit subsidies under the FHA-General and Special Risk Insurance (FHA-GI/SRI) program account, as authorized by Sections 238 and 519 of the National Housing Act, instead of $100,000,000 as proposed by Senate. It is the understanding of the conferees that when these funds are combined with new statutory authority to use net asset sales proceeds for additional credit subsidies, the combined program level will exceed $100,000,000. Under a different proviso stricken by the Senate, the House proposed $69,620,000 for these activities.

Amendment No. 49: Inserts technical correction to the language as proposed by the Senate.

Amendment No. 50: Establishes guarantee loan limitation of $17,400,000,000 as proposed by the Senate, instead of $15,000,000,000 as proposed by the House.

Amendment No. 51: Inserts language proposed by the Senate to authorize the sale of up to $4,000,000,000 of assigned notes under the FHA-GI/SRI program account. Under a separate proviso stricken by the Senate, the House had proposed the sale of $2,400,000,000 of such notes. Also inserts language proposed by the Senate to allow the use of any negative credit subsidy from such sales to offset new FHA-GI/SRI guarantee activity. A separate House provision stricken by the Senate contained similar language on the reuse of negative credit subsidies.

Amendment No. 52: Inserts language proposed by the Senate to allow funds previously appropriated to remain available until expended if such funds have not been obligated. The House language stricken by the Senate extended the availability of such funds if they had not been previously made available for obligation.

Amendment No. 53: Deletes language proposed by the House and stricken by the Senate to reuse negative credit subsidies from the sale of FHA-MI/SRI assigned notes for new loan guarantee credit subsidies under the same account. Also deletes House language establishing a cap of $2,600,000,000 on the amount of such sales, a limitation on the availability of $52,000,000 of excess proceeds from such sales, and an appropriation of $69,620,000 for credit subsidies.

Amendment No. 54: Appropriates $202,470,000 for administrative expenses of the guaranteed and direct loan programs of the FHA-GI/SRI program account as proposed by the Senate, instead of $197,470,000 as proposed by the House.

Amendment No. 55: Authorizes the transfer of $198,299,000 for departmental salaries and expenses from the FHA-GI/SRI program account as proposed by the Senate, instead of $197,455,000 as proposed by the House.

Amendment No. 56: Appropriates $9,101,000 for administrative expenses of the Government National Mortgage Association (GNMA) guaranteed mortgage-backed securities program as proposed by the Senate, instead of $8,824,000 as proposed by the House.

Amendment No. 57: Authorizes the transfer of $9,101,000 for departmental salaries and expenses from the GNMA mortgage-backed securities guaranteed loan receipt account as proposed by the Senate, instead of $8,824,000 as proposed by the House.

ADMINISTRATIVE PROVISIONS

Amendment No. 58: Inserts administrative provisions agreed to by the conferees. These provisions, identified by section number, are as follows:

SEC. 201. Extend Administrative Provisions from the Rescission Act. Inserts language proposed by the Senate to modify and extend the applicability of language affecting the public housing modernization program and the public housing one-for-one replacement requirement first enacted in Public Law 104–19. The House proposed similar language to suspend the one-for-one replacement requirement for fiscal year 1996.

SEC. 202. Public and Assisted Housing Rents, Income Adjustments, and Preferences. (a) Minimum Rent. Inserts language to establish minimum rents at $25 per month per household and up to $50 per month at the discretion of the public housing authority (PHA). (b) Ceiling Rents. Also establishes a second calculation of ceiling rents that reflect reasonable market value of the housing but are not less than the monthly operating costs and, at the discretion of the PHA, contribution to a replacement reserve. (c) Definition of Adjusted Income. Allows PHAs to adopt separate income adjustments from those currently established under the Housing Act of 1937. However, the Secretary shall not take into account any reduction of the per unit dwelling rental income when calculating federal subsidies under the public housing operating subsidies program. (d) Preferences. Suspends federal preferences for the public and assisted housing programs. (e) Applicability. Extends the applicability of subsections (a), (b), (c), and (d) to Indian housing programs. (f) Limits the application of this section to fiscal year 1996 only.

SEC. 203. Conversion of Certain Public Housing to Vouchers. Establishes criteria for identifying public housing to be converted to voucher assistance, rules for implementation and enforcement, and a process for removing units from the public housing inventory and converting federal assistance to vouchers. Section 18 of the Housing Act of 1937 shall not apply to the demolition of developments under this section.

SEC. 204. Streamlining Section 8 Tenant-Based Assistance. (a) Suspends for fiscal year 1996 the ''take one, take all'' requirement, section 8(t) of the Housing Act of 1937. (b) Suspends for fiscal year 1996 certain notice requirements for owners participating in the certificate and voucher programs. (c) In addition, this provision suspends for fiscal year 1996 the ''endless lease'' requirement under section 8(d)(1)(B).

SEC. 205. Section 8 Fair Market Rentals, Administrative Fees, and Delay in Reissuance. (a) Establishes fair market rentals at the 40th percentile of modest cost existing housing instead of the current 45th percentile calculation. (b) Modifies provision to provide administrative fees equivalent to 7.65 percent of the local FMR for up to 600 units of tenant-based assistance administered by a public housing agency and 7 percent of the local FMR for each additional unit. (c) Delays the reissuance of section 8 vouchers and certificates by three months. The Administration originally proposed similar proposals in its fiscal year 1996 budget. Both the House and Senate are in agreement on these new policy directions.

SEC. 206. Public Housing/Section 8 Moving to Work Demonstration. Establishes a demonstration of no more than 30 public housing authorities to reduce cost and achieve greater cost-effectiveness in federal expenditures, to provide incentives for heads of households to become economically self-sufficient, and to increase housing choices for lower-income families. The demonstration may include no more than 25,000 public housing units.

SEC. 207. Repeal of Provisions Regarding Income Disregards. Repeals section 957 of the Cranston-Gonzalez National Affordable Housing Act and section 923 of the Housing and Community Development Act of 1992.

SEC. 208. Extension of Multifamily Housing Finance Programs. Extends sections 542(b)(5) and 542(c)(4) as proposed by the House and Senate.

SEC. 209. Foreclosure of HUD-held Mortgages Through Third Parties. During fiscal year 1996, allows the Secretary to delegate some or all of the functions and responsibilities in connection with the foreclosure of mortgages held by HUD under the National Housing Act.

SEC. 210. Restructuring of the HUD Multifamily Mortgage Portfolio Through State Housing Finance Agencies. During fiscal year 1996, allows the Secretary to sell or transfer multifamily mortgages held by the Secretary under the National Housing Act to a State housing finance agency.

SEC. 211. Transfer of Section 8 Authority. Allows the Secretary to use section 8 budget

authority that becomes available because of the termination of a project-based assistance contract to provide continued assistance to eligible families. Section 8 renewal assistance may be used for the same purpose at the time of contract expiration.

SEC. 212. Documentation of Multifamily Refinancings. Extends through fiscal year 1996 and thereafter, the amendments to section 223(a)(7) of the National Housing Act included in Public Law 103–327.

SEC. 213. FHA Multifamily Demonstration. Establishes a demonstration to review the feasibility and desirability of ''marking-to-market'' the debt service and operating expenses attributable to HUD multifamily projects which can be supported with or without mortgage insurance under the National Housing Act and with or without above-market rents utilizing project-based or tenant-based assistance. Such demonstration is limited to 15,000 units over fiscal years 1996 and 1997. The provision also appropriates $30,000,000 as a credit subsidy for such activities.

SEC. 214. Section 8 Contract Renewals. Inserts language to limit the cost of section 8 contract renewals to the fair market rent (FMR) for the area, similar to language proposed by the House. In addition, language is added to make clear that the Secretary shall, at the request of the owner, renew expiring section 8 contracts for one year under the same terms and conditions as the expiring contract during fiscal year 1996. On October 1, 1996, additional expiring contracts will be subject to the local FMR. This language clarifies existing law with respect to renewal of these project-based subsidy contracts, and highlights the urgency of affirmative action by the authorizing committees in enacting legislation necessary to avoid loss of affordable housing and potential displacement of residents next fiscal year.

This section also amends the provisions of law requiring renewal of loan management setaside contracts to provide the Secretary the discretion to renew only that portion of expiring contracts necessary to avoid displacement of residents who have been previously assisted. Budgetary constraints will make continuing these rental subsidy contracts very difficult over the next several years and it is highly advisable that project owners reduce dependence on such project-based subsidies as such assisted residents voluntarily leave these developments.

Finally, this section amends the rental payment standards applicable to housing projects under section 236 of the National Housing Act to encourage the retention of working families in these developments by preventing rental charges in these projects which may exceed actual market rates in certain localities.

SEC. 215. Extension of Home Equity Conversion Mortgage Program. Extends demonstration through fiscal year 1996, increasing the maximum number of units insured from 25,000 to 30,000.

SEC. 216. Assessment Collection Dates for Office of Federal Housing Enterprise Oversight (OFHEO). Modifies OFHEO assessment collection dates to allow revenues to match the timing of expenditures.

SEC. 217. Merger Language for Assistance for the Renewal of Expiring Section 8 Subsidy Contracts and Annual Contributions for Assisted Housing. Merges the section 8 renewal account with annual contributions for assisted housing, as proposed by the House. This will allow a more accurate assessment of the ongoing commitment to affordable housing by the 104th Congress. More than 400,000 families will be assisted with funds provided under the Annual Contributions for Assisted Housing account in fiscal year 1996. Altogether, 4.5 million households will receive HUD assistance in fiscal year 1996.

SEC. 218. Debt Forgiveness. Inserts language to forgive public facilities loans in Hubbard and Groveton, Texas and Hepzibah, West Virginia. These loans were previously written off as uncollectible and will not increase the federal debt. In addition, the conferees direct the Department of Housing and Urban Development to work with the Rend Lake Conservancy District, Illinois, to resolve its indebtedness under the Public Facilities Loan program.

SEC. 219. Clarifications. Inserts language to clarify ''continuum of care'' requirements as applied to the Paul Mirabile Center in San Diego, California.

SEC. 220. Employment Limitations. Limits the number of Assistant Secretaries at the Department to 7, the number of schedule C employees to 77, and the number of noncareer Senior Executive Service positions to 20. Such limitations are to be met by the end of fiscal year 1996.

SEC. 221. Use of Funds. Allows previously appropriated funds for Highland, California, and Toledo, Ohio, to be used in their respective communities for other purposes.

SEC. 222. Lead-based Paint Abatement. Amends eligible housing criteria under section 1011 of the Residential Lead-Based Paint Hazard Reduction Act of 1992.

SEC. 223. Extension Period for Sharing Utility Cost Savings with PHAs. Eliminates time restriction for sharing utility cost savings under section 9(a)(3)(B)(i) of the Housing Act of 1937.

SEC. 223A. Mortgage Note Sales. Extends for fiscal year 1996 mortgage sales under section 221(g)(4)(C)(viii) of the National Housing Act.

SEC. 223B. Repeal of Frost-Leland. This provision repeals section 415 of the VA, HUD, and Independent Agencies Appropriations Act for fiscal year 1988. The Dallas Housing Authority and the Housing Authority of the City of Houston may proceed with demolitions and revitalization of George Loving Place and Allen Parkway Village, respectively. In addition, the conferees have learned that the demolition of Allen Parkway Village, a large densely organized public housing project in Houston, Texas, which has been substantially vacant for over a decade, is being delayed by the section 106 process under the National Historic Preservation Act of 1966. The conferees believe that preservation of historic buildings is an admirable goal. However, the conferees do not believe that it is good policy to require the preservation of buildings unsuitable for modern family life at the expense of low income families in dire need of safe, decent, and affordable housing.

SEC. 223C. FHA Single-Family Assignment Program Reform. Reforms the assignment process of the Federal Housing Administration to reflect cost-savings achieved in the private sector for working out delinquent loans to avoid foreclosure and minimizing losses to the mortgage insurer.

SEC. 223D. Spending Limitations. (1) Property Insurance. The conferees recognize that property insurance is essential to financing and insuring housing under the National Housing Act. The Department is in the process of promulgating regulations under the Fair Housing Act regarding discriminatory practices in property insurance activities. Certain courts have ruled upholding the application of the Fair Housing act to property insurance. However, significant questions have been raised relative to HUD's jurisdiction in this regard, especially in light of the McCarran-Ferguson Act, which reserves to the States authority to regulate insurance matters, and the Fair Housing Act, which makes no mention of discriminating in providing property insurance.

Given the uncertainty and controversy over this issue, it is the consensus that this important issue should be promptly addressed by the legislative committees of jurisdiction so that clear statutory basis of regulation can be provided, and effective anti-discrimination regulation of insurance activities enforced.

(2) PROHIBITION ON PENALTIES OR SANCTIONS AGAINST COMMUNITIES THAT ADOPT ENGLISH AS THE OFFICIAL LANGUAGE.—The conferees are concerned that communities across the United States feel it necessary to adopt State or local law or regulations to declare English the official language. While English ought to be an essential part of the American experience, the conferees do not oppose bilingual education and recognize the importance of such education efforts in order to met the needs of an increasing population of immigrants and others, who in too many cases, are economically disadvantaged. The real need for Americans is to communicate fully with one another. To the extent English is chosen in individual communities as the main language, HUD ought not to punish or impose sanctions because of this action.

(3) LOBBYING PROHIBITION.—Prohibits funds provided under this Act from being used for purposes not authorized by the Congress.

(4) RESPA.—The conference agreement does not include language prohibiting the expenditure of funds to promulgate regulations based upon the July 21, 1994 proposed rule on the Real Estate Settlement Procedures Act (RESPA). However, the conferees are concerned that HUD has been interpreting RESPA in a manner that may stifle competition and the development of innovative services in the settlement services industry. Before proceeding to finalize such rulemaking, the conferees urge the Department to seek additional guidance on this important issue from the appropriate authorizing committees.

(5) LAND USE REGULATIONS FOR RESIDENTIAL CARE.—Communities across the country have expressed serious concerns with fair housing law as it relates to their ability to review and implement land use regulations for residential care facilities. The conferees encourage the Department to work with the relevant authorizing committees to develop legislative remedies for these concerns as soon as possible.

SEC. 223E.—Transfer of functions to the Department of Justice.— Language is inserted to transfer fair housing activities to the Department of Justice effective April 1, 1997. A similar provision was proposed by the Senate in amendment numbered 111. This transfer would include all responsibilities for fair housing issues, including administering the Fair Housing Assistance Program (FHAP) and the Fair Housing Initiatives Program (FHIP). This 18-month transition would give the Department of Justice adequate time to ensure a smooth transfer of all functions. Congress would also have an opportunity to review key implementation issues.

The conferees emphasize that the intent of this provision is not to minimize the importance of addressing housing discrimination in this nation; instead, the Department of Justice with its own significant (and primary) responsibilities to address all forms of discrimination represents the appropriate place to consolidate and to provide consistency in policy direction for the federal government to combat discrimination, including discrimination with regard to housing issues.

While many members of Congress are advocating the elimination of HUD, the transfer of HUD's fair housing programs to the Department of Justice will allow HUD to refocus on its primary responsibilities of providing housing and community development assistance. The larger issue of determining

the fate of HUD is better suited for the authorizing committees of the House and Senate.

Amendment No. 59: Inserts language proposed by the Senate to prohibit the expenditure of funds under this Act for the investigation or prosecution under the Fair Housing Act of any otherwise lawful activity, including the filing or maintaining of non-frivolous legal action, that is engaged in solely for the purposes of achieving or preventing action by a Government official, entity, or court of competent jurisdiction.

Amendment No. 60: Inserts language proposed by the Senate to prohibit the use of funds under this Act to take enforcement action under the Fair Housing Act on the basis of familial status and which involves an occupancy standard except under the occupancy standards established by the March 20, 1991 Memorandum from the General Counsel of HUD to all Regional Counsel, or until such time as HUD issues a final rule on occupancy standards in accordance with standard rulemaking.

Amendment No. 61: Inserts language proposed by the Senate to allow reconstruction or rehabilitation costs as eligible activities for the expenditure of Community Development Block Grant funds, not just reconstruction and rehabilitation costs in conjunction with acquisition costs.

Amendment No. 62: Deletes language proposed by the Senate requiring HUD to submit a report to Congress on the extent federal funds are used to facilitate the closing or substantial reduction of operations of a plant that result in the relocation or expansion of a plant from one state to another. Instead, conferees direct HUD to review available data on this issue and report to Congress the costs and benefits of establishing such a database.

TITLE III—INDEPENDENT AGENCIES

CONSUMER PRODUCT SAFETY COMMISSION

The conferees agree to provide $40,000,000 for the Consumer Product Safety Commission, a reduction of $4,000,000 from the budget request. The conferees direct the Commission to make the necessary reduction in expenditures from among operating expenses, including contract services, overhead accounts such as space, rent, telephone and travel and by delay in filling vacant positions.

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

Amendment No. 63: Reported in disagreement.

COURT OF VETERANS APPEALS

The bill provides $9,000,000 for the Court of Veterans Appeals. The funding level for this agency is not in conference because the recommended amount in the bill was identical as it passed both the House and the Senate. Because of concerns expressed with this level of funding, the conferees intend that the Committee on Appropriations review the benefits of the Court and how it can best operate in a constrained budget environment. It may be that the authorizing committees will also want to review these matters.

DEPARTMENT OF DEFENSE—CIVIL

CEMETERIAL EXPENSES, ARMY

Amendment No. 64: Appropriates $11,946,000 for salaries and expenses as proposed by the Senate, instead of $11,296,000 as proposed by the House.

ENVIRONMENTAL PROTECTION AGENCY

SCIENCE AND TECHNOLOGY

Amendment No. 65: Appropriates $525,000,000 for science and technology activities instead of $500,000,000 as proposed by the Senate and $384,052,000 under research and development as proposed by the House. The research and development account as proposed by the House and stricken by the Senate is deleted and a new science and technology account is adopted in lieu thereof.

The new science and technology account has been created to begin the consolidation of all research related activities at EPA, including appropriate personnel and laboratory costs. The conferees note that Environmental Service Division (ESD) labs have not been brought under this account at this time, however, the Agency is expected to provide an analysis of whether ESD labs, as well as other research related activities, should be included in this account in the fiscal year 1997 budget.

The conferees recognize that with the new account structure, EPA has additional flexibility to manage its resources. The conferees wish to make clear, however, that EPA is not to apply budgetary reductions disproportionately to contracts relative to the workforce. The agency must plan for further budgetary reductions anticipated in the outyears by gradually reducing its workforce, and the account structure is intended in part to ease the difficulties and disruption associated with downsizing the workforce. Any reprogramming of funds that become necessary throughout the fiscal year is to be made upon the notification and approval of the Committees on Appropriations.

The conferees are in agreement with the following changes to the budget request:

+$150,000,000 for research and development personnel costs transferred from the former program and research operations account.

+$35,000,000 for laboratory and facilities costs transferred from the former abatement, control, and compliance account.

+$500,000 for the National Urban Air Toxics Research Center.

+$2,500,000 for the Gulf Coast Hazardous Substance Research Center.

+$1,500,000 for the Water Environment Research Foundation.

+$2,500,000 for the American Water Works Association Research Foundation (AWWARF).

+$730,000 for continued study of livestock and agricultural pollution abatement.

+$1,000,000 for continuation of the San Joaquin Valley PM–10 study.

+$2,000,000 to continue research on urban waste management at the University of New Orleans.

+$1,500,000 for the Resource and Agricultural Policy Systems program at Iowa State University.

+$500,000 for oil spill remediation research at the Spill Remediation Research Center.

+$1,000,000 for research on the health effects of arsenic. In conducting this research, the Agency is strongly encouraged to contract with groups such as the AWWARF so that funds can be leveraged to maximize available research dollars.

+$1,000,000 for the Center for Air Toxics Metals.

+$1,000,000 for the EPSCoR program.

+$18,000,000 for research and development transferred from the hazardous substance superfund account, including $5,000,000 for the hazardous substance research center program. The conferees agree that most research being conducted under the Superfund account has application across media lines and thus should be carried forward in a manner consistent with all other Agency research and development activities. With this transfer, the conferees have included a total of $20,500,000 for Superfund research in the new science and technology account, including $2,500,000 for the Gulf Coast Hazardous Substance Research Center. This represents a further step in consolidating all agency research within this account. Should the amount provided for Superfund research be insufficient, the Committees on Appropriations would entertain an appropriate reprogramming request from the agency. The conferees expect EPA to conform its fiscal year 1997 budget submission to this account restructuring, including Superfund research.

−$69,200,000 from the Environmental Technology Initiative. Remaining funds in this program are to be used for technology verification activities, and the agency is expected to submit a spending plan for this activity as part of its annual operating plan.

−$31,645,700 from the Working Capital Fund included in the budget request. This new fund has not been approved for fiscal year 1996, however, the conferees are generally receptive in the philosophy behind the adoption of such a fund and expect to work closely with the agency throughout the fiscal year to develop a proposal for consideration for fiscal year 1997.

−$19,545,300 as a general reduction, subject to normal reprogramming guidelines.

The conferees have deleted Senate bill language contained in amendment number 92 related to EPA research and development activities and staffing. However, the conferees agree that EPA has not provided adequate information to the Congress regarding its new Science to Achieve Results (STAR) initiative including its purpose; the effects it might have on applied research needed to support the agency's regulatory activities; the impact on current staffing, cooperative agreements, grants, and support contracts; whether STAR will duplicate the work of other entities such as the National Science Foundation; and how STAR relates to the strategic plan of the Office of Research and Development. Therefore, the agency is directed to submit by January 1, 1996 a report to address these issues. The report also should identify the amount of funds to be spent on STAR, and a listing of any resource reductions below fiscal year 1995 funding levels, by laboratory, from federal staffing, cooperative agreements, grants, or support contracts as a result of funding for the STAR program. No funds should be obligated for the STAR program until the Committees are in receipt of the report.

The conferees direct EPA to discontinue any additional hiring under the contractor conversion program in the Office of Research and Development (ORD) and provide to the Committees by January 1, 1996, a staffing plan for ORD indicating the use of federal and contract employees.

As part of the peer review process of research activities, the conferees expect ORD to place more reliance on oversight and review of its ongoing research by the Science Advisory Board. The conferees agree that better use of the Board in such an oversight and review role will greatly enhance the credibility of the ''science'' conducted by EPA in support of program activities.

Finally, the conferees note that funds deleted by the House for the Gulf of Mexico Program (GMP) have been fully restored. While the conferees thus support its continuation for fiscal year 1996, there nevertheless remain concerns regarding the current scope, cost, and long term direction the agency has planned for this program. Precious little information is presented through budget justifications in support of the GMP, yet it has enjoyed financial support through the EPA, as well as significant contributions from numerous other federal and state sources. The conferees expect the agency to perform a thorough study and evaluation of this program and its total expenditures, from all sources, and include such information in the fiscal year 1997 budget support documents.

ENVIRONMENTAL PROGRAMS AND MANAGEMENT

Amendment No. 66: Appropriates $1,550,300,000 for environmental progams and management instead of $1,670,000,000 under program administration and management as proposed by the Senate and $1,881,614,000 under environmental programs and compliance as proposed by the House. The environmental programs and compliance account as proposed by the House and stricken by the Senate is deleted and a new account is adopted in lieu thereof.

The new account combines most of what were formerly the abatement, control, and compliance and program and research operations accounts, thus providing the Agency with increased flexibility to meet personnel and program requirements within the framework of reduced financial resources. As noted under the science and technology account, personnel and laboratory costs associated with research activities have been reduced from the budget request under the aforementioned two accounts. Additionally, state categorical grants proposed in the budget request under abatement, control, and compliance have been moved to the new state and tribal assistance grant account.

In addition to providing flexibility across program lines, the actions of the conferees in approving such structural changes also are due to the necessity of the agency to make substantial changes in the manner in which it carries out its mission. It must be recognized that there simply are not enough financial resources available to remedy every environmental problem that can be identified. Rather, EPA must develop serious priorities, using cost-benefit-risk analysis if appropriate, so that it can go about the task of accomplishing meaningful environmental goals in an orderly and systematic way. To this end, the old ''command and control'' approach must be dicarded—in the Regions as well as in headquarters—and replaced with new methods that promote facilitation, compliance assistance, and federal-state-business partnerships coupled with financial leveraging. The agency's Common Sense Initiative and Project XL are excellent examples of such new methods, and the conferees strongly urge the agency to be more deliberate and aggressive in its move to foster these new, flexible partnerships and relationships with the states and with business without compromising the environmental goals set by the Congress and carried out by the agency. The conferees stand ready to assist the agency in its move in this new direction.

The conferees strongly support the recommendations made by the National Academy of Public Administration in ''Setting Priorities, Getting Results: A New Director for EPA'' as outlined in both the House and Senate committee reports accompanying this bill. The conferees believe that monitoring the progress in implementing NAPA's recommendations, and evaluating the effectiveness of such initiatives as Project XL, performance partnerships, and the Common Sense Initiative to determine if these programs offer the country a significant improvement over traditional regulatory approaches is very important. The conferees direct EPA to propose to the Committees by February 15, 1996, how to evaluate these initiatives, the agency's progress in implementing NAPA's recommendations, and how changes in EPA's management systems and organizational structure encourage or inhibit these innovations. EPA should consider as part of its proposal a further involvement by NAPA or other outside parties in this evaluation.

The conferees are in agreement on the following changes to the budget request:

+$2,000,000 for the Southwest Center for Environmental Research and Policy.

+$1,600,000 for Clean Water Act sec. 104(g) wastewater operator training grants.

+$3350,000 for the Long Island Sound office.

+$1,000,000 for the Sacramento River Toxic Pollutant Control program, to be cost shared.

+$1,000,000 for continuing work on the water quality management plan for the Skaneatles, Owasco, and Otisco Lake watersheds.

+$300,000 for the Cortland County, New York aquifer protection plan.

+$8,500,000 for rural water technical assistance activities.

+$500,000 for continuation of the Small Public Water Systems Technical Assistance Center at Montana State University.

+$300,000 for a feasibility study for the delivery of water from the Tiber Reservior to Rocky Boy Reservation.

+$2,000,000 for the small grants program to communities disproportionately impacted by pollution.

+$1,000,000 for community/university partnership grants.

+$300,000 for the National Environmental Justice Advisory Council.

+$1,000,000 for ongoing Earthvision educational programs.

+$500,000 for ongoing programs of the Canaan Valley Institute.

+$900,000 for remediation of former and abandoned lead and zinc mining in Missouri.

+$250,000 for an evaluation of groundwater quality in Missouri where evidence exists of contamination associated with anthropological activities.

+$75,000 for the Rocky Mountain Regional Water Center's model watershed planning effort.

+$150,000 for the National Groundwater Foundation to continue ongoing programs.

+$500,000 to continue the methane energy and agricultural development demonstration project.

+$185,000 for the Columbia River Gorge Commission for monitoring activities.

+$1,000,000 for environmental review and basin planning for a sewer separation demonstration project for Tanner Creek.

+$300,000 to continue the Small Business Pollution Prevention Center managed by the Iowa Waste Reduction Center.

+$1,500,000 for the final year of the Alternative Fuels Vehicle Training program.

+$2,000,000 for the Adirondack Destruction Assessment program to assess the effects of acid deposition.

+$750,000 for the Lake Pontchartrain management conference.

+$750,000 to continue the solar aquatic waste water demonstration program in Vermont.

+$1,000,000 to continue the onsite waste water treatment demonstration through the small flows clearinghouse.

+$235,000 for a model program in the Cheney Reservoir to assess water quality improvement practices related to agricultural runoff.

+$500,000 to continue the coordinated model tribal water quality initiative in Washington State.

+$250,000 for the Ala Wai Canal watershed improvement project.

+$200,000 for the Sokaogon Cheppewa Community to continue to assess the environmental impacts of a proposed sulfide mine project.

+$2,000,000 for a demonstration program to remediate leaking above ground storage tanks in Alaska.

+$1,000,000 for the National Environmental Training Center for Small Communities.

+$500,000 for the Lake Champlain basin plan available for Vermont and New York.

+$31,645,700 for the Working Capital Fund transferred from the former research and development account. This fund has not been approved.

+$11,900,000 from low priority activities in the Office of Air and Radiation, except that no funds are to be reduced from the budget request for the WIPP compliance criteria or from the program activities associated with work at Yucca Mountain, Nevada.

+$2,600,000 from the Environmental Justice program, including the Partners in Protection Program.

+$47,000,000 from the Environmental Technology Initiative.

+$55,000,000 from Climate Change Action Plan programs. The conferees note that over $80,000,000 remains available for this program, an amount double that provided in fiscal year 1994. The agency is directed to terminate funding for programs which compete directly or indirectly with commercial business, including the Energy Star Homes Program.

+$12,000,000 from the Montreal Protocol Facilitation Fund.

+$405,000 from the Building Air Quality Alliance.

+$48,000,000 from low priority enforcement activities.

+$1,800,000 from low priority environmental education activities. The conferees urge the agency to ensure that other resources will be provided for the third and final year to carry out the environmental education grants program to minority institutions, in addition, the conferees expect the National Environmental Education and Training Foundation will be funded at the fiscal year 1995 level.

+$3,000,000 from low priority activities in the Office of International Activities.

+$350,000 from activities related to unauthorized research related to electromagnetic fields.

−$2,000,000 from the national service initiative.

−$1,000,000 from the GLOBE program.

−$25,000,000 from regional and state oversight activities.

−$81,474,300 from program office laboratory costs requested under the former abatement, control, and compliance and program and research operations accounts. As noted in the science and technology account, funds have been made available to continue funding these facilities under the new account structure agreed to by the conferees.

−$140,080,200 from Office of Research and Development personnel costs requested under the former program and research operations account. As noted in the science and technology account, funds have been made available to meet personnel requirements under the new account structure agreed to by the conferees.

−$683,466,200 from state and tribal categorical grants which have been transferred by the conferees from the former abatement, control, and compliance account to the new state and tribal assistance grants account.

−$166,786,000 as an undistributed general reduction throughout this restructured account, subject to the modified reprogramming procedures.

No legislative provisions as proposed by the House and stricken by the Senate have been included in this new account.

To provide the EPA with enhanced spending flexibility, the conferees have included language in the bill which makes funds available for expenditure for two years until September 30, 1997, and have agreed on reprogramming procedures for this account only, which permit reprogrammings below $500,000 without notice to the Committees, reprogrammings between $500,000 and $1,000,000 with notice to the Committees, and reprogrammings over $1,000,000 with approval of the Committees.

The conferees agree on the importance of the Environmental Finance Centers and expect that they be adequately supported. Similarly, the conferees direct that a grant for Sarasota County, Florida be provided from within funding for the National Estuary Program to support the implementation of the Sarasota Bay NEP Conservation and Management Plan. Finally, the conferees note that the Chesapeake Bay Program has been fully funded and expect that appropriate resources will be devoted to oyster reef construction in the Chesapeake.

The conferees urge EPA to work in a cooperative manner with the Commonwealth of Virginia to resolve issues concerning the state's proposed state implementation plan relative to title V of the Clean Air Act, and to receive the court's guidance before implementing section 502(b)(6) of the Act.

The conferees are in agreement that EPA should consider holding in abeyance the development of a proposed rule concerning a Sole Source Aquifer Designation for the Eastern Columbia Plateau Aquifer System in eastern Washington State, until all issues raised by the State are fully explored and resolved in a manner which meets the needs of all parties.

The conferees also remain concerned about reports filed earlier this year in Milwaukee, Wisconsin and other locations regarding illness alleged to be caused by the use of reformulated gasoline (RFG). While the conferees note that the scientific community has yet to make a direct link between such illness and the use of RFG, the conferees nevertheless expect the agency to continue its review of all available literature and data developed in response to this situation—including such information that may be developed during the winter of 1995–1996—and provide a determination of what additional studies or actions may be necessary to adequately monitor and address the situation.

The conferees are concerned about the interim policy statement on voluntary environmental self policing and self disclosure by the agency. The conferees believe that these state initiatives may prove to be valuable tools to increase compliance with environmental laws in their states. Therefore, the conferees urge EPA to work with the appropriate Committees of Congress to develop an appropriate policy concerning state environmental audit or self evaluation privilege or immunity laws.

As expressed in both House and Senate Committee reports accompanying H.R. 2099, there continues to be concern with EPA's proposed ''cluster rule'' for pulp and paper. The conferees urge EPA to appropriately address pollutants emitted at only de minimus levels, such as metals from pulping combustion sources, by using its existing authority to establish a de minimus exemption for such pollutants, or by establishing an emission threshold or level of applicability which would achieve a similar result.

Similarly, the conferees remain concerned about the direction taken by the agency with regard to the promulgation of a rule under TSCA to ban or regulate the use of acrylamide and n-methylolacrylamide (NMA) grouts. Such grouts are an important tool in the repair of sewer systems, and the loss of this tool would substantially impair the ability of municipalities to effect repairs of sewer systems without major and costly construction. The conferees strongly urge the agency to review its risk assessment and cost-benefit analysis and provide the appropriate committees of the Congress with all relevant updated information developed through this review, prior to moving forward in this matter.

The conferees agree that concerns raised by the House regarding the joint EPA/DOE Life Cycle Assessment program have been addressed adequately by the agency. Provided that the agency continues to coordinate the scope, application, and direction of the program with the private sector, the conferees do not object to the use of appropriations in the furtherance of this program.

The conferees are concerned with EPA's plans to expand the Toxics Release Inventory (TRI) to include toxics use data, despite the lack of specific authorization under the Emergency Planning and Community Right-to-Know Act. The conferees note that while the legislation establishing the TRI (42 U.S.C. 11032) directs EPA to publish a uniform toxics chemical release form providing for the submission of data on ''the general category or category of use'' of a chemical, and the Pollution Prevention Act (42 U.S.C. 13101–13109) expanded the TRI by requiring that facilities filing such a release form include a source reduction and recycling report, Congress has not granted EPA the specific authority to expand the TRI to require the reporting of any mass balance, materials accounting, or other data on amounts of chemicals used by a reporting facility. The conferees urge EPA not to take final action to create a Toxics Use Inventory until it seeks specific legislative authority to do so.

The conferees have agreed to delete a provision proposed by the House which prohibited the expenditure of funds to impose or enforce proposed rules under section 112(r) of the Clean Air Act and instead note their pleasure that EPA is considering amendments to the risk management plan list rule which address some of the concerns underlying the House amendment. The conferees remain concerned, however, that the status of natural gas processors may not be adequately addressed in these amendments. Arguments advanced to exempt exploration and production facilities from section 112(r) are equally applicable in the case of natural gas processing facilities, which are also remotely-located, uncomplicated, and often unmanned. Therefore, the conferees urge EPA to consider extending any clarification regarding exploration and production facilities to natural gas processors.

The conferees have also deleted language proposed by the House regarding the recently published maximum achievable control technology (MACT) rule for the petroleum refining industry. At both the House and Senate fiscal year 1996 budget hearings for the agency, held this spring, considerable testimony was taken on the issue of this refinery MACT. Although all parties agree that portions of this rule are acceptable and workable, testimony received at these hearings indicated that the agency drafted much of the rule relying on data that was as much as 15 years old, even when agency-acceptable three year old data was available. As the testimony itself revealed, drafting of MACT rules in this manner may not be consistent with the intent of the Congress in the passage of the Clean Air Act. In this regard, the conferees urge the agency to consider proposing appropriate amendments, using the latest data, to this rule so that the strongest, and fairest, MACT rule can be instituted.

Similarly, based on testimony received during the fiscal year 1996 budget hearings, the House had included bill language prohibiting the expenditure of funds to proceed with the so-called ''combustion strategy'' unless the agency followed its own regulatory guidelines. While the conferees have deleted this language they nevertheless remain concerned with the expenditure of funds by any agency in pursuit of a rulemaking which is in conflict with their own rules and procedures. In this instance, EPA has stated publicly that its use of applicable statutory authority must be accompanied by site-specific findings of risk in the administrative record supporting a permit and that any conditions are necessary to ensure protection of human health and the environment (56 Federal Register 7145). The conferees strongly urge the agency to fully comply with its own regulations in any invocation of omnibus permitting authority, and, in furtherance of their hearing records in this matter, direct EPA to report to the House and Senate Appropriations Committees as to how the agency intends to implement these requirements in connection with its ''Combustion Strategy.'' In this regard, it should be noted that the National Academy of Sciences is conducting currently a study on the health effects of waste combustion scheduled for completion in September 1996. To ensure that policies are based on the best up-to-date science and to incorporate appropriate Academy findings, the conferees believe the sensible approach would be to await the results of the study before finalizing a rule addressing the combustion of hazardous waste.

Given the importance of maintaining an adequate and wholesome food supply to ensure good public health, the Office of Pesticide Programs (OPP) is encouraged to take steps to retain the same level of funding and FTEs as has been provided in fiscal year 1995.

It is the intention of the conferees that the EPA avoid unnecessary or redundant regulation and minimize burdens on beneficial research and development of genetically engineered plants. The conferees note that both the National Research Council of the National Academy of Sciences and the World Health Organization have concluded that the application of recombinant DNA technology does not pose any unique risk to food safety or the environment. While conferees acknowledge the basic regulatory requirements set forth under the Federal Insecticide, Fungicide and Rodenticide Act, the agency is urged to minimize the regulatory burden on the developers of products of such technology. Moreover, the agency should adopt risk based regulations or exemptions from regulations for small scale field testing of genetically engineered plants that are not dissimilar from those regulations set forth for the testing of other pesticides. The conferees expect EPA to report to the appropriate committees of the Congress by May 1, 1996 on any regulatory or trade burdens imposed by the agency through registration under the Federal Insecticide, Fungicide and Rodenticide Act on developers of genetically modified plants (including such burdens as have been identified by academic scientists performing research in the field, companies using biotechnology techniques, and others), as well as the agency's action to reduce those burdens to levels commensurate with the risks.

Language with regard to an exemption from section 307(b) of the Federal Water Pollution Control Act, as amended, for the Kalamazoo Water Reclamation Plant, has been included. The conferees slightly modified the language as proposed by the Senate to require that treatment and pollution removal is equivalent to or better than that which would be required through a combination of pretreatment by an industrial discharger and treatment by the Kalamazoo Water Reclamation Plant in the absence of the exemption.

The conferees expect the agency to promptly implement its partial response to a Citizen Petition filed September 11, 1992 regarding pesticide regulatory policies. Further, the conferees expect the agency promptly to complete its response to that Petition and another Citizen Petition filed July 10, 1995 in such a way as to minimize

the unnecessary loss of pesticides that pose on more than a negligible risk to health or the environment.

Further, based on the possible risk to public health, EPA is strongly urged not to take action on the tolerance for ethylene oxide without first referring the results of the Ethylene Oxide Scientific Review Panel to the EPA Scientific Advisory Board. EPA shall then report to the Committees on the SAB's report and EPA's evaluation of that report.

Amendment No. 67: Deletes language proposed by the Senate making a technical change.

Amendment No. 68: Appropriates $28,500,000 for the Office of Inspector General instead of $28,542,000 as proposed by the House and $27,700,000 as proposed by the Senate. The conferees agree that the program level for the OIG will be $40,000,000, which includes transfers of $500,000 from the LUST trust fund and $11,000,000 from the hazardous substance superfund account.

Amendment No. 69: Appropriates $60,000,000 for buildings and facilities as proposed by the Senate instead of $28,820,000 as proposed by the House. Up to $33,000,000 of the amount made available is for completion of the Ft. Meade, Maryland/Region III lab facility. Remaining funds are for facility repair, maintenance and improvements, and for renovation of the new headquarters facility.

The conferees note that the lack of financial resources made it impossible to fund the first phase of new construction at Research Triangle Park. Nevertheless, the conferees acknowledge the demonstrated need for new or updated facilities consistent with the mission conducted at this important research facility. Prior to the submission of the fiscal year 1997 budget request, the agency is directed to provide a report to the Committees on Appropriations which includes realistic, cost-effective alternatives in addition to construction of a new facility.

HAZARDOUS SUBSTANCE SUPERFUND

Amendment No. 70: Deletes language proposed by the House and striken by the Senate which provides that all appropriations for the hazardous substance superfund be derived from general revenues, and inserts language proposed by the Senate in lieu thereof which provides that a specified portion of the appropriation for the hazardous substance superfund be derived from the superfund trust fund as authorized by section 517(a) of the Superfund Amendments and Reauthorization Act of 1986, as amended by P.L. 101–508, and the remainder be derived from general revenues as authorized by section 517(b) of the Superfund Amendments and Reauthorization Act of 1986, as amended by P.L. 101–508. For the hazardous substance superfund, $913,400,000 shall be derived from the trust fund, instead of $753,400,000 as proposed by the Senate, and $250,000,000 shall be derived from general revenues, as proposed by the Senate.

In addition, language is inserted providing a total of $1,163,400,000 for Superfund.

Amendment No. 71: Provides $11,000,000 for transfer to the Office of Inspector General instead of $5,000,000 as proposed by the House and $11,700,000 as proposed by the Senate.

Amendment No. 72: Provides $59,000,000 for the Agency for Toxic Substances and Disease Registry instead of $62,000,000 as proposed by the House and $55,000,000 as proposed by the Senate.

Amendment No. 73: Deletes language proposed by the House and stricken by the Senate which makes no funds appropriated under this account available for expenditure after December 31, 1995 unless the Comprehensive Environmental Response, Compensation and Liability Act of 1980 is reauthorized.

Amendment No. 74: Inserts language proposed by the Senate, with a modification, which prohibits the expenditure of funds for the proposing for listing or the listing of sites on the National Priorities List (NPL) established by section 105 of CERCLA, as amended, unless the Administrator of the EPA receives a written request to place the site on the NPL from the governor of the state in which the site is located, unless CERCLA, as amended, is reauthorized. The conferees note that this provision is consistent with the reduction in spending for Superfund pending reauthorization. Also, it reflects Congressional efforts to turn more responsibility for Superfund over to the States.

Amendment No. 75: Deletes langauge proposed by the Senate directing the funding of the Brownfields Economic Redevelopment Initiative at a level sufficient to complete the award of 50 cumulative Brownfields Pilots by the end of fiscal year 1996 and to carry out other elements of the Brownfields Action Agenda. The conferees are in agreement as to the importance of the Brownfields programs and direct the agency to provide financial assistance to local cummunities to expedite the assessment of brownfields sites in order to ensure early remediation of these properties in conjunction with local economic development goals. The Brownfields initiative is to be funded at no less than the current level.

For the hazardous substance superfund program, the conferees have provided $1,163,400,000, and direct that the agency prioritize resources, to the greatest extent possible, on NPL sites posing the greatest risk. The conferees note that, based on figures supplied by EPA, this appropriation is more than sufficient to continue all scheduled work (including the completion of one work phase and the movement to the next) on all sites currently on the NPL, as well as deal adequately and appropriately with all emergency response needs. While the authorizing committees proceed with the reauthorization and reform of the Superfund program, something that literally all stakeholders endorse, the conferees felt it was inappropriate to place new sites on the NPL. However, EPA is directed to move forward with real clean-up actions in an improved, aggressive manner while minimizing overhead, personnel and other administrative costs. Additionally, the agency is directed to submit a detailed report to the Committees on Appropriations, prior to their respective fiscal year 1997 budget hearings, on the demonstrated improvements, if any, on reducing such overhead, personnel and other administrative costs.

Included in the appropriated level are the following amounts:

$800,379,000 for hazardous substance superfund response actions.

$125,076,000 for management and support, including $11,000,000 transferred to the office of Inspector General and $3,076,000 for the Office of Air and Radiation.

$127,000,000 for enforcement.

$140,945,000 for interagency activities including $59,000,000 for ATSDR; $48,500,000 for NIEHS, of which $32,000,000 is for research and $16,500,000 is for worker training; $25,000,000 for the Department of Justice; $4,350,000 for the U.S. Coast Guard; $2,000,000 for NOAA; $1,100,000 for FEMA; $680,000 for the Department of the Interior; and $315,000 for OSHA.

The conferees have also agreed to an undistributed reduction of $30,000,000 from administrative costs and to a limit on administrative expenses of $275,000,000, subject to normal reprogramming procedures.

The conferees fully support the continuation of the ATSDR minority health professions cooperative agreement at the $4,000,000 funding level, as well as the continuation of adequate funding for the ATSDR health effects study on the consumption of Great Lakes fish. Similarly, the conferees note continued support for the Mine Waste Technology Program from within available funds at an FY 1996 level for $3,000,000.

As noted earlier, the authorizing committees are currently undertaking the reauthorization and reform of the Superfund program. While the conferees acknowledge that honest disagreements exist as to the shape such reform should take, there nevertheless are many things the agency can and should be doing now within the context of reform that amount to nothing more than good goverment.

One such area of concern to the conferees is that of proper notification by the agency of persons of potential liability for facilities on the NPL. Potentially responsible parties (PRPs) have a reasonable expectation to be notified by the EPA in a timely manner and within a time frame that permits participation in remedy selection and execution. In particular, it is inequitable and unconscionable for the agency to identify a PRP without the means to effectively participate in remedy selection and execution and then, after the remedy has been substantially completed, to attempt to identify other parties to pay for the remedial activity. PRP's should be identified as soon as practicable to allow all potentially interested parties to bring their individual expertise and resources to bear on a commonly identified remedy and to fully participate in the remediation of an NPL site if they are expected to bear the expense of the activity. The conferees expect the agency to review all of its activities to determine the extend to which situations have occurred and, in conjunction with the Department of Justice, make every effort to remedy such actions in a non-confrontational, non-litigious manner.

Amendment No. 76: Limits administrative expenses for the leaking underground storage tank trust fund to $7,000,000, instead of $5,285,000 as proposed by the House and $8,000,000 as proposed by the Senate.

Amendment No. 77: Provides $500,000 for transfer to the Office of Inspector General instead of $426,000 as proposed by the House and $600,000 as proposed by the Senate.

Amendment No. 78: Appropriates $15,000,000 for oil spill response as proposed by the Senate instead of $20,000,000 as proposed by the House.

Amendment No. 79: Limits administrative expenses for oil spill response to $8,000,000 as proposed by the Senate instead of $8,420,000 as proposed by the House.

STATE AND TRIBAL ASSISTANCE GRANTS

Amendment No. 80: Appropriates $2,323,000,000 for state and tribal assistance grants, instead of 2,340,000,000 as proposed under program and infrastructure assistance by the Senate, and instead of $1,500,175,000 as proposed under water infrastructure/state revolving funds by the House. The water infrastructure/state revolving fund account proposed by the House and stricken by the Senate and the program and infrastructure assistance account proposed by the Senate are deleted, and the new state and tribal assistance grant account is adopted in lieu thereof.

The conferees have agreed to the creation of this new account, within the structure proposed by the Senate, so as to enhance the Agency's ability to provide performance partnerships, or block grants, to the states and tribal governments. Language creating the performance partnership program and language permitting the Administrator to make nulti-media environmental grants to

recognized tribal governments, has been included. Language which clarifies that the funds for a grant to the City of Mt. Arlington, New Jersey, appropriated in P.L. 103–327 in accordance with House Report 103–715, were intended for water and sewer improvements, has also been included. Finally, the conferees have included language proposed by the Senate which would allow a portion of the funds appropriated for the construction grants program in fiscal year 1992 and thereafter, under the Clean Water Act for construction grants and special projects, to be used by States for the purposes of administering the completion or closeout of any remaining projects. States will be required to reimburse the grant recipient from other State funds available to the State to support construction activities.

From within the appropriated level, the conferees agree to the following amounts:

$1,125,000,000 for wastewater capitalization grants.

$275,000,000 for safe drinking water capitalization grants, available only upon authorization and only if such authorization occurs by June 1, 1996. If no such legislation becomes law prior to June 1, 1996, appropriated funds immediately become available for wastewater capitalization grants to the states and tribal governments.

$225,000,000 for safe drinking water capitalization grants, made available from funds provided in P.L. 103–327 and P.L. 103–124, subject to authorization prior to June 1, 1996. If no such authorization for safe drinking water capitalization grants occurs prior to this date, such funds are to be available for wastewater capitalization grants.

$100,000,000 for architectural, engineering, design and construction related activities for high priority water and wastewater facilities near the United States-Mexico border.

$50,000,000 for cost shared grants to the State of Texas (Colonias).

$15,000,000 for grants to Alaska, subject to cost share requirements, for rural and Alaska Native Villages.

$658,000,000 for state and tribal categorical grants through traditional grants procedures as well as through the performance partnership program. The conferees note this is virtually identical to the fiscal year 1995 level. The conferees agree that such funds are available in unspecified amounts for the following specific programs:

Non-point source pollution grants under section 319 of the Federal Water Pollution Control Act (FWPCA), including appropriate activities under the Clean Lakes program; water quality cooperative agreements under section 104(b)(3) of FWPCA; public water system supervision grants under section 1443(a) of the Public Health Service Act; air resource assistance to State, local and tribal governments under section 105 of the Clean Air Act; radon state grants; control agency resource supplementation under section 106 of FWPCA; wetlands program implementation; underground injection control; pesticides program implementation; lead grants; hazardous waste financial assistance; pesticides enforcement grants; pollution prevention; toxic substances enforcement grants; Indians general assistance grants; and, underground storage tanks. The conferees expect the agency to consult with the Committees on Appropriations and with the states prior to the determination and reporting of the amounts allocated for each of these areas.

The conferees agree that Performance Partnership Grants are an important step to reducing the burden and increasing the flexibility that state and tribal governments need to manage and implement their environmental protection programs. This is an opportunity to use limited resources in the most effective manner, yet at the same time, produce the results-oriented environmental performance necessary to address the most pressing concerns while still achieving a clean environment. As part of the implementation of this program, the conferees agree that no reprogramming requests associated with States and Tribes applying for Performance Partnership Grants need to be submitted to the Committees on Appropriations for approval should the reprogrammings exceed the normal reprogramming limitations.

From within the amount appropriated for wastewater capitalization grants, $50,000,000 is to be made available for wastewater grants to impoverished communities pursuant to section 102(d) of H.R. 961 as approved by the House of Representatives on May 16, 1995. The conferees expect the Agency to closely monitor state compliance with this provision to assure that funds are obligated appropriately and in a timely manner. Unused funds allocated for this purpose are to be made available for other wastewater capitalization grants.

$100,000,000 for the following special assistance grants in the following amounts:

$39,500,000 for special projects as requested in the budget submission, including $25,000,000 for Boston Harbor, $10,000,000 for the City of New Orleans, $3,000,000 for Fall River and $1,500,000 for New Bedford.

$5,000,000 for alternative water source projects in West Central Florida.

$1,750,000 for wastewater infrastructure improvements including $1,500,000 for Manns Choice, Bedford County, Pennsylvania, and $250,000 for Taylor Township, Blair County, Pennsylvania.

$11,625,000 for continuing clean water improvements at Onondaga Lake.

$11,625,000 for continuation of the Rouge River National Wet Weather project.

$22,000,000 for continuation of the Mojave Water Agency groundwater research project.

$2,500,000 for the refurbishment and construction of sanitary and storm sewer systems in Ogden, Utah.

$6,000,000 for wastewater facility improvements in the vicinities of Peter Creek, East Bernstadt/Pittsburg, and Vicco, Kentucky.

Amendment No. 81: Inserts a heading as proposed by the Senate and deletes language proposed by the Senate regarding the adoption or implementation of an inspection and maintenance program pursuant to section 182 of the Clean Air Act. The conferees note that this issue has recently been considered in a conference of authorization committees and therefore has become unnecessary to pursue in the context of this legislation.

Amendment No. 82: Deletes language proposed by the Senate regarding the limitation of funds available to impose or enforce trip reduction measures pursuant to the Clean Air Act. The conferees note that this issue recently has been considered in a conference of authorization committees and therefore has become unnecessary to pursue in the context of this legislation.

Amendment No. 83: Inserts language similar to that proposed by the Senate which prohibits the expenditure of funds for the signing or publishing for promulgation of a rule concerning new drinking water standards for radon only. The conferees note that this language is identical to that contained in this Act for each of the last two fiscal years.

Amendment No. 84: Inserts language proposed by the Senate which prohibits the expenditure of funds to sign, promulgate, implement, or enforce certain requirements regarding the regulation for a foreign refinery baseline for reformulated gasoline.

Amendment No. 85: Inserts language proposed by the Senate which prohibits the expenditure of funds to implement section 404(c) of the Federal Water Pollution Control Act, as amended, and which stipulates that no pending actions to implement section 404 (c) with respect to individual permits shall remain in effect after the date of enactment of this Act.

Amendment No. 86: Deletes language proposed by the Senate regarding an exemption of section 307(b) of the Federal Water Pollution Control Act, as amended, for the Kalamazoo Water Reclamation Plant. Similar language has been included under the environmental programs and management account in Amendment No. 66.

Amendment No. 87: Deletes language proposed by the Senate prohibiting the expenditure of funds to enforce section 211(m)(2) of the Clean Air Act in a nonattainment area in Alaska. Similar language is included in amendment number 88.

Amendment No. 88: Inserts language proposed by the Senate which prohibits the expenditure of funds to implement the requirements of section 186(b)(2), or section 187(b) or 211(m) of the Clean Air Act for any moderate nonattainment area for which the average daily winter temperature is below 0 degrees Fahrenheit.

Amendment No. 89: Deletes language proposed by the Senate which directs EPA to give priority assistance to small business concerns under section 3(a) of the Small Business Act in its Energy Efficiency and Supply programs, study the feasibility of establishing fees to recover the costs of such assistance, and provide a certain level of funding to support participation in the Montreal Protocol and climate change action plan programs.

The conferees note that the budget for EPA's ''green programs'' has grown substantially over the past several years. Such growth cannot be sustained within the confines of an increasingly constrained budget. There is no disagreement that the green programs have enabled many companies to improve their profitability by installing energy efficient technologies. While it may be appropriate for the federal government to provide technical assistance to organizations which would not otherwise have the resources to make appropriate investment decisions on energy efficient technologies, such as small businesses, large corporations can and should make such investment decisions without federal assistance. The conferees agree that EPA is to undertake a study to determine the feasibility of establishing fees to recover all reasonable costs incurred by EPA for assistance rendered businesses in its Energy Efficiency and Energy Supply program, as described in the Senate amendment.

Amendment No. 90: Deletes language proposed by the Senate which would prohibit final regulatory action under the Toxic Substances Control Act restricting the manufacturing, processing, distributing or use of lead, zinc, or brass fishing sinkers or lures, unless the risk to waterfowl cannot be addressed through alternative means. The conferees are extremely concerned that EPA continues to ignore the importance of allocating its budget to those activities which provide for the greatest reduction in risk. EPA has pursued activities which may have exceeded the agency's legal authority in the regulation of lead by seeking to regulate lead uses that pose no significant risks to human health or the environment, such as EPA's proposal to ban the manufacture and distribution of lead fishing sinkers. The agency's proposal presented little credible evidence to suggest that lead fishing sinkers are threatening to human health or waterfowl populations. The conferees expect EPA to engage in activities which maximize the use of its resources to achieve public health

and environmental benefits, and therefore believe EPA should not pursue this rulemaking.

Amendment No. 91: Deletes language proposed by the Senate which directs the investigation and report on the scientific basis for EPA's public recommendations with respect to indoor radon and other naturally occurring radioactive materials. The conferees direct EPA to enter into an arrangement with the National Academy of Sciences to investigate and report on the scientific basis for EPA's recommendations relative to indoor radon and other naturally occurring radioactive materials (NORM). The Academy is to examine EPA's guidelines in light of the recommendations of the National Council on Radiation Protection and Measurements and other peer-reviewed research by the National Cancer Institute, the Centers for Disease Control, and others. The Academy shall summarize the principal areas of agreement and disagreement among these bodies and shall evaluate the scientific and technical basis for any differences that exist. EPA is to submit this report to the appropriate committees of Congress within 18 months of the date of enactment of this Act, and state its views on the need to revise the guidelines for radon and NORM in light of the Academy's evaluation. The agency also shall explain the technical and policy basis for such views.

Amendment No. 92: Deletes language proposed by the Senate regarding implementation of the Science to Achieve Results (STAR) program and restricting the hire of new staff positions under the contractor conversion program. The STAR and contractor conversion issues have been addressed under amendment number 65.

Amendment No. 93: Inserts language which provides necessary expenses to continue the functions of the Council on Environmental Quality and Office of Environmental Quality as proposed by the Senate, instead of language proposed by the House and stricken by the Senate to carry out the orderly termination of the CEQ.

FEDERAL EMERGENCY MANAGEMENT AGENCY

Amendment No. 94: Appropriates $222,000,000 for disaster relief instead of $235,500,000 as proposed by the House and no funds as proposed by the Senate. The conferees note that the 1995 supplemental appropriation for disaster relief, totaling over $6,500,000,000, coupled with available unobligated appropriations, should be more than adequate to meet all current and expected disaster requirements. Should an FY 1996 supplemental be necessary, the conferees would expect to respond and make such appropriations available in a timely manner.

The conferees note that with the passing of the 1995 hurricane season, there is confusion surrounding FEMA's determination of whether beach erosion under different conditions is eligible for assistance under the Stafford Act. While the Code of Federal Regulations certainly provides clear understanding of the rules by which FEMA operates, there nevertheless exists questions as to the legal underpinnings of this regulation. To help clarify the issue and avoid future controversy, the agency is directed to report within 45 days of enactment of this Act on the legal basis for this regulation and on the possible alternatives that exist to maximize mitigation and assistance efforts within the constraints of available financial resources.

The conferees have been made aware of an unfortunate situation following the Northridge Earthquake whereby, based on assurances made by FEMA field agents, significant financial resources were spent or obligated to make appropriate repairs of buildings deemed eligible for assistance. Over a year following those assurances, a determination that such expenses were not eligible was received from FEMA headquarters, including a request for reimbursement of spent funds. As FEMA fully acknowledges that their erroneous assurance of assistance is the genesis of this problem, the conferees direct FEMA to make every effort to remedy this situation through appropriate administrative procedures.

Amendment No. 95: Appropriates $168,900,000 for salaries and expenses as proposed by the Senate instead of $162,000,000 as proposed by the House.

Amendment No. 96: Appropriates $4,673,000 for the Office of the Inspector General as proposed by the Senate instead of $4,400,000 as proposed by the House.

Amendment No. 97: Deletes reference to the Federal Civil Defense Act, as amended, with respect to activities under the emergency management planning and assistance account. This is a technical deletion as activities under this Act have been superseded by other Acts. The conferees have included language under amendment number 114 requested by FEMA in a budget amendment that would direct FEMA to sell its costly inventory of trailer/mobile homes which in the past have been used to meet temporary housing needs of some disaster victims. The costs of transporting these trailers to a disaster site, as well as the costs of necessary refurbishment upon return to inventory, far exceed the benefits provided by the trailers. More important, FEMA believes the important needs of emergency housing can be met in less expensive yet more appropriate ways. In making these sales, FEMA is directed to maximize receipts and minimize expenses to the greatest extent possible.

Within the overall appropriation, the conferees have included $950,000 for earthquake hazard research and mitigation activities at Metro and DOGAMI; $1,000,000 for a statewide and regional hurricane proof evacuation shelter directory for the states of Texas, Louisiana, Mississippi, Alabama, Florida, Arkansas, and Georgia; and $4,000,000 in additional funds for state emergency management assistance (EMA) grants. FEMA is expected to reduce its underground storage tank program to offset these additional EMA grants. The remaining funds necessary to meet these additional expenses should be proposed through normal reprogramming procedures.

The conferees note that FEMA has funded certain planning positions in State emergency management agencies at 100 percent during fiscal year 1995. The conferees direct the agency to continue funding these positions at this same level during 1996, but also expect the agency to make appropriate plans during the fiscal year, including notifying the States if necessary, to reduce the federal share to no more than 50 percent for fiscal year 1997 and beyond.

Amendment No. 98: Appropriates $100,000,000 for emergency food and shelter as proposed by the House instead of $114,173,000 as proposed by the Senate.

Amendment No. 99: Deletes language proposed by the House and stricken by the Senate which prohibits the expenditure of funds for any further work on effective Flood Insurance Rate Maps for certain areas in and around the City of Stockton and San Joaquin County, California. The conferees are aware that the City of Stockton and San Joaquin County, California are restoring existing levee systems that a FEMA flood hazard restudy has determined no longer meet FEMA's minimum flood protection standard. The conferees are also aware that the City and County have recently filed an appeal regarding the determination by that study and were thus satisfied that, just as with bill language, the duration of the appeal would provide the opportunity to fully and properly deal with this important matter. The conferees therefore direct FEMA to thoroughly analyze the appeal and develop alternatives that will lead to a resolution of this situation prior to the conclusion of the appeal process.

The Members of Congress, local officials, and private citizens who have addressed this issue all wish to achieve a result that will not hinder the economic development of the area while, at the same time, ensuring the safety and health of all residents. The conferees share this goal. The National Flood Insurance Program (NFIP), a community-participation program, has a history of cooperation with local governments that spans more than two decades. During this time, a great deal of development has taken place in mapped areas in thousands of communities across the country. Therefore, to assist the City and County in guiding new development, the conferees direct FEMA to first assist by approximating the study flood hazard areas identified on the preliminary Flood Insurance Rate Maps (FIRM's) based on FEMA's restudy. FEMA also is directed to consult with the City and County to ensure that the design and construction for the restored levees will satisfy the criteria for accrediting those structures on FIRMs that will become effective six months after all appeals are fully resolved. Further, the conferees direct FEMA to revise the FIRMs at the earliest date possible to reflect accredited improvements to the levee systems as they are completed.

The conferees note that no funds have been included to produce Flood Rate Insurance Directories (FRIDs) or to sell flood insurance directly to the public. While the conferees support FEMA's effort to increase the use of federal flood insurance, such sales should continue through normal private commercial activity. The conferees are also in agreement that FEMA should make no effort to suspend, revoke, or limit the participation of St. Charles County, Missouri in the National Flood Insurance program because of the permitting of levee improvements to publicly sponsored levee districts.

Finally, the conferees agree that FEMA should conduct a pilot project of a working capital fund during fiscal year 1996, and report on the outcome of the pilot periodically throughout the course of the fiscal year.

GENERAL SERVICES ADMINISTRATION

CONSUMER INFORMATION CENTER

Amendment No. 100: Provides for a change in the administrative expenses limitation to $2,602,000 as proposed by the Senate instead of $2,502,000 as proposed by the House.

The conferees agree to an increase in the administrative expenses limitation for the Consumer Information Center to reflect the increased responsibilities of the Center as it takes on efforts previously assigned to the Office of Consumer Affairs.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

OFFICE OF CONSUMER AFFAIRS

Amendment No. 101: Appropriates no funding for the Office of Consumer Affairs, as proposed by the Senate instead of $1,811,000 as proposed by the House.

The conferees agree to the Senate position to delete all funding for the Office of Consumer Affairs. The conferees agree that the functions of producing the Consumer Resources Handbook and organizing the Constituent Resource Exposition are to be transferred to the Consumer Information Center. Language is included in the bill to facilitate the transfer of personnel and responsibilities associated with closure of this office.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

HUMAN SPACE FLIGHT

Amendment No. 102: Appropriates $5,456,600,000 for Human Space Flight, instead of $5,449,600,000 as proposed by the House and $5,337,600,000 as proposed by the Senate.

The conference agreement reflects the following change from the budget request:

A reduction of $53,000,000 to reflect savings which accrue from the closure of the Yellow Creek Facility at Iuka, Mississippi.

The conferees believe that savings are achievable in shuttle operations when the recommendations called for in the Kraft report on shuttle operations are implemented. The conferees are encouraged that NASA has begun to aggressively implement the recommendations and look forward to seeing the financial savings materialize while maintaining safe shuttle operations.

NASA INDUSTRIAL PLANT, DOWNEY

The conferees are aware of ongoing discussions between NASA, Rockwell International, and officials of the City of Downey, California, regarding possible disposition of NASA real property at the NASA Industrial Plant, Downey. The conferees understand that this planning effort could culminate in a proposal for disposition of NASA real property at the Downey site which may: consolidate Space Shuttle engineering activities, thereby reducing annual Government operations costs; possibly produce proceeds to the U.S. Treasury from transfer of portions of the NASA real property; and make available portions of the real property for commercial/industrial use. The conferees direct that NASA report to the Committees on Appropriations on progress in this disposition planning effort, including any potential economic benefits to the Government, by February 1, 1996.

TERMINATION LIABILITY

The conferees fully support deployment of the space station but recognize the funds appropriated by this Act for the development of the space station may not be adequate to cover all potential contractual commitments should the program be terminated for the convenience of the Government. Accordingly, if the space station is terminated for the convenience of the Government, additional appropriated funds may be necessary to cover such contractual commitments. In the event of such termination, it would be the intent of the conferees to provide such additional appropriations as may be necessary to provide fully for termination payments in a manner which avoids impacting the conduct of other ongoing NASA programs.

Amendment No. 103: Deletes House language delaying the availability of $390,000,000 for Space Station until August 1, 1996.

SCIENCE, AERONAUTICS AND TECHNOLOGY

Amendment No. 104: Appropriates $5,845,900,000 for Science, Aeronautics and Technology, instead of $5,588,000,000 as proposed by the House and $5,960,700,000 as proposed by the Senate.

The conference agreement reflects the following changes from the budget request:

A general reduction of $33,000,000 to be distributed in accordance with normal reprogramming procedures.

A reduction of $13,700,000 from the budget request for the Stratospheric Observatory for Infrared Astronomy (SOFIA). The reduction will leave $35,000,000 in fiscal year 1996 to begin this program to replace the Kuiper Airborne Observatory.

An increase of $51,500,000 for the Gravity Probe-B program which was not included in the budget request.

A decrease of $5,000,000 for the Space Infrared Telescope Facility, leaving $10,000,000 to begin this effort. NASA is directed to provide no additional funding for this effort unless specifically approved by the House and Senate Committees on Appropriations.

The conferees agree to provide $20,000,000 for initiation of the Solar-Terrestrial Probes program. The funding includes $15,000,000 to begin the TIMED mission and $5,000,000 for design studies of the inner magnetospheric imager.

The conference agreement includes an additional $3,000,000 for the university explorer program to develop small, inexpensive spacecraft for astronomy and space physics missions.

A general reduction of $20,000,000 for Life and Microgravity Science. The reduction is not to be taken against any space station programs. NASA should develop a plan that accommodates the budget decrease while minimizing its impact on the early scientific return from space station operations. This plan should emphasize how NASA will ensure the quality of the science it will conduct and maximize the value of the results it obtains from the early utilization of space station.

An increase of $4,500,000 is provided for space radiation research in accordance with direction contained in House report 104–201.

Within Mission to Planet Earth, the conference agreement contains a reduction of $6,000,000 for the Consortium for International Earth Sciences Information Network. The conferees agree that the Consortium and NASA are free to pursue programmatic options under existing contracts between CIESIN and NASA and the Consortium is not precluded from competing for future contracts with NASA. A further reduction of $75,000,000 is to be distributed in accordance with normal reprogramming guidelines. The conferees are in agreement on the following:

NASA should work with the Department of Agriculture to ensure that remote sensing data collected through this program will be better used for agriculture and resource management;

From within the funds for Mission to Planet Earth, NASA is urged to provide for continued development and refinement of visualization techniques and capabilities currently underway through the Jet Propulsion Laboratory to incorporate remotely sensed data and information into formal informational and educational programs;

From within the available funding, $5,000,000 should be used toward full development of a windsat mission;

Any restructuring of the Earth Observing System Data Information System which may result from the recently issued National Academy of Sciences report should be implemented in such a manner as to minimize counterproductive disruptions at the Marshall Space Flight Center.

A general reduction of $30,000,000 to the Aeronautical Research and Technology portion of the budget to be distributed in accordance with normal reprogramming guidelines. The conferees note that NASA and the FAA have recently established a mechanism to coordinate their efforts toward an advanced air traffic management system. While the House reduced the budget request by $20,000,000 because such an agreement had not yet been reached, the conferees believe some reduction in funding is still achievable and the program is not exempt from the general reduction. Likewise, the conferees do not intend that the entire reduction be applied against the High Performance Computing and Communications (HPCC) program, nor is the program exempt from reduction. The conferees recognize the national interest served by providing the public access to earth and space images and data through a national information infrastructure and strongly support funding to carry out such NASA educational and public outreach activities funded in the HPCC account.

Within the Space Access and Technology portion of the account, a reduction of $7,000,000 from the Clean Car program, a reduction of $21,300,000 for the Earth Applications Systems to return the program to the fiscal year 1995 funding level, an increase of $3,000,000 for commercial space activities to be used only as provided for in authorizing legislation, an increase of $4,500,000 for a rural state technology transfer center as provided for in authorizing legislation. The conference agreement deletes without prejudice the increase of $20,000,000 proposed by the Senate for development of the reusable launch vehicle (X–33). Nonetheless, the conferees have significant concerns over the current funding profile for this ambitious developmental effort in that amounts proposed for the initial years may not be adequate to resolve technical design and engineering issues necessary to support scheduled investment decisions by private industry. The conferees are very supportive of this innovative public-private partnership in developing a more efficient and commercially viable launch system and direct NASA to conduct a re-examination of the current funding profile, including amounts recommended for the remainder of fiscal year 1996. The conferees expect NASA to submit its findings and recommendations in this regard in a report to accompany its justifications for the fiscal year 1997 budget, and to request a reprogramming, if necessary, to optimize initial developmental efforts during the balance of the current year.

A general reduction of $20,000,000 for the mission communications program, to be distributed in accordance with established reprogramming procedures.

A general reduction of $16,500,000 for Academic Programs, leaving funding at the fiscal year 1995 level. The conferees urge NASA to consider funding the Discovery Center project and the Rural Teacher Resource Center. These projects are aimed at significantly enhancing science, educational, and outreach services for an underserved region of the country. The Oregon State System for Higher Education is developing a network infrastructure for advanced technology research and education utilizing high speed and high capacity communications systems with a prior year grant of funds from NASA under its academic programs activity. The conferees understand that this project has received substantial industry contributions, however, some additional federal support may be necessary to facilitate the acquisition of equipment and for space modifications. NASA is urged to give priority consideration to assisting in the prompt completion of this important initiative.

MISSION SUPPORT

Amendment No. 105: Appropriates $2,502,200,000 for Mission Support, instead of $2,618,200,000 as proposed by the House and $2,484,200,000 as proposed by the Senate.

The conference agreement reflects the following changes from the budget request:

A decrease of $125,000,000 in salaries and related expenses resulting from the voluntary retirement of individuals during fiscal year 1995 which had not been anticipated when the fiscal year 1996 budget was submitted.

A general reduction of $25,000,000 from research and operations support, subject to reprogramming guidelines.

A reduction of $50,000,000 from space communications, to be applied at the agency's discretion subject to reprogramming guidelines.

A reduction of $24,000,000 from construction of facilities. The conferees agree that NASA may use excess fiscal year 1994 funding, particularly identified excess planning and design funds, to satisfy fiscal year 1996 requirements.

Amendment No. 106: Deletes House administrative provision regarding leasing of contractor funded facilities where such lease would amortize the contractor investment unless specifically approved in an appropriations Act.

Amendment No. 107: Adds Senate language to the House administrative provision regarding transfer of facilities at Iuka, Mississippi. The new language will direct that any Federal entity having previous contact with the site will have responsibility for environmental remediation.

Amendment No. 108: Deletes House administrative provision directing a study of closing or re-structuring NASA flight operations and research centers. The conferees agree to the Senate report language requesting periodic progress reports on the implementation of recommendations contained in the NASA zero-based review.

Amendment No. 109: Deletes Senate administrative provision delaying the availability of $390,000,000 for Space Station until August 1, 1996. Adds an administrative provision providing up to $50,000,000 of transfer authority for use at the discretion of the Administrator.

The conferees have agreed to include an administrative provision providing transfer authority to the National Aeronautics and Space Administration to deal with unforeseen emergencies. To ensure that there is no adverse effect on any NASA program, the conferees have included general transfer authority of up to $50,000,000 to be used at the direction of the Administrator subject to the case-by-case approval by the House and Senate Appropriations Committees.

NATIONAL SCIENCE FOUNDATION

Amendment No. 110: Appropriates $2,274,000,000 for Research and Related Activities, instead of $2,254,000,000 as proposed by the House and $2,294,000,000 as proposed by the Senate.

The conferees agree that the reduction within the Research and Related Activities account should be allocated by the National Science Foundation in accordance with its internal procedures for resource allocation, subject to approval by the House and Senate Committees on Appropriations.

U.S. ANTARCTIC PROGRAM

The conferees agree with the Senate report language calling for a government-wide policy review of the U.S. presence in the Antarctic to be conducted by the National Science and Technology Council and reiterate that such a review must include all program participants, including the Department of Defense. The review should be completed and submitted to the Congress no later than March 31, 1996.

OPTICAL AND INFRARED ASTRONOMY

The conferees recognize the need for the National Science Foundation to support modernizing the research infrastructure in astronomy and other disciplines. The conferees are equally supportive of the flexible matching requirements employed by the Foundation in its Academic Research Infrastructure program and expect they will be continued in fiscal year 1996.

Amendment No. 111: Deletes language proposed by the Senate to fund fair housing activities under the Department of Justice. Language transferring such functions, with delayed implementation of April 1, 1997 is included under fair housing activities under title II of this Act.

Amendment No. 112: The Senate bill contained a provision moving the Office of Federal Housing Enterprise Oversight (OFHEO), which is the financial safety and soundness regulator of Fannie Mae and Freddie Mac (collectively, ''GSEs''), from the Department of Housing and Urban Development to the Department of the Treasury. The conference agreement does not contain this provision. Nevertheless, the conferees want to emphasize the seriousness with which they view the underlying Senate provision.

In particular, the primary function of OFHEO is to issue risk-based capital standards to ensure the safety and soundness of the GSEs, and that these standards, as yet unissued, were to be finalized by November 28, 1994. The conferees urge OFHEO to refocus its emphasis from lower priority activities, such as participation in conferences and political forums, to financial examinations and the development of final risk-based capital standards.

TITLE V—GENERAL PROVISIONS

Amendment No. 113: Makes technical language change.

Amendment No. 114: Deletes language proposed by the House and stricken by the Senate regarding contractor conversions at the Environmental Protection Agency. Additional language relative to this matter is included in amendment numbered 65.

Inserts language directing FEMA to sell surplus mobile homes/trailers from its inventory. Additional information on this matter is discussed under amendment numbered 97.

Amendment No. 115: Inserts language proposed by the Senate which allows the use of other funds available to the Department of Health and Human Services to facilitate termination of the Office of Consumer Affairs. This matter is also mentioned in amendment numbered 101.

Amendment No. 116: Deletes language proposed by the Senate regarding energy savings at Federal facilities.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1996 recommended by the Committee of Conference, with comparisons to the fiscal year 1995 amount, the 1996 budget estimates, and the House and Senate bills for 1996 follow:

New budget (obligational) authority, fiscal year 1995	$89,920,161,061
Budget estimates of new (obligational) authority, fiscal year 1996	89,869,762,093
House bill, fiscal year 1996	79,697,360,000
Senate bill, fiscal year 1996	81,009,212,000
Conference agreement, fiscal year 1996	80,591,927,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1995	−9,328,234,061
Budget estimates of new (obligational) authority fiscal year 1996	−9,277,835,093
House bill, fiscal year 1996	+894,567,000
Senate bill, fiscal year 1996	−417,285,000

JERRY LEWIS,
TOM DELAY,
BARBARA F. VUCANOVICH,
JAMES T. WALSH,
DAVID L. HOBSON,
JOE KNOLLENBERG,
RODNEY P. FRELINGHUYSEN,
MARK W. NEUMANN,
BOB LIVINGSTON,
Managers on the Part of the House.

CHRISTOPHER S. BOND,
CONRAD BURNS,
TED STEVENS,
RICHARD C. SHELBY,
ROBERT F. BENNETT,
BEN NIGHTHORSE CAMPBELL,
MARK O. HATFIELD,
BARBARA A. MIKULSKI,
PATRICK J. LEAHY,
BENNETT JOHNSTON,
J. ROBERT KERRY,
ROBERT C. BYRD,
Managers on the Part of the Senate.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. PALLONE) to revise and extend their remarks and include extraneous material:)

Ms. KAPTUR, for 5 minutes, today.
Mr. PALLONE, for 5 minutes, today.
Mr. WARD, for 5 minutes, today.
Mr. RUSH, for 5 minutes, today.
Mr. DOGGETT, for 5 minutes, today.
Mrs. CLAYTON, for 5 minutes, today.
Mr. DOLE, for 5 minutes, today.
Ms. JACKSON LEE, for 5 minutes, today.
Ms. LOFGREN, for 5 minutes, today.
Mr. LUTHER, for 5 minutes, today.
Mr. BALDACCI, for 60 minutes, today.
Ms. KAPTUR, for 60 minutes, today.

(The following Members (at the request of Mr. HAYWORTH) to revise and extend their remarks and include extraneous material:)

Mr. WELDON of Florida, for 5 minutes, today.
Mr. TIAHRT, for 5 minutes, today.
Mr. KIM, for 5 minutes, today.
Mr. MARTINI, for 5 minutes, today.
Mr. RAMSTAD, for 5 minutes, today.
Mr. SCARBOROUGH, for 5 minutes, today.
Mr. LONGLEY, for 5 minutes, today.
Mr. DORNAN, for 5 minutes, today.
Mr. GOSS, for 5 minutes each day, today and on November 20.
Mrs. MORELLA, for 5 minutes each day, today and on November 18.
Mr. FOX of Pennsylvania, for 5 minutes, today.
Mr. BRYANT of Tennessee, for 5 minutes, today.
Mr. GUTKNECHT, for 5 minutes, today.
Mr. HOKE, for 5 minutes, today.
Mr. HAYWORTH, for 5 minutes, today.
Mr. FLANAGAN, for 5 minutes, today.
Mr. WAMP, for 5 minutes, today.
Mr. LEWIS of Kentucky, for 5 minutes, today.
Mr. RIGGS, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. MASCARA, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. TALENT, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. ANDREWS, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. TALENT, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. GANSKE, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. BALDACCI, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. PALLONE) and to include extraneous matter:)

Mr. EVANS.
Mr. VENTO in two instances.
Mr. REED.
Mr. DIXON.
Mr. HILLIARD.
Mr. KANJORSKI in two instances.
Mr. ROYBAL-ALLARD.
Mrs. CLAYTON.
Ms. DANNER.
Mr. RICHARDSON.
Mr. WAXMAN.
Mr. JEFFERSON.
Mr. CONYERS.
Mr. MENENDEZ in three instances.
Mrs. MINK of Hawaii.

(The following Members (at the request of Mr. HAYWORTH) and to include extraneous matter:)

Mr. RAMSTAD.
Mr. DORNAN.
Ms. ROS-LEHTINEN.
Mr. HANSEN.
Mr. TAYLOR of North Carolina.
Mr. BEREUTER in two instances.
Mr. GILMAN in three instances.
Mr. LIGHTFOOT.
Mr. CUNNINGHAM.
Mr. FRELINGHUYSEN.
Mr. BONILLA.
Mr. GOODLING.
Mr. LATOURETTE.
Mr. SCHAEFER.
Mr. PORTER.
Mr. GUNDERSON.

(The following Members (at the request of Mr. SHAYS) and to include extraneous matter:)

Mr. VISCLOSKY.
Mr. MARTINI.

ADJOURNMENT

Mr. SHAYS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 59 minutes p.m.), under its previous order, the House adjourned until Saturday, November 18, 1995, at 9 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1693. A letter from the Acting Director, Defense Security Assistance Agency, transmitting the Department of the Navy's proposed lease of defense articles to Brazil (Transmittal No. 04–96), pursuant to 22 U.S.C. 2796a(a); to the Committee on International Relations.

1694. A letter from the Acting Director, Defense Security Assistance Agency, transmitting the Department of the Air Force's proposed lease of defense articles to Germany (Transmittal No. 03–96), pursuant to 22 U.S.C. 2796a(a); to the Committee on International Relations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MCINNIS: Committee on Rules. House Resolution 275. Resolution providing for consideration of motions to suspend the rules (Rept. 104–351). Referred to the House Calendar.

Mr. DIAZ-BALART: Committee on Rules. House Resolution 276. Resolution waiving a requirement of clause 4(b) of rule XI with respect to consideration of certain resolutions reported from the Committee on Rules. (Rept. 104–352). Referred to the House Calendar.

Mr. LEWIS of California: Committee of Conference. Conference report on H.R. 2099. A bill making appropriations for the Department of Veterans' Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for fiscal year ending September 30, 1996, and for other purposes (Rept. 104–353). Ordered to be printed.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X the following action was taken by the Speaker:

H.R. 1816. Referral to the Committee on Commerce extended for a period ending not later than December 1, 1995.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. TAYLOR of North Carolina (for himself, Mr. ALLARD, Mr. ARCHER, Mr. ARMEY, Mr. BACHUS, Mr. BAKER of California, Mr. BAKER of Louisiana, Mr. BALLENGER, Mr. BARCIA of Michigan, Mr. BARR, Mr. BARRETT of Nebraska, Mr. BARRETT of Wisconsin, Mr. BARTLETT of Maryland, Mr. BARTON of Texas, Mr. BASS, Mr. BEREUTER, Mr. BEVILL, Mr. BILIRAKIS, Mr. BLILEY, Mr. BLUTE, Mr. BOEHLERT, Mr. BOEHNER, Mr. BONILLA, Mr. BONIOR, Mr. BONO, Mr. BREWSTER, Mr. BROWNBACK, Mr. BRYANT of Tennessee, Mr. BUNN of Oregon, Mr. BURR, Mr. BURTON of Indiana, Mr. BUYER, Mr. CHABOT, Mr. CALLAHAN, Mr. CALVERT, Mr. CAMP, Mr. CANADY, Mr. CASTLE, Mr. CHAMBLISS, Mrs. CHENOWETH, Mr. CHRISTENSEN, Mr. CHRYSLER, Mr. CLINGER, Mr. COBLE, Mr. COLEMAN, Mr. COLLINS of Georgia, Mr. CONDIT, Mr. COOLEY, Mr. COX of California, Mr. CRAPO, Mrs. CUBIN, Mr. CUNNINGHAM, Mr. DAVIS, Mr. DEAL of Georgia, Ms. DELAURO, Mr. DELAY, Mr. DELLUMS, Mr. DICKEY, Mr. DIXON, Mr. DREIER, Mr. DUNCAN, Ms. DUNN of WASHINGTON, Mr. EDWARDS, Mr. EMERSON, Mr. ENGLISH of Pennsylvania, Mr. ENSIGN, Mr. EVERETT, Mr. FARR, Mr. FAWELL, Mr. FIELDS of Texas, Mr. FORBES, Mrs. FOWLER, Mr. FOX, Mr. FRANKS of New Jersey, Mr. FRELINGHUYSEN, Mr. FRISA, Mr. FUNDERBURK, Mr. GALLEGLY, Mr. GANSKE, Mr. PETE GEREN of Texas, Mr. GILCHREST, Mr. GILMAN, Mr. GINGRICH, Mr. GOODLATTE, Mr. GOSS, Mr. GRAHAM, Mr. GENE GREEN of Texas, Mr. GREENWOOD, Mr. GUNDERSON, Mr. GUTKNECHT, Mr. HALL of Texas, Mr. HANSEN, Mr. HASTERT, Mr. HASTINGS of Washington, Mr. HAYES, Mr. HAYWORTH, Mr. HEFLEY, Mr. HEFNER, Mr. HEINEMAN, Mr. HERGER, Mr. HILLEARY, Mr. HOBSON, Mr. HOEKSTRA, Mr. HOKE, Mr. HOUGHTON, Mr. HOYER, Mr. HYDE, Mr. INGLIS of South Carolina, Mr. JACOBS, Mr. SAM JOHNSON, Mr. JONES, Mr. KENNEDY of Massachusetts, Mr. KING, Mr. KINGSTON, Mr. KNOLLENBERG, Mr. KOLBE, Mrs. LINCOLN, Mr. LARGENT, Mr. LAUGHLIN, Mr. LAZIO of New York, Mr. LEACH, Mr. LEWIS of Georgia, Mr. LEWIS of Kentucky, Mr. LIGHTFOOT, Mr. LINDER, Mr. LIVINGSTON, Mr. LONGLEY, Mr. LUCAS, Mr. MANZULLO, Mr. MCCOLLUM, Mr. MCDADE, Mr. MCHUGH, Mr. MCINTOSH, Mr. MCKEON, Mr. MCNULTY, Mr. METCALF, Mrs. MEYERS of Kansas, Mr. MICA, Mr. MILLER of Florida, Mr. MINGE, Ms. MOLINARI, Mr. MONTGOMERY, Mr. MOORHEAD, Mr. MORAN, Mrs. MORELLA, Mrs. MYRICK, Mr. NETHERCUTT, Mr. NEUMANN, Mr. NEY, Mr. NORWOOD, Mr. OLVER, Mr. OXLEY, Mr. PACKARD, Mr. PARKER, Mr. PASTOR, Mr. PAXON, Mr. PAYNE of Virginia, Ms. PELOSI, Mr. PETRI, Mr. POMBO, Mr. POSHARD, Ms. PRYCE, Mr. QUILLEN, Mr. QUINN, Mr. RADANOVICH, Mr. RAMSTAD, Mr. RANGEL, Mr. REED, Mr. RIGGS, Mr. ROBERTS, Mr. ROEMER, Mr. ROGERS, Mr. ROHRABACHER, Mr. ROSE, Mr. ROTH, Mrs. ROUKEMA, Mr. ROYCE, Mr. SALMON, Mr. SANFORD, Mr. SAXTON, Mr. SCHAEFER, Mrs. SEASTRAND, Mr. SENSENBRENNER, Mr. SHADEGG, Mr. SHAW, Mr. SHAYS, Mr. SHUSTER, Mr. SKEEN, Mr. SKELTON, Mrs. SMITH of Washington, Mr. SMITH of New Jersey, Mr. SOLOMON, Mr. SOUDER, Mr. SPENCE, Mr. SPRATT, Mr. STEARNS, Mr. STENHOLM, Mr. STOCKMAN, Mr. STUMP, Mr. TALENT, Mr. TANNER, Mr. TATE, Mr. TAUZIN, Mr. TAYLOR of Mississippi, Mr. THOMAS, Mr. THORNBERRY, Mr. TIAHRT, Mr. TORKILDSEN, Mr. TOWNS, Mr. UPTON, Mrs. VUCANOVICH, Mr. WALKER, Mr. WALSH, Mr. WAMP, Mr. WATT of North Carolina, Mr. WATTS of Oklahoma, Mr. WELDON of Pennsylvania, Mr. WHITE, Mr. WHITFIELD, Mr. WILLIAMS, Mr. WOLF, Mr. YOUNG of Alaska, and Mr. ZELIFF):

H.R. 2657. A bill to award a congressional gold medal to Ruth and Billy Graham; to the Committee on Banking and Financial Services.

By Mr. CONYERS:

H.R. 2658. A bill to provide that Members of Congress shall not be paid during Federal Government shutdowns, and for other purposes; to the Committee on House Oversight.

By Mr. FRANK of Massachusetts:

H.R. 2659. A bill to cancel the participation of the United States in the space station program; to the Committee on Science.

By Mr. MCCRERY:

H.R. 2660. A bill to increase the amount authorized to be appropriated to the Department of the Interior for the Tensas River National Wildlife Refuge; to the Committee on Resources.

By Ms. NORTON:

H.R. 2661. A bill to amend the District of Columbia Self-Government and Governmental Reorganization Act to permit the District of Columbia to expend its own funds during any portion of a fiscal year for which Congress has not enacted the budget of the District of Columbia for the fiscal year, and to provide for the appropriation of monthly prorated portion of the annual Federal payment to the District of Columbia for such fiscal year during such portion of the year; to the Committee on Government Reform and Oversight.

By Mr. WOLF (for himself, Mr. BATEMAN, Mr. DAVIS, Mr. HOYER, Mr. MORAN, Mrs. MORELLA, and Mr. WYNN):

H.R. 2662. A bill to provide for the payment of Federal and District of Columbia employees during periods of a lapse in appropriations for fiscal year 1996; to the Committee on Government Reform and Oversight.

By Mr. LIVINGSTON:

H.J. Res. 123. Joint resolution making further continuing appropriations for the fiscal year 1996, and for other purposes; to the Committee on Appropriations.

By Ms. NORTON:

H.J. Res. 124. Joint resolution making further continuing appropriations for the District of Columbia for fiscal year 1996, and for other purposes; to the Committee on Appropriations.

By Mr. GILMAN:

H. Con. Res. 114. Concurrent resolution to authorize the Newington-Cropsey Foundation to erect on the Capitol Grounds and present to Congress a Bill of Rights Eagle Monument dedicated to the Bill of Rights; to the Committee on Transportation and Infrastructure.

By Mr. YATES:

H. Con. Res. 115. Concurrent resolution expressing the sense of the Congress regarding the inadequacy of German reparations for Holocaust survivors living in the United States; to the Committee on International Relations.

By Mr. GILMAN (for himself, Mr. BEREUTER, Mr. SMITH of New Jersey, and Mr. BERMAN):

H. Res. 274. Resolution concerning Burma and the U.N. General Assembly; to the Committee on International Relations.

By Mr. PETERSON of Florida:

H. Res. 277. Resolution relating to a question of the privileges of the House; laid on the table.

By Mr. BALDACCI (for himself, Mr. GEPHARDT, Ms. JACKSON-LEE, Mr. BENTSEN, Mr. DOGGETT, Mr. DOYLE, Mr. FATTAH, Mr. KENNEDY of Rhode Island, Ms. LOFGREN, Mr. LUTHER, Mr. MASCARA, Ms. MCCARTHY, Ms. RIVERS, and Mr. WARD):

H. Res. 278. Resolution providing that when the House adjourns on the legislative day of Saturday, November 18, 1995, it shall stand adjourned until noon Sunday, November 19, 1995, to continue working to resolve the budget impasse; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. EVANS introduced a bill (H.R. 2663) to waive the time limitation specified by law for the award certain military decorations in order to allow the award of the Congressional Medal of Honor to Alfred Rascon for actions while a member of the United States Army during the Vietnam era; which was referred to the Committee on National Security.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 13: Mr. CLINGER.

H.R. 104: Mr. POSHARD, and Mr. GANSKE.

H.R. 325: Mr. PORTER and Mr. FRANKS of Connecticut.

H.R. 359: Mr. MYERS of Indiana.

H.R. 528: Mr. DELLUMS and Mr. BASS.

H.R. 1023: Mr. MARKEY and Mr. TORKILDSEN.

H.R. 1203: Mr. RICHARDSON and Mr. GOODLATTE.

H.R. 1305: Mr. OBERSTAR, Mr. KLECZKA, Mr. FROST, Mr. POSHARD, MS. KAPTUR, Mr. BERMAN, and Mr. BARRETT of Wisconsin.

H.R. 1400: Mr. COLEMAN and Mr. TOWNS.

H.R. 1406: Mr. ZELIFF, Mr. BALDACCI, Mr. LUTHER, and Mr. MCHALE.

H.R. 1488: Mr. BURR, Mr. ROGERS, Mr. HILLIARD, and Mr. CRAPO.

H.R. 1516: Mr. KAPTUR.

H.R. 1711: Mr. WELLER.

H.R. 1746: Mr. ACKERMAN, Mr. FROST, Mr. LEWIS of Georgia, and Ms. MCKINNEY.

H.R. 1856: Mr. GREENWOOD and Mr. FRISA.

H.R. 1946: Mr. LINDER, Mr. SPENCE, Mr. LAHOOD, and Mr. CALLAHAN.

H.R. 1950: Ms. ROYBAL-ALLARD.

H.R. 1951: Mr. CRAPO.

H.R. 2027: Mr. STUMP.

H.R. 2167: Ms. FURSE.

H.R. 2178: Mr. FRANK of Massachusetts.

H.R. 2190: Mr. FUNDERBURK and Mr. ZELIFF.

H.R. 2244: Mr. NEUMANN.

H.R. 2351: Mr. CALVERT.

H.R. 2483: Mr. BILBRAY.

H.R. 2507: Mr. TORKILDSEN.

H.R. 2540: Mr. PARKER and Mr. HALL of Texas.

H.R. 2579: Mr. DE LA GARZA, Mr. STUPAK, and Ms. FURSE.

H.R. 2614: Mrs. MALONEY, Mr. METCALF, Mr. OLVER, Mr. FLAKE, Mr. NEY, and Mr. FOX.

H.R. 2618: Mr. BEILENSON.

H.R. 2622: Mr. SAWYER.

H.R. 2627: Mr. ACKERMAN, Mr. ARMEY, Mr. BAKER of Louisiana, Mr. BARCIA of Michigan, Mr. BARRETT of Nebraska, Mr. BLUTE, Mr. BONIOR, Mr. BORSKI, Mr. BREWSTER, Ms. BROWN of Florida, Mr. BRYANT of Texas, Mr. CALLAHAN, Mr. CANADY, Mr. CARDIN, Mr. CLAY, Mrs. CLAYTON, Mr. CLEMENT, Mr. CLINGER, Mr. CLYBURN, Mr. COLEMAN, Mrs. COLLINS of Illinois, Mr. CONYERS, Mr. COSTELLO, Mr. COYNE, Mr. CRAMER, Mr. CREMEANS, Ms. DANNER, Mr. DAVIS, Mr. DELAY, Mr. DELLUMS, Mr. DICKEY, Mr. DICKS, Mr. DIXON, Mr. DUNCAN, Mr. DURBIN, Mr. EHLERS, Mr. EHRLICH, Mr. ENGEL, Mr. ENSIGN, Mr. FARR, Mr. FAZIO of California, Mr. FIELDS of Louisiana, Mr. FRANK of Massachusetts, Mr. FRAZER, Mr. FROST, Ms. FURSE, Mr. GIBBONS, Mr. GILLMOR, Mr. GEPHARDT, Mr. PETE GEREN of Texas, Mr. GILCHREST, Mr. GINGRICH, Mr. GOODLING, Mr. GORDON, Mr. GUTIERREZ, Mr. HASTINGS of Florida, Mr. HAYES, Mr. HINCHEY, Mr. HOBSON, Mr. HOKE, Mr. HOLDEN, Mr. HORN, Mr. HOYER, Mr. HYDE, Mr. JEFFERSON, Ms. EDDIE BERNICE JOHNSON of Texas, Mrs. JOHNSON of Connecticut, Mr. JOHNSON of South Dakota, Mrs. KENNELLY, Mr. LATOURETTE, Mr. LAUGHLIN, Mr. LEWIS of California, Mr. LEWIS of Georgia, Mr. LIPINSKI, Mr. LIGHTFOOT, Mrs. LOWEY, Mr. MARTINEZ, Mr. MATSUI, Mr. MCDADE, Mr. MCDERMOTT, Mrs. MEEK of Florida, Mr. MILLER of California, Mr. MOAKLEY, Mr. MORAN, Mr. NADLER, Mr. NEAL of Massachusetts, Mr. NETHERCUTT, Ms. NORTON, Mr. OBERSTAR, Mr. OLVER, Mr. OWENS, Mr. PACKARD, Mr. PALLONE, Mr. PASTOR, Mr. PAYNE of New Jersey, Mr. PAYNE of Virginia, Ms. PELOSI, Mr. PORTER, Mr. PORTMAN, Mr. POSHARD, Ms. PRYCE, Mr. RAHALL, Mr. RANGEL, Mr. REED, Mr. REGULA, Mr. RICHARDSON, Mr. ROGERS, Mr. ROMERO-BARCELO, Mr. SABO, Mr. SCHIFF, Mr. SCOTT, Mr. SERRANO, Mr. SKAGGS, Mr. SKEEN, Mr. SKELTON, Mr. SPRATT, Mr. STOKES, Mr. TAYLOR of Mississippi, Mr. TOWNS, Mr. TRAFICANT, Mr. TUCKER, Mr. VISCLOSKY, Mr. VOLKMER, Mrs. VUCANOVICH, Mr. WALSH, Mr. WATT of North Carolina, Mr. WAXMAN, Mr. WOLF, Mr. WYNN, and Mr. YATES.

H.R. 2628: Mr. MCHALE, Mr. LUTHER, Mr. GENE GREEN of Texas, Mr. PAYNE of Virginia, Ms. PELOSI, Mr. WARD, Mr. SPRATT, Mr. MANTON, Mr. BRYANT of Texas, and Mr. RICHARDSON.

H.R. 2632: Mr. TALENT, Mr. SCHAEFER, Mr. TATE, Mr. ROGERS, and Mrs. VUCANOVICH.

H.R. 2651: Mr. ABERCROMBIE, Mr. VISCLOSKY, Mr. MILLER of California, Mr. STARK, and Mr. STUPAK.

H.J. Res. 100: Mr. SCHAEFER and Mr. BEREUTER.

H. Con. Res. 50: Mr. CUNNINGHAM.

H. Con. Res. 102: Mr. LIPINSKI and Mr. PACKARD.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 528: Mr. BARRETT of Nebraska.

United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 104th CONGRESS, FIRST SESSION

Vol. 141 WASHINGTON, FRIDAY, NOVEMBER 17, 1995 No. 183

Senate

(Legislative day of Thursday, November 16, 1995)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious God, Sovereign of this land, our help in ages past and our hope for years to come, we enter into the season of thanksgiving with a great need for the spiritual renewal that takes place when we return to an attitude of gratitude. In the midst of the problems that we face at this time, we need that refreshing rejuvenation that comes when we turn from our trials and focus on thanksgiving for all of Your blessings. You have shown us that gratitude is not only the greatest of all the virtues but the parent of all others. Any achievement without gratitude limps along the road of life; anything we accomplish without giving thanks becomes a source of pride. You desire our gratitude because You know it helps us to grow; other people never tire of feeling the affirmation that is communicated when we express our thankfulness for them; and we know that we require gratitude to avoid being self-serving and arrogant.

O God, we praise You for this Nation of freedom and democracy. We repent of our pride that entertains the idea that we are in charge of the destiny of this land. Grant us the true humility that comes from acknowledging that You are the source of all that we have and are. Now, Lord, we are ready to thank You in advance for Your help in the resolution of the problems we face in this present crisis. In the name of our blessed Lord. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able Senator from Virginia is recognized.

Mr. WARNER. Mr. President, I thank the distinguished President pro tempore.

SCHEDULE

Mr. WARNER. Mr. President, the majority leader wishes to advise the Senate that this morning the Senate will immediately begin consideration of the conference report to accompany S. 440, the National Highway System bill. There is an overall time agreement of 2 hours and 45 minutes on the conference report. A rollcall vote is expected on the conference report, and Senators should be aware that some of the debate time may be yielded back.

Also, for the information of Senators, the majority leader has announced that we expect to receive from the House this afternoon the Balanced Budget Act of 1995 conference report. There is a 10-hour time limitation on that conference report. All Senators can, therefore, expect votes today, and the Senate is expected to remain in session late into the evening to complete action on the balanced budget conference report.

I yield the floor.

The PRESIDENT pro tempore. The able Senator from Rhode Island is recognized.

NATIONAL HIGHWAY SYSTEM DESIGNATION ACT—CONFERENCE REPORT

Mr. CHAFEE. Mr. President, I am very pleased that the conference on the National Highway System bill has reached agreement on the National Highway System Designation Act of 1995. I am prepared to move to that now.

The PRESIDENT pro tempore. The clerk will report the conference report.

The legislative clerk read as follows:

The committee on conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 440) to amend title 23, United States Code, to provide for the designation of the National Highway System, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDENT pro tempore. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of November 15, 1995.)

Mr. CHAFEE. Mr. President, the chairman of the conference was the distinguished senior Senator from Virginia, Senator WARNER. He is the chairman of the subcommittee of the Environment and Public Works Committee that deals with these particular highway matters.

Mr. President, I wish to take this opportunity to thank the distinguished Senator from Virginia [Mr. WARNER] for his very able leadership of this conference. Senator WARNER demonstrated patience and persistence and thoroughness and did a superb job. So I think we are all in Senator WARNER's debt for the outstanding job he did.

I also wish to thank the distinguished Senator from Montana [Mr. BAUCUS], who is the ranking member of both the entire committee, that is, the Environment and Public Works Committee, and also the ranking member of the subcommittee that dealt with this matter. He played a vital role in working out this conference agreement.

I also want to thank the other conferees from our committee; namely,

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

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Senators SMITH and KEMPTHORNE, MOYNIHAN, and REID, for their contributions. Because of what they did, we were able to make the progress that is represented by the conference report, which, by the way, emerged from the Environment Committee—the original bill—with a 16-to-nothing vote. Mr. Rodney Slater, Administrator of the Federal Highway Administration, has been very helpful, as was the Secretary of Transportation, Mr. Federico Pẽna.

The result of the conference on the National Highway System legislation is a compromise, and I know that there will be comments today about dissatisfaction with certain portions of the report, particularly those dealing with the safety aspects. But nonetheless, like all conferences, they are a compromise. We moved ahead in allowing something over $6 billion in highway funds to now be released to the States.

The purpose of this legislation is to approve the National Highway System which is a network of approximately 160,000 miles of highway in our Nation. The States and localities have chosen these roads as some of their most important ones. The National Highway System represents only 4 percent of the highways in the United States of America but on those 4 percent of the highways 40 percent of the Nation's traveling is done. In other words, these 4 percent of the roads handle 40 percent of the total vehicle miles traveled in our country. These roads connect strategic facilities including our ports, airports, train stations, and military bases. The process to designate the NHS worked well. It is a cooperative process that produced a high degree of consensus among Federal, State, and local officials.

The conference agreement approves the map as submitted by the Secretary and recognizes that this is a changing, dynamic process. And so there will be other changes in the future as State and local officials work with the Secretary of Transportation. The conference agreement preserves the important principles of flexibility that came from the basic highway act that we have which was passed in 1991, called the Intermodal Surface Transportation Efficiency Act, with the pleasing acronym of ISTEA.

In this legislation we passed, paperwork and regulatory burdens have been reduced, additional flexibility has been provided including management systems; metric signing requirements; implementing the transportation enhancement program; designing highways to allow for the preservation of environmental and scenic values; the use of Federal-aid funds for preventive maintenance; and the use of Federal-aid funds for roads that provide connections to intermodal facilities.

What is an intermodel facility? It is a facility that has surface transportation, air transportation, and sea transportation, all blended together and from that some goods move by truck, some move by rail, some move by sea.

Specifically regarding what is called design standards, I believe this provision provides significant new flexibility for the States and new opportunities for public participation. I hope that the Secretary will, in the development of design criteria, make every effort to ensure the full participation of organizations and individuals representing scenic, aesthetic, community, environmental, historic, bicycle, and pedestrian interests. I urge the Secretary of Transportation to make certain that State and local transportation officials are aware of this new flexibility that is provided so that they can take full advantage of it.

This legislation also provides the States with additional financing options to address the needs of the transportation system recognizing that the Federal, State, and local governments' resources are limited.

This conference report includes provisions that address problems that have occurred in the implementation of the Clean Air Act.

One of the most effective measures to reduce air pollution is inspection of the vehicle that are already on the road to make sure that the pollution control equipment on the vehicle is working properly. This vehicle testing program is called inspection and maintenance in the Clean Air Act. Many Americans are familiar with this program because they are required to take the family car to the service station or repair shop once a year to get an emissions inspection. Inspection and maintenance of existing vehicles is now required in more than 60 major urban areas across the country.

The 1990 amendments to the Clean Air Act directed EPA to develop an enhanced vehicle inspection and maintenance program to be carried out in the cities with the worst air pollution problems. Congress mandated that the existing testing programs in these areas be upgraded to get even greater pollution reduction.

EPA issued regulations to implement this part of the 1990 law in November 1992. However, those regulations went farther than Congress had expected or intended. The regulations required that testing be done with expensive, new technology called I/M240. Furthermore, the regulations imposed a penalty on testing programs that used service stations or automobile dealerships or other auto repair facilities to conduct the tests.

In the past, vehicle inspection and maintenance in most States has been carried out through a decentralized network of service stations and repair shops. But these new EPA rules virtually precluded a continuation of that approach. The testing technology is too expensive for most service stations to afford. Any any program based on a so-called test-and-repair system faced an automatic 50-percent penalty in the emissions reduction credits EPA would allow.

The States have aggressively resisted these EPA regulations for enhanced programs. Many States have refused to implement it. Other States that initially tried to implement the program are now pulling back. Earlier this week the Governors of five of these States—California, Texas, Virginia, New York, and Pennsylvania—wrote to the majority leader of the Senate and asked for legislative relief from these EPA regulations.

Mr. President, I would ask unanimous consent that the letter from the Governors be printed at the conclusion of my remarks.

The PRESIDING OFFICER (Mr. JEFFORDS). Without objection it is so ordered.

(See exhibit 1.)

Mr. CHAFEE. I am pleased to say that the conference report now before the Senate makes the specific changes in the inspection and maintenance program that the Governors recommend. First, the bill prevents EPA from requiring any State to use the expensive testing technology.

Second, EPA is barred from applying an automatic 50-percent discount to the decentralized, test-and-repair programs that some States have adopted.

And third, the bill allows States to develop innovative programs based on their own estimates of the emissions reductions that will result. As the Governors suggest, the conference report allows these innovative approaches to be put into effect on an interim basis to determine whether they work. If they do, the States can get permanent approval. If not, States will be required to make adjustments to assure that the emissions reductions needed to reach health standards will be achieved. This conference report gives the States a green light to develop programs that will work for their citizens. But it also requires that the States prove that the programs are working before permanent approval is granted.

This conference report addresses all of the issues raised by the Governors in their letter. We have discussed this legislation with EPA and based on those discussions, we are confident that these changes to the program are workable and will provide a sound-basis for enhanced inspection and maintenance programs.

This legislation resolves the problems with inspection and maintenance that the States have raised and should move us rapidly to the day when vehicle testing is an even more effective way to reduce air pollution in the Nation's urban areas.

I am pleased that this legislation continues the ban on new billboards on scenic byways. The conference agreement codifies the Department of Transportation's implementation of the law which prohibits new billboards on scenic byways in scenic areas.

Consistent with Congress' intent in passing ISTEA, the Department of

Transportation has prohibited new billboard construction along scenic byways on the interstate and primary systems. In some unusual circumstances, a scenic byway may pass through a heavily industrial or commercial area which does not possess any scenic, cultural, historical, natural, archaeological, or recreational characteristics. In such cases, the Secretary may continue to permit the States to segment those areas out of the designation and to allow new billboards in those undesignated areas.

Where segments are proposed for exclusion, the Secretary has the responsibility to examine these exclusions to ensure that exclusions are, in fact, made on a reasonable basis.

The Secretary of Transportation continues to have the authority to prevent the circumvention of the requirements of section 131(s) and section 1047 of the Intermodal Surface Transportation Efficiency Act of 1991.

The Secretary has used his authority and intervened in the past when States have proposed actions that evade the Federal law banning billboards on scenic byways. The Secretary continues to have this authority and has the responsibility to exercise it in those cases where the States are not complying with the billboard ban on scenic byways. The Secretary's authority is described in a legal memorandum from the deputy chief counsel to the Federal Highway Administrator. I ask unanimous consent that this memorandum be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection it is so ordered.

(See exhibit 2.)

Mr. CHAFEE. I regret that this legislation repeals several Federal safety requirements, including the speed limit and the motorcycle helmet requirement and weakens certain truck safety requirements.

Why did that come about? It came about because we had votes in the Chamber of this Senate by some substantial majorities. The body spoke and said they wanted these safety requirements in the hands of the States rather than in the Federal Government—the speed limits on the highways, the requirement that we presently have that motorcyclists wear helmets or that the States will lose some funds. All of that has been turned back to the States. And so now they are responsible for the health and safety of the public traveling on our transportation system. I certainly hope that the States will exercise extreme caution when using these new authorities.

The conference agreement directs the Department of Transportation to collect data and report to Congress regarding the costs of deaths and injuries resulting from motor vehicle crashes in those States that raise the speed limit or change their motorcycle helmet laws. The Department of Transportation collects important safety data and it is more important than ever that this data is collected and analyzed so that information is available to determine the impact of the repeal of the Federal speed limit and motorcycle helmet laws.

The Federal safety laws were repealed on the basis of State's rights. I am certain that State officials are concerned for the safety of the residents of their States. I hope the States that have good safety laws will keep them, and that those who do not will pass effective safety laws recognizing the tremendous benefits of these laws in saving lives and reducing costs.

Finally, I very much regret that we were not able to include the Senate provision which passed by an overwhelming vote of 64 to 36 regarding Amtrak. The NHS bill passed by the Senate would have permitted Governors to use some of their highway money for Amtrak if they desired to do so. It was completely voluntary and would have given the Governors additional flexibility to sue their transportation funds within their own States on Amtrak service. Millions of people around the country rely on the transportation service that Amtrak provides. I believe the flexibility that the Senate provision provided should have been given to the Governors and would have benefited our country's transportation system.

Mr. President, Senator WARNER will be managing this bill with me. He has done such a splendid job in connection with this legislation. So I would like to turn the podium over to Senator WARNER at this time.

EXHIBIT 1

NOVEMBER 13, 1995.

Hon. ROBERT DOLE,
Majority Leader, U.S. Senate Capitol, Washington, DC.

DEAR SENATOR DOLE: We are writing to respectfully request your assistance on a matter of great importance to our States—the implementation of the Clean Air Act. We agree that all Americans want and deserve clean air and that the goals of the 1990 Clean Air Act Amendments are commendable. Unfortunately, EPA's implementation of the Act has been particularly burdensome to our States, especially in the area of inspection and maintenance (I/M). Without legislative changes by the Congress in this area, our States will be faced with sanctions, including the withholding of highway money, over the course of the next year to year and a half.

EPA has a bias in favor of bureaucratic test-only programs in granting only 50 percent credit for test-and-repair I/M programs. Rather than encouraging States to develop innovative, creative and effective I/M programs, EPA is forcing States into a one-size-fits-all-program by virtue of its arbitrary 50 percent reduction in emissions credit for test-and-repair programs. States need the flexibility to design effective I/M programs that meets the unique needs of their citizens while meeting the goals of improved air quality. The federal government should set the goals; the States should have the flexibility to meet those goals in a way that makes sense for their citizens.

Unfortunately, it appears unlikely that the congressional authorizing committees will have enough time this session to complete action on legislation addressing implementation problems with the Clean Air Act. Because our States face the threat of sanctions by the end of next year, it is critical that Congress address the I/M issue this session on any appropriate legislative vehicle.

Specifically, our States support language which satisfactorily addresses the EPA bias in granting only 50 percent credit for test-and-repair I/M programs and places the burden of proof on EPA to document any alleged shortcomings it perceives in a test-and-repair I/M program. States need the opportunity to get their proposed emissions inspection programs up and running. If, once in place, the real-world data proves that a program is insufficient, then EPA could require that the State submit a new plan. States should not, however, be prevented from implementing their proposals on the basis of an arbitrary formula.

Thank you for your consideration of our request.

Sincerely,

GEORGE ALLEN,
Governor of Virginia.
PETE WILSON,
Governor of California.
GEORGE W. BUSH,
Governor of Texas.
TOM RIDGE,
Governor of Pennsylvania.
GEORGE F. PATAKI,
Governor of New York.

EXHIBIT 2

DEPARTMENT OF TRANSPORTATION,
FEDERAL HIGHWAY ADMINISTRATION,
Washington, DC, November 2, 1995.

Subject: Authority of the Department of Transportation to prevent abuses of 23 U.S.C. 131.

From: Deputy Chief Counsel.

To: Rodney E. Slater, Administrator.

FHWA has indicated to three States that proposed legislative or administrative actions are inconsistent with 23 U.S.C. §131(s). In each case, the State was considering a statute or administrative action which would have removed from their scenic byways all commercial and industrial areas. The blanket exemption of commercial and industrial areas required no judgment about the scenic quality of excluded segments. In each case, we based our action on our general authority to prevent outright circumvention of the requirements of the Highway Beautification Act (HBA). In our judgment, nothing in the language proposed by Senator Warner, either on October 26, or more recently, would impair our authority to prevent such action in the future. For clarity of reference, both draft proposals are attached.

The Department of Transportation has asserted its authority to prevent deliberate circumventions of the requirements of the HBA since 1971. At that time, we asserted our authority to challenge strip zoning undertaken solely to allow for the erection of billboards. We did so in the face of a specific clause in 23 U.S.C. §131(d) asserting that States have full authority under their zoning laws to zone areas for commercial and industrial purposes, and that State action must be accepted for such purposes. Our standards for adequate zoning, which specifically prohibits zoning solely to allow outdoor advertising, are contained in our regulations at 23 C.F.R. §750.708, promulgated in 1975. We have also asserted our general authority to prevent abusive practices on any number of occasions. As early as 1976, the General Counsel prepared an extensive legal opinion to this effect. Our authority to fashion appropriate remedies to accomplish the HBA purposes has been upheld by the Courts on several occasions. See, for example, *South Dakota* v. *Volpe,* 353 F. Supp. 335 (D.S.D. 1973), and

South Dakota v. *Adams*, 587 F.2d 915 (8th Cir. 1978).

Looking at the language proposed in the two drafts being considered by Senator Warner, we note that the general prohibition of new signs (except those allowed by §131(c)) adjacent to scenic byways on the Interstate or primary system is unchanged in either version. In each case, a qualifying sentence is added which would permit states to exclude from a state designated scenic byway those sections it determines not to be scenic. This language, in itself, contains the basis for exclusions. While it is clear in adopting such an amendment Congress would allocate considerable discretion to the States in making determinations about whether a particular section of highway is or is not scenic under State law, it is not a blanket exclusion. This is similar to the provisions of the provision of §131(d) mentioned above. In both cases, the Department would continue to have the authority to prevent actions which plainly are not related to the purpose of the legislative exemption. Thus, we can now prevent abusive zoning practices, and we will continue to be able to prevent inappropriate exclusions of scenic segments of a scenic byway. The language which provides both the purpose of the exemption and the scope of State discretion is the same in both versions proposed by Senator Warner.

It must be noted that even under §131(s) in its current form, the provision to prevent the erection of new signs applies only to Interstate and Federal aid primary highways that are on State designated scenic byways. No definition or limitation as to what is a State scenic byway is contained in the law. Implicit in its formulation, however, is a reliance on State law definitions. In spite of this implication, we have asserted our authority to prevent abusive interpretations of or amendments to State law in how the State scenic byway program should operate under §131(s).

The ability to intervene to prevent potentially abusive State actions, as we did in Louisiana, Tennessee, or New Mexico, is unchanged under either proposed amendment. These amendments neither add to nor detract from our current ability to generally prohibit abusive practices which have as their purpose the circumvention of the HBA, rather than legitimate exclusions of non-scenic segments of a State designated scenic byway.

EDWARD V.A. KUSSY.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. WARNER. Mr. President, before the distinguished chairman leaves the floor, first, I want to thank him for his kind remarks on my behalf, and, indeed, on behalf of our staff. I know that the Senator shares my view that this staff here, Jean Lauver and Ann Loomis, are absolutely superb. Rather than thank them at the end, let us thank them at the beginning.

Mr. CHAFEE. I would like to include members of the Democratic staff likewise. I know Senator BAUCUS will touch on that, but we appreciate everyone.

Mr. WARNER. Knowing the chairman's time is short, I think we should address here in a brief colloquy the question of the billboards. I know this is a subject on which the chairman has spent many, many years of hard work. It is the opinion of this Senator that the Senate held firmly throughout these negotiations with respect to the provisions in ISTEA, which established the landmark legislation on the billboards. And at no time did we yield in any way to the House on that.

Mr. CHAFEE. The Senator is quite correct. In the ISTEA legislation of 1991, we had passed a provision dealing with scenic byways. And the provision was that on scenic byways there could be no new billboards; there could be the existing billboards, but no new ones.

The House wanted to greatly weaken those provisions. One of their problems, they said, was that they required segmenting. In other words, a scenic byway might last for 30 miles and then there would be a 3-mile segment that would not be scenic and then there would be another 20 miles. They thought that should be taken care of. That was a legitimate problem, and we addressed that. But in no way was the billboard provision gutted in this legislation.

Mr. President, I want to say to the distinguished Senator from Virginia, I greatly appreciate the way he stood firm, and, indeed, this was the provision that held up this legislation right from the beginning. We were on this legislation for, what?—3 weeks, the conference. The bulk of the matters were settled in the first week, but it was this billboard provision that held things up. We stood our ground and came out with a measure that I believe everybody interested in scenic byways can be pleased with.

Indeed, I would like to just state here the report language, the last sentence in this particular area:

The Secretary of Transportation has the authority to prevent actions that evade Federal requirements.

In other words, we have not given up the authority of the Secretary in any fashion here.

Mr. WARNER. I thank my distinguished colleague, Mr. President. I ask unanimous consent to have printed in the RECORD at this point an editorial from the New York Times which inaccurately states the matter in which this conference was concluded.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, Nov. 14, 1995]

BILLBOARD BLIGHT

Billboards bring blight to the highways, but the billboard industry brings cash to members of Congress. That is why Congress is close to undoing a modest achievement in the long struggle to limit the spread of roadways signs. Billboard lobbyists have held up $6 billion in highway construction funds while pressing to repeal a ban on new billboards on roads designated as scenic byways.

Their strategy may be working. The Senate whose highway spending bill did not mention billboards, is yielding to House conferees who insist on gutting a billboard ban enacted only four years ago. At stake is a 1991 Federal program that has encouraged 42 states to designate a modest 15,000 miles of highway—less than 1 percent of all American roads—as scenic byways. Under the program, new billboards are banned. In exchange the states are permitted to advertise the roads as "scenic," which helps attract tourists. They also received Federal funding for roadside cleanups and beautification.

From time to time, the Federal Department of Transportation has granted exemptions for new billboards in commercial or industrial sections—but not nearly enough exemptions to suit Representative Bud Shuster of Pennsylvania, chairman of the House Transportation Committee. Re-elected in 1994 with the help of $67,000 from billboard interests, Mr. Shuster persuaded the House to insert in the transportation spending bill a provision giving states complete discretion.

Senator John Warner of Virginia, negotiating for the Senate's version of the bill, asked Mr. Shuster to drop the billboard provision in return for the Senate's dropping a measure allowing states to use some highway money for passenger railroads. Mr. Shuster rejected that offer and Mr. Warner gave in, saying the highway funding was too important to allow further delay.

Mr. Warner asked only for House agreement on a largely meaningless gesture, language that would show Congress's approval of the way the Transportation Department has been dealing with proposed exemptions. But Chairman Shuster wants even this parliamentary stroking toned down.

The fragile scenic byways program, which depends on Federal-state cooperation and sensitivity toward the environment is now in danger of being picked apart, state by state. The Senate needs to reject this threat to the landscape.

Mr. WARNER. I think the orderly way to proceed would be to now have our distinguished ranking member, the Senator from Montana, who likewise kept a firm hand on this conference as we proceeded to resolve it together with his colleagues. And I want to thank him. He looked after the interests of this bill from its very inception.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. BAUCUS. Mr. President, I thank the Senator from Virginia for those kinds remarks.

Mr. President, I am very pleased today that finally the Senate is considering the conference report on the National Highway System Designation Act of 1995. This has been long in coming and, I might say, a bit too long because the deadline for Congress to pass this legislation was October 1, some 6 weeks ago. Since that date over $6.5 billion in Federal highway funds have been withheld, that is, they have been withheld from the States, very simply because of our failure, congressional failure, over the past 6 weeks to get this bill passed. It has been around for a couple years.

This has meant delayed contracts. It has meant postponing jobs. Passing this bill today, however, means the States will soon be receiving those funds. That is good news for the States, good news for the thousands of construction workers and others who will benefit from new jobs.

The delay has been the result of some major differences between the House- and the Senate-passed bills. It was not easy to reconcile them, but the leadership of the chairman of the Environment and Public Works Committee, Senator CHAFEE, and the chairman of

the conference, Senator WARNER, finally bridged the distance and brought the conference report to us here today.

The report includes a number of important provisions. I will very briefly touch on some of them. But, first, let me put this bill in context. The National Highway System, or NHS, is a network of over 160,000 miles of the Nation's most critical roads. Although they account for only a small part of the total public road miles, these roads carry the bulk of our commerce.

Most importantly, the NHS is really the key to a seamless network that uses all modes of transportation, linking roads to airports, seaports, and rail yards. It will expand economic opportunities in big cities and in small communities. And it will make our businesses more competitive in the global marketplace.

The National Highway System is especially vital, I might say, to rural areas, areas where highways are the only method of transportation. Whether it is the transport of goods and services, traveling for family vacation, or business or taking the kids to college, highways play a vital role in our lives and our jobs, most particularly in rural areas.

For Western States like Montana, we have few alternatives to roads. We do not have the mass transit and water transport systems that many other States depend on. And we will never have them. We are a large State with no big cities. To make matters worse, we have very limited air service. So designation of the National Highway System is vital. Montana has more miles of roads per capita than any other State, and over 3,800 miles of them are included in the NHS. This is about 800 miles more than proposed by the Bush administration.

The additional routes include highway 200 between Great Falls and Missoula and Lewistown going west to Winnett, Jordan, Circle, Sidney, and Fairview; highway 12 from Helena to Garrison Junction; highway 59 from Miles City to Broadus, a very rural part of our State; highway 87 between Billings, Roundup, and Grassrange—you can imagine those are not metropolises—highway 212 from the Crow Agency to Lame Deer and Alzada, even more rural.

These NHS roads link Montana farms and ranches to the Great Lakes and to the Pacific Ocean. These roads get our wheat to Russia and our beef to Japan. In short, they are our economic livelihood.

What is the practical effect of NHS? Most importantly, by identifying these critical roads, States will be able to target their highway dollars to make sure the roads that get the most use are also the safest and most efficient. So the NHS really does set the stage for our transportation future, both in Montana and in the country.

Mr. President, in addition to designating the National Highway System, the conference report also reduces a number of very burdensome regulations and repeals several highway fund sanctions. For example, the conference report repeals the national maximum speed limit. This means that the States can now decide for themselves what the appropriate speed limit should be on their roads without the threat of losing Federal highway funds.

I support the repeal of the speed limit. I strongly believe that the State and local officials are just as deeply concerned about the safety of their citizens as those of us here who serve in Washington. State and local officials will take safety into consideration when deciding the appropriate speed limits. This provision simply recognizes reality, Mr. President; namely, that what may be the appropriate limit in Montana will probably not make sense in New York City.

Let me also point out that the conference report gives Governors a say as to when the repeal goes into effect. Governors will have 10 days after the enactment of the conference report in which to decide whether they want the proposal to go into effect immediately or to be reviewed by the State legislature. If he or she chooses the latter course, the repeal of the speed limit would not take effect until the legislature takes action, otherwise, the repeal would become effective at the end of 10 days.

Another major accomplishment of this bill is the reduction in burdensome paper requirements for the States. For example, States will no longer have to develop six separate management systems or exhaustive planning documents.

These management systems have become a worthless paperwork exercise, particularly for rural States. Yet, failure to develop these systems mean a 10-percent sanction of highway funds. This conference report repeals these requirements and will relieve States of this unnecessary burden.

Mr. President, it has taken the conference almost 2 months to reach this agreement. As I said earlier, this has left the States without highway trust funds for that amount of time. That has been unfortunate and I think unnecessary. However, the Senate will shortly begin the process to resume the flow of highway dollars to the States, and with quick action by the House and the President, States will soon see not only a restoration of highway funds, but the elimination of unnecessary regulations.

So this is a good bill. It is a jobs bill. It is a reform bill. It will be good for Montana and for the country. I urge all my colleagues to support the conference report.

Let me close by, again, thanking my good friends, Senator WARNER and Senator CHAFEE, for their leadership. Without their skill and, I might say, determination, we would not be here today.

Finally, let me add a few words of thanks to the Montana Department of Transportation and the Montana Highway Commission. The advice of people like highway commissioner Tom Forseth, transportation director Marvin Dye, Sandy Straehl, his assistant, and John DeVierno have all been invaluable, and I thank them very much. Most importantly, Mr. President, I thank the people of Montana for their very good advice and help in crafting this legislation.

I also wish to thank the staff for the majority, Jean Lauver and Ann Loomis, for their hard work and dedication on this bill. And, of course, Kathy Ruffalo of my staff who has put in countless hours to bring this bill to where it is.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. WARNER. Mr. President, I again commend the distinguished ranking member, our former chairman of the Environment and Public Works Committee. He had a firm hand on this legislation from its very inception. I certainly join him in acknowledging that many outside groups did make valuable contributions to the formulation of this piece of legislation—in my State, Governor Allen and Secretary Martinez. Indeed, we incorporated into this bill the flexibility of States to look for other means, which I will address later, of financing highway projects. Now that the Federal funding could well be diminished in the years to come, we have to look to alternative methods of financing.

Mr. President, I note the presence of the President pro tempore on the floor. He asked to make a brief statement, and then I will resume mine. At this moment, I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, this bill is one of the most comprehensive and important bills for our Nation. It means a lot to all the States in this country. I want to commend Senator CHAFEE, the chairman of the Environment and Public Works Committee, for his good work on this bill, and I want to especially commend the able Senator from Virginia, Senator WARNER, for his great work. He is chairman of the Subcommittee on Highways.

This means a lot to our entire country, and what they have done here is going to improve the highway system of America. I just want to extend my highest commendation to them.

Mr. WARNER. Mr. President, I wish to thank the distinguished senior Senator from South Carolina. I also wish to note that in this bill is a new corridor, a new interstate corridor known as I–73/I–74. The distinguished senior Senator from South Carolina participated, together with his Governor and State highway transportation authorities, in a critical decision as to how this highway, as it exited North Carolina, then traversed the South Carolina road system.

So I wish to thank him for that help in designating exactly how that very

important new arterial highway will pass in his State.

Mr. THURMOND. Mr. President, I wish to express my appreciation for the way this worked out. I think it is satisfactory now to North Carolina and South Carolina. With the help of the able Senator from Virginia, this was able to come to pass.

Mr. WARNER. Mr. President, I thank our distinguished colleague.

I am going to start again by acknowledging the absolute superb professional assistance given by Jean Lauver, Ann Loomis, and Kathy Ruffalo, who are present in the Chamber this morning.

I also wish to thank Steve Shimberg, Tom Sliter, Gary Smith, Chris Russell, Alex Washburn, Greg Daines, Larry Dwyer, Linda Jordan, and Ellen Stein for their valuable contributions to this legislation from its inception through this conference report

As stated by the distinguished chairman and ranking member, with approval of this conference report, we release $6.5 billion in National Highway System and interstate maintenance funds from the Highway Trust Fund to all States. This is not new spending, Mr. President. We are here today and tomorrow addressing spending, but I want to make it very clear, this funding comes from gasoline taxes and other user fees the motoring public—that is when you drive up in your automobile or your truck or other vehicle to that particular gas pump, you pay that Federal gas tax. It goes into this Highway Trust Fund, and that public pays into the fund. It is really their dollars that we are redirecting back to the States such that their Governors and their appropriate highway officials in the State can designate how best to spend those funds on their behalf.

Again, it is funding their citizens have provided for the direct purpose of maintaining a first-rate transportation system. That is my first point, Mr. President.

Throughout this, we preserve the integrity of the Highway Trust Fund. It was a decision in this Chamber relating to the authority of Governors to use part of those funds for the purpose of the Amtrak system. It was the decision of the conference, over which I was privileged to chair, that we would reject that provision, again preserving the integrity of these funds to be used just for the highways, bridges and associated needs connected with road transportation.

Mr. President, I want to commend, again, all who participated in this legislation and proceed now to state that this is a report which is a bipartisan effort on behalf, again, of the minority and majority and also within the administration. There was very valuable participation by Secretary Peña and the Administrator and Deputy Administrator of the Federal Highway Administration.

Rodney Slater, the Administrator, came to my office on many occasions and, indeed, on other occasions, I had to call him late into the night, but he was always there quickly to respond, together with a very well-qualified professional staff, to deal with the many technical issues involved.

I also acknowledge that my working partner in the conference was Congressman SHUSTER, the chairman of the House committee. He has a wealth of knowledge with respect to these issues and, as I said, neither of us blinked. We worked together constructively, recognizing that there were differences between the two Chambers, but in the end, I think we reconciled those differences in a manner that is in the best interest of our Nation's transportation system.

I certainly join Senator CHAFEE in acknowledging that I was disappointed, as was he, with reference to the will of the Senate and the will of the majority, likewise, in the House to take certain measures relating to highway safety and transfer them from Federal decisionmaking authority down to the Governors and the various highway transportation authorities in the States.

I only urge them to look upon the safety considerations very carefully, and particularly those considerations as relate to senior citizens. Senior citizens are finding it increasingly difficult to cope with these modern highways and high speeds, and the differential between car speed and truck speed which occur in some instances.

I hope, and I must say I pray, that the Governors will be ever so careful as they address this new authority as it relates to their several States.

Mr. President, this legislation will move America's transportation system into the next century. It will ensure our competitiveness in a global marketplace by providing for the efficient movement of goods and people.

I want to take a moment to talk about the history of highway legislation in our United States. I found it of great interest, as I went back and read, frankly, the biographies and other writings relating to General Eisenhower.

This bill today is really a reaffirmation of his vision and his early work. It goes way back to 1919, in the aftermath of World War I. Eisenhower did not get to France. It was a matter of great personal disappointment to him. But his then Chief of Staff of the U.S. Army was ''Blackjack'' Pershing, the general that led the AEF in France in World War I. Pershing, having been elevated to the top job in the U.S. Army, began immediately to look into the future, and he recognized that America, at some point in time, might have to move swiftly military equipment from the east coast to the west coast, or indeed in reverse direction. So he called on a young lieutenant colonel by the name of Eisenhower and said, ''Take a convoy of this military equipment,'' heavy equipment, the very equipment that was used in France, the equipment that the people in our country had not seen, other than through just pictures, ''and move it from the east cost to the west coast.''

Eisenhower embarked on this mission, and he wrote about it extensively—about the difficulty of maneuvering through certain areas and the limitation of certain bridges. The trip took over 60 days to transit this equipment, and often, on some days, he only managed 5 miles per day.

That left in Eisenhower's mind an indelible need for America, some day, to modernize its road system.

The next chapter occurred when he was Commander in Chief of Allied Forces in Europe. When he, after D-day, first arrived on the European Continent to direct, hands on, his forces, he was amazed, as he would study the maps late into the night, about the rapid movements of the Third Reich forces to reposition themselves to confront the Allied Forces, utilizing the Audubon system which had been laid down over a period of many years by the Third Reich. I think at that point in time he said we must move America forward. Of course, as we all know, that came about when he ascended to the Presidency.

At that time, he started the National Highway System—55,000 miles. This bill now adds to that original system, which, in large measure, is completed in the bill. The new highway system was designated by the several Governors and the highway boards to make up this modern system we are fortunate to have in our country today. It is perhaps the best to be found anywhere in the world. This system map, which this legislation is approving today, consists of 160,000 miles. States, with the approval of the Secretary of Transportation, have authority to modify these routes, reposing in the Governors and the States the authority to modify these routes for additional miles, as provided in the ISTEA legislation of 1991—without further congressional approval, Mr. President. In other words, we have taken Congress out of some of the traditional roles that we have held onto in past years and given it to the Governors and the States, to give flexibility.

This total mileage of 160,600 miles consists of 44,000 miles of the interstate system, 5,000 miles of high-priority corridors, 15,000 miles of noninterstate strategic highway network routes, and 1,900 miles of strategic highway network connectors.

The remaining 91,000 miles were identified by our States and the Federal Highway Administration. The product of a 2-year dialog between the Federal Highway Administration and the Governors resulted in this map.

The National Highway System ensures a Federal commitment to a limited network of America's most heavily traveled roads. Although representing only 4 percent of the Nation's total highway miles, these roads carry 40

percent of all highway travel and 75 percent of all commercial travel.

One of the most compelling reasons for this map and the NHS is the link it will provide for our rural communities. Listen carefully, Mr. President. I am fascinated with this statement: Ninety percent of all households in America will now be located within 5 miles of an NHS road system.

Mr. President, this conference report is the product of compromise on many issues. ''Compromise'' is not a word that is in great favor these days on Capitol Hill, but it certainly was utilized in bringing together this conference report. I am proud of the modest achievement that I had in participating. I am pleased that both sides wanted this legislation to reduce regulatory burdens on our State transportation partners. This conference report repeals the requirement to use crumb rubber in asphalt, to convert transportation signs to metric measurements, and to implement management systems. Again, this is a transfer of power from the Federal Government to the State governments.

In responding to the need to increase State flexibility in using these transportation funds, the conference report did, among other things, the following:

It allows States to use NHS funds on intermodal connectors.

It establishes a pilot program for State infrastructure banks.

It adopts all of the Senate provisions on innovative financing to attract private resources to transportation projects.

It addresses the budget shortfall resulting from section 1003 of ISTEA. States can spend unobligated balances as a means of offsetting reductions that will occur from this provision.

The conference report does not provide any funding for new demonstration projects.

I would like to digress a moment on that, Mr. President.

One of the distinguished Members of this body came to me, in a very polite way, and was quite critical. He felt we had put a lot of pork in this bill. I would like to state my view of what this bill has and has not. First, when I initiated the hearings on the Senate side, I took a stance that we would, in the Senate, try to resist pork and any new projects. This is in contrast to the 1994 House-passed NHS bill—last year's bill. That bill was stopped by the Senate. But in that bill, the House had 283 new demonstration projects. I think that was the reason that bill never saw signature from the President. And then, in 1991, ISTEA, that bill provided $6.2 billion in contract authority for 539 projects. I repeat, 539 projects, Mr. President.

That highway trust fund money is distributed to those projects before States receive transportation funds, based on the formula calculation. ISTEA also provided for $8.9 billion in general fund authorization for 41 projects. This is not funded from the Highway Trust Fund.

Now, Mr. President, we changed that. We did quite a different thing in this bill.

Mr. President, I repeat, the conference report does not provide any new funding for demonstration projects. We did accept the House provisions that redefine some previously authorized projects to permit States to use existing funds for revised priorities.

For example, Mr. President, in ISTEA, I will hold this chart up. I will not burden the RECORD with it. But this is how, in a very complicated formula, we allocated all of those funds in ISTEA. But a State got an allocation, and the conference felt that since a State had gotten it under ISTEA and had made a number of plans for expenditure of those funds, we should allow them the flexibility—each State—to retain those funds, which can no longer be applied to a specific project in that State, but could be transferred to another project, clearly identified with their highway system. I think that is a proper flexibility given to the Governors. But, again, there is no new money in this bill.

On the matter of outdoor advertising on State-designated scenic byways, the House provision was significantly modified. It was my view that it was appropriate for the conference to simply codify the current policies and procedures now being implemented and through the intervening years since ISTEA, through today, by the Federal Highway Administration. Since ISTEA, in 1991, States have been permitted to designate noncontiguous scenic byways.

Those segments of a scenic byway that are not designated must be based on a State's criteria. The effect of this provision will be that States are allowed discretion in segmenting these routes, but the Federal Government's authority to protect truly scenic byways is preserved.

I think I can characterize that as follows: This was a highly contentious issue between the House and the Senate. I respect the views of those on both sides.

That issue, in my judgment, most properly should be addressed next year in 1996 when the Congress again exercises oversight and indeed perhaps other authority with respect to ISTEA. That is the time to readdress the issue of the billboards.

Therefore, my challenge was to draw a provision in this bill which left the compass, so to speak, at point zero. It does not move one degree toward more billboards or one degree toward less billboards. It leaves both sides in status quo, preserving the right for both sides in the context of hearings on ISTEA in 1996 to bring forth the witnesses and state their case for or against a change in the current billboard policy as it relates to the scenic highways.

I think that was fairness. I regard it as a major achievement by the Senate conferees.

The conference report also reflects the will of both bodies on the speed limit issue. While the Senate maintained the Federal speed limit on commercial vehicles, this conference report fully repeals the national maximum speed limit law. States now have the choice and the responsibility to set a speed limit that responds to their specific highway conditions.

This is an area in which I personally disagreed, but again it was the will of both Chambers and therefore it was not, in a technical sense, a conferenceable item.

I remain concerned, personally, speaking for myself, deeply concerned about changing the 55-miles-per-hour speed limit and strongly urge our States to recognize the 20 years of safety benefits that we have received from a responsible speed limit. I want to thank a number of outside organizations that intervened on this issue. I join in expressing my disappointment that we were not able to continue in certain areas Federal supervision over the safety measures as it relates to speed, helmets, safety belts, and other issues.

I am pleased to report that a provision is included requiring States to enact a zero alcohol tolerance level for persons under the age of 21 driving a motor vehicle. Mr. President, that has not received much attention as of yet. I urge Senators to look at that provision. Day after day there are news reports of young persons involved in tragic, senseless traffic fatalities caused by alcohol and speed. Lowering the blood alcohol content for driving-while-intoxicated offenses is a small but a constructive step we must take.

Mr. President, the goal of the NHS is to leave a legacy for the next generation. That legacy is an intermodal transportation system, a system that is not fragmented into separate parts, but rather one that works in sync to serve the many diverse interests of Americans.

I yield the floor.

Mr. WARNER. This matter is under a time limitation. The chairman has returned to the floor. There is a Member seeking recognition.

Parliamentary inquiry; how much time remains under the chairman of the committee?

The PRESIDING OFFICER. The chairman's time has expired.

Mr. BAUCUS. Mr. President, I yield 5 minutes of our time to the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington is recognized for 5 minutes.

Mr. GORTON. Mr. President, while I believe this bill to be extraordinarily progressive from the point of view of engineering and the designation of highways and the degree of flexibility allowed the States in construction projects, I nevertheless am constrained to vote against the bill by reason of a number of its other provisions.

First, again, while the Senator from Virginia particularly is to be congratulated on at least severely limiting the damage to billboard control contained in the bill, it is ironic that while there is a provision in this bill to grant States greater flexibility to get out from under billboard controls, nothing is done in this bill to allow States to enforce their own laws with respect to billboard controls if they wish to do it in a different way than present Federal law requires.

Mr. President, a great deal has been said about the delegation of responsibility to the States, but the bill denies States the right to use their trust funds to support Amtrak, to support rail transportation as an alternative if they wish to do so.

Neither of these provisions, however, Mr. President, would be sufficient to vote against the bill, but the safety provisions are. The collection of provisions relating to safety in this bill are simply going to kill hundreds or thousands of Americans over the next few years. The combination of the removal of any Federal control whatever over speed limits, the removal of any Federal requirement with respect to motorcyclists' helmets, the easing of restrictions on certain trucks, in combination, Mr. President, are going to make our highways less safe to drive on. It is just as simple as that.

The 55-mile-per-hour speed limit is, of course, an anachronism. It is not abided by 80 or 90 percent of the drivers on our highways and not enforced by State patrols, but that does not mean that some control over speeds on highways which are interstate or Federal in nature are not appropriate. Far too many States will set either no speed limits at all or speed limits that are far too high.

The society is going to end up paying an increased set of health care costs as a result of the absence of motorcycle helmets. We may also lose people and lose time as a result of some of the truck safety provisions in this bill.

In short, Mr. President, more people will be killed, more people will be injured, health care costs will be greater, all in the guise of delegating responsibilities to the States where in certain other areas, appropriate delegation has not taken place.

I regret this. I believe the Senate conferees did a wonderful job, the best job they possibly could have under the circumstances, but overall this is an unsafe bill.

Mr. CHAFEE. Mr. President, I ask unanimous consent for 4 minutes.

Mr. BAUCUS. Mr. President, I yield 4 minutes to the Senator from Rhode Island.

Mr. CHAFEE. I ask the distinguished Senator from Washington —first, I concur in everything he said about the speed limit. As he remembers, I fought to preserve those speed limits on the floor here. There were overwhelming votes against this, as the Senator recalls—I think something like 66–32. We got nowhere.

I would just like to, if I might, ascertain from the Senator what he was saying about weakening billboard controls. I did not quite understand that.

Mr. GORTON. The billboard provisions are relatively minor, but for some reason or other caused a great deal of discussion on this floor a little earlier with appropriate congratulations to the Senator from Virginia for at least subverting some of the House provisions which really would have gutted the billboard control.

I simply wish to point out that while most of that damage was contained, if, in fact, it is appropriate to delegate responsibilities to the States as in some minor way this does, why was not the proposition to delegate to the States the right to set billboard controls without having to pay for that billboard controls approach? It seems to me we have a very selective view in this Congress of what powers ought to be delegated to States.

I heard, I believe, the Senator from Virginia say he hopes the subject will be taken up next year. I must say I fear they will take it up next year and we will have further weakening rather than any strengthening of those rules.

Mr. CHAFEE. Mr. President, I say to the distinguished Senator from Washington that he is right, there is a selectivity about flexibility in the States, and the Senator wisely pointed that out. Flexibility is wanted as far as speed limits and helmets go and all that, but when it comes to flexibility and spending funds for Amtrak, State funds, that flexibility cannot be granted. But those are what we run into, even though we had, on Amtrak, a very favorable vote here on the Senate floor.

But on the billboard matter, I would like to stress that the billboard section solely dealt with scenic byways, not the overall billboard control. And, second, we feel confident, and we spent a lot of time on this—I personally spent more time on this part than anything else in the conference—we feel that we have not given away anything in connection with the billboard control and that what we have codified is the exact practice that the highway administration is currently following.

So I think we came out well on the thing, particularly in the final line in the conference report which I read earlier, which stated that ''The Secretary of Transportation has the authority to prevent actions that evade Federal requirements.''

So I am satisfied with how we came out.

Mr. GORTON. I thank the Senator from Rhode Island for his explanation, and I wish him good luck.

Mr. CHAFEE. I thank my colleague.

The PRESIDING OFFICER. The Senator from Montana continues to control the time.

Mr. WARNER. Mr. President, I understand that the time on this side of the aisle, so to speak, even though the distinguished ranking Member and I are both proponents of the bill, has expired. I ask unanimous consent 15 minutes could be added to the time allocated to the Senator from Virginia.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. Mr. President, I say to my good friend from Washington, I voted vigorously against the raising of the speed limit. But I bring to my colleague's attention, the Senate voted 65 to 35. That is nearly two-thirds of the Senate. Therefore, there was really no issue before the conferees that we could go back and readdress such a powerful vote. The vote in the House was basically just as strong.

I yield the floor.

The PRESIDING OFFICER (Mr. CRAIG). Who yields time?

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. LAUTENBERG. Mr. President, I ask, what is the situation with respect to time? I believe I have an hour available.

The PRESIDING OFFICER. The Senator is correct, he has 1 hour.

Mr. LAUTENBERG. What is the time constraint or the structure right now?

The PRESIDING OFFICER. There is 14 minutes and 33 seconds left with the majority and 14 minutes and 29 seconds left with the Senator from Montana.

The Senator from Ohio has 15 minutes.

Mr. LAUTENBERG. Could the Chair tell me whether the Senator from Delaware, Senator BIDEN, is scheduled for some time?

Mr. WARNER. He was to have time.

Mr. BAUCUS. It is in the order.

The PRESIDING OFFICER. The Senator from Delaware has 30 minutes, if he chooses to make a motion to recommit.

Mr. LAUTENBERG. Mr. President, I find myself in a kind of awkward position, because I really believe we ought to make the investment in highways that is called for in this bill. I will talk in some detail about that. But I have some very serious concerns about the abandonment of safety in the interests of getting from here to there.

That is what I see happening with this bill. It is kind of a ''safety be damned, go ahead with the Toronados,'' and whatever the names of the other vehicles are. So, therefore, Mr. President, I rise in opposition to the conference report on the National Highway System bill.

As one of the Senate's primary advocates for infrastructure investment, I strongly support passage of legislation to designate the National Highway System. In fact, I was an original cosponsor of legislation in both the 103d and 104th Congresses to accomplish this. This $6.5 billion for the fiscal 1996 year that this conference report authorizes, is sorely needed. If we need any proof of that, just consider these few grim facts.

Almost one-fourth of our highways are in poor or mediocre condition.

This, in our wealthy, great country, America. One-fourth of our highways are in poor or mediocre condition, while another 36 percent are rated only fair. That is a total of 61 percent between the two that are fair or poor. One in five of the Nation's bridges is structurally deficient, meaning that weight restrictions have been set to limit truck traffic. On urban interstate highways, the percentage of peak-hour travel approaching gridlock conditions increased from 55 percent in 1983 to 70 percent in 1991. The cost to the economy for that is $39 billion.

Experts indicate that an additional investment of $32 billion is needed to bring our highway and bridge infrastructure up to standard. Failure to make these investments increases costs in both the short and the long term. For example, failure to invest $1 today in needed highway resurfacing can mean up to $4 in highway reconstruction costs 2 years hence.

The ability of our country to sustain higher productivity is the key to economic growth and a higher standard of living. Higher productivity is in part a function of public and private investment. That is not just my view. Over 400 of our Nation's leading economists have urged Government to increase public investment.

These economists have urged us to remember that public investment in our people and in our infrastructure is essential to future economic growth, and clearly the National Highway System is a critical element of our public infrastructure. It is essential that we maintain that investment and increase our commitment in this area.

Unfortunately, as much as I support the provisions in this legislation that would designate the NHS, I feel compelled to vote against this conference report. I do so for one simple reason, and that is that this bill undermines public safety.

The bill will cost thousands of people their lives. It will mean that thousands of others will suffer serious injuries. It will mean that countless citizens will lose loved family members, be they their wife, mother, husband, father, son, daughter, brother, or sister—someone close, where the pain is extensive.

There is no question that this bill will, unfortunately, end some lives and ruin others. I do not want the blood and the pain of these innocent Americans on our hands.

I am concerned about what I see as a sense of complacency about highway safety in this Congress. It is disturbing. Maybe it is understandable. Maybe we have lost a sense of urgency about safety because we have made really good progress in the past. For 20 years, the motor vehicle death rate decreased steadily from a high in 1972 of 56,000 to 41,000 in 1992, a significant decline in that 20-year period. It is roughly 16,000 persons. That happened while the population of vehicles grew by 50 million. So we have done a good job.

Unfortunately, according to a recent report by the National Safety Council, the 20-year trend of improvements has now been reversed. In 1993, traffic deaths rose to 42,200, and we learned that 43,000 died on our highways in 1994. This translates into a 5-percent increase over a mere 2-year period.

Where is the increase in deaths occurring?

A recently released DOT study showed that during fiscal year 1993, the latest year of the study, fatalities on roads posted at 55 miles an hour fell while fatalities on roads posted at 65 miles per hour rose. The study substantiates what we learned in 1974; that is, that speed kills. If we set reasonable speed limits, we will save lives.

Mr. President, I heard one of our colleagues before say that nobody is obeying—or few are obeying—the speed limit laws. I do not quite know what that means in terms of this debate. Does it mean that people do not obey the law at 55, assuming, of course, that therefore enforcement is weak, and they therefore will obey the law at 75 miles an hour?

That is a little hard to understand. I believe that if they go 65 when it is 55, they will go 85 when it is 75, thereby increasing the risk to life and limb. That is why I am so concerned about the provisions in this conference report that would eliminate entirely all Federal speed limits.

Mr. President, whether it is one of my children or one of the children of others in this Chamber, if you live in New Jersey and your kids or your grandchild is in a car traveling in Montana or Colorado, or what have you, I would like to know that family member of mine and of others here and of people across this country are protected to the fullest extent possible. That is why, when we say let the States decide when there is Federal money being put into these systems, that I think the Federal Government has an obligation. We are responsible for the lives and well-being of our citizens.

One-third of all traffic accidents are caused by excessive speed. So common sense tells us that increased speed will lead to more fatalities. But, Mr. President, the magnitude of this increase is greater than many realize.

According to the National Highway Traffic Safety Administration—known as NHTSA—total repeal of Federal speed limit requirements will lead to the deaths of an estimated 6,400 Americans each year. That is 6,400 more each year. Think about that for a second: 6,400 Americans will die each year because of the provisions in this bill that lift the Federal speed limits. These Americans will have typically family members left behind. It could be small children without a parent, or wives or husbands left to live their lives alone.

Mr. President, those 6,400 Americans do not even include the thousands of others who will suffer disabling injuries in highway accidents. It does not include the people who will never again be able to walk or who will never again be able to work.

Then, beyond these human costs, there are the financial costs. Lifting Federal speed limit restrictions will cost taxpayers over $19 billion annually in lost productivity, taxes, and increased health care costs. This loss is on top of the $24 billion that we already lose as a result of motor vehicle accidents caused by excessive speed.

To give you an idea about what that $19 billion in additional costs would mean for some States, consider this. For taxpayers in California, the additional cost would be $2 billion. For taxpayers in Texas, the cost would be $1.7 billion. These are additional costs as a result of the additional deaths and injuries that will occur.

Mr. President, the same arguments about safety apply to the helmet provisions in this bill. More than 80 percent of all motorcycle crashes result in injury or death to the motorcyclists. Head injury is the leading cause of death in motorcycle crashes. Compared to a helmeted rider, an unhelmeted rider is 40 percent more likely to incur a fatal head injury. That is enormous difference—40 percent. That is one reason why NHTSA estimates that the use of helmets saved $5.9 billion between 1984 and 1992.

Mr. President, repeal of mandatory helmet requirements is projected to lead to an additional 390 deaths every year, and it will also increase the annual cost to society by about $390 million.

So, Mr. President, when you combine the effects of the speed limit removal and the motorcycle helmet provisions in this conference report, the legislation is likely to cause 6,800 deaths every year. That will mean more than 50,000 innocent people, men, women and children will lose their lives in traffic accidents in 1996.

Mr. President, 50,000 deaths are simply unacceptable. The Nation was in mourning for many years after the close of the Vietnam war when we lost over 50,000 of our young, brave soldiers. Many of these deaths would have been preventable.

Mr. President, I know that many of my colleagues believe strongly in the principle of States rights, and I respect their commitment to that view. But surely all of us believe in protecting innocent lives wherever possible. Who among us would intentionally withhold a cure for a young person dying of cancer, or AIDS, or some other terminal illness? Who could stand by a bedside and say, ''No, we can cure your condition, but we are not going to be able to give it to you. We are going to let you die.'' It would be unthinkable. Yet, in effect, Mr. President, that is exactly what we would be doing to thousands of Americans if we insist on weakening our highway safety laws.

We will not know the faces of the innocent people who will die because of this conference report. But we know that there will be thousands and thousands of them. And I would suggest to

my colleagues to look around at your constituents, at the people you know. Many of these, maybe some of these nameless and faceless casualties are even near us today. But we will not know it until it is too late.

The vote that you cast in favor of increasing speed can cause excruciating pain and grief for families and friends that come from one's hometown or one's State.

Mr. President, next time my colleagues are back home I encourage them to visit a trauma hospital. I have done it. It is an unfortunate, memorable experience. It is a terrible sight. The result of a serious accident often leaves a person in the condition that perhaps death might be a better outcome. Many cannot be recognized, or recognize their visitors.

About a year ago, Mr. President, three young men in the State of New Jersey, ages 15 to 17, were waiting to make a turn off a road. The car they were driving was struck by a car from the rear. The force of the accident pushed this car into the oncoming traffic, where it was struck by a vehicle going in the other direction. Two of these young men died at the scene, and the third was rushed to the hospital in critical condition.

That weekend I went to the hospital to visit the boy and his family, who are people I know. It was a terrible experience. This young man—his name was Kenneth Agler—was in bed in a coma. His family did not know whether he would ever wake up again and, if he did, doctors were not sure what permanent damage he might have sustained. I held his hand, and I looked in his eyes, and he stared right through me. His body was there but his soul, his mind, his vitality were absent.

Kenneth did eventually come out of his coma, but he has many years of tough, painful, and expensive physical therapy ahead of him. At the time of the accident Ken and his friends were obeying the law. They were doing everything they were supposed to in that situation. However, they were in what could be called the right place at the wrong time, and it was the car that came upon them moving at a high rate of speed that did the damage.

Mr. President, we have a cure for this pain. The question is, do we have the will to use it? And we will not have if we refuse to set reasonable speed limit laws, and we will not if we refuse to encourage States to enact motorcycle helmet laws.

We have had votes in this body on both of these issues, and in both cases, unfortunately, we lost. The vote on speed limits was 36 for maintaining them, 64 against. That was, I believe, a regrettable outcome. I fought hard to get the legislation passed.

The debate for helmets was similarly decided. I do not know what the exact vote count was there, but the majority prevailed and helmets were no longer required.

I will say, Mr. President, at this point that this conference report does have a prosafety provision which I support, and that provision establishes a zero tolerance policy for young people who drive after drinking under the age of 21 particularly. This provision is a positive step, and I commend our distinguished colleague, Senator BYRD, and the managers of the bill for including it.

I authored the bill that set the drinking age at 21 across this country back in 1984, and it is believed that we have saved over 10,000 young people from dying on the highways—10,000 families that did not have to mourn, 10,000 families that were exempted from the grief of losing a young family member. So this is a positive thing.

Unfortunately, the benefits of this provision are far outweighed by other provisions that undermine highway safety. As a matter of fact, in this bill, we exempted a particular truck, a single-unit truck that weighs between 10,000 and 26,000 pounds gross weight, from routine inspections that are now required.

That is terrible news. There are about 3.25 million of these vehicles. There are some horrible ''factoids'' that accompany this exemption. Single-unit truck crash fatalities have risen nearly 50 percent in 4 years. Nearly 40 percent of all truck crashes involve single-unit trucks which fall within the class of vehicle eligible for the exemption program. In 1994, single-unit trucks were responsible for nearly 1,400 deaths. Ninety percent of these deaths were to the occupants of small passenger vehicles and nearly half of these deaths involved trucks that fit in this weight category.

So we see another example of the abandonment of sensible safety rules included in this bill.

I ask unanimous consent that a Washington Post editorial dated October 12, 1995 be printed in the RECORD. It is entitled ''Trucks Amok,'' and it talks about the risk that is posed by the exemption of these trucks from routine safety inspection.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TRUCKS AMOK

Congress is doing a bang-up job of making this country's highways more lethal than ever. It's all done in the name of states' rights—on the grounds that 51 different sets of laws, complete with higher speed limits and fewer incentives for motorcycle helmet requirements—are the way to go. But before the law-looseners send their big bill rolling down the fast lane from Capitol Hill, there's one singularly terrifying proposal that House and Senate conferees should reject outright. It's a real killer, approved by the House without a split-second of public debate or even a day of public hearing: It could exempt a whole category of trucks—about 4.75 million of them—from all federal motor carrier safety regulations of drivers, vehicles and equipment.

This reckless provision is brought to you by your friendly neighborhood fleets from Frito-Lay, U-Haul, FedEx, Pepsi-Cola, Kraft Foods, Eagle Snacks and other groups with single-unit trucks under 26,000 pounds. It just so happens that this category of trucks is already exempted from requirements for federal commercial drivers' licenses as well as from drug and alcohol testing. The newest proposal makes it pretty simple: This category of trucks would not be covered by federal safety regulations *of any kind*.

Why worry? Just don't think about the facts—that from 1991 to 1994, deaths involving single-unit trucks rose nearly 50 percent; or that their involvement in fatal crashes last year resulted in 1,400 deaths, only 164 of them occupants of the trucks. After all, new regulations can always be added if found to be necessary for public safety. Or the states can worry about it and set different standards for the same truck—and different odds on your chances of living when you're with them on the roads.

Federal one-size-fits-all regulations may not make sense in certain fields, but highways are killing fields as it is. Conferees with consciences should see to it that the truck exemption is rejected.

Mr. LAUTENBERG. Mr. President, this conference report authorizes $6.5 billion in infrastructure investments which we need, but while it gives on the one hand, it takes with the other. The antisafety provisions of this legislation will add almost $20 billion in additional costs on our society, so it is $6.5 billion in infrastructure investment more than offset in fact by three times with the extra $20 billion in additional costs on our society.

The difference is that one is perceptible, can be seen, $6.5 billion in grant money from the Federal Government, as contrasted to people contributing in all areas of life, whether it is business or families or emergency medical and health care services—$6.5 billion in and $20 billion out and with that 6,800 lives annually. So if one judges only from a financial perspective, this legislation is clearly counterproductive. But more important than the money, I repeat, will be the lives lost and the lives ruined as a result of the drawing of this legislation—6,800 lives annually at stake, tens of thousands more injuries, $20 billion in lost productivity, increased health care, and other economic problems.

Opponents of the speed limit and motorcycle helmet laws argued that decisions in these areas should be the responsibility of the States, and while I am not against giving States more flexibility in using their Federal transportation dollars, I do not, frankly, understand how this decision is abandoned by the Federal Government.

We made that decision here again. So I support the concept of more flexibility in ISTEA, again, in the debate over allowing States to use their highway funding to support inner-city rail service. Unfortunately, I understand that that provision was taken out in conference as it applies to Amtrak, which I believe is a serious error as well.

Simply put, Mr. President, saving human lives ought to be our top priority. And while I support the provisions in the bill that would facilitate investment in our highway system on the zero tolerance provision, overall I see the bill as a major step backward, and I cannot support it.

I would like for a moment, Mr. President, to talk about what we show here on this chart about what higher speed limits mean. It shows 6,400 deaths here, plus those that result from removing the helmet requirements, amount to 6,800 deaths a year, $20 billion roughly in higher costs. And it shows the distribution of costs as it occurs through the country.

In a State like California, almost $2 billion; a State like Texas, $1.7 billion; in the State of Virginia, $480 million. That is all lost as a result of the increases in speed limits. That is not a very positive decision, certainly not from the standpoint of the lives lost and the extra dollars involved. That is just one example.

Mr. President, the best demonstration of what happened with our change in speed limits goes back some years—1974, to be precise, 20 years ago. These were the State speed limits that existed prior to 1974, and they scattered around the country. Montana had no speed limit at all; many were 70 miles an hour or over.

From what we hear on the floor, what we hear constantly is that people do not obey these laws anyway, and you can add 10 miles an hour to that or 15 miles an hour to that. So if there is a 75-mile-an-hour speed limit, woe be to that person driving on that highway at 55 miles an hour, because they are concerned about their safety to handle a vehicle when someone comes behind them going 85 miles an hour. One does not have to be a physicist to know of the result of the contact between those vehicles.

So we are kind of abandoning ship at this point without the traditional lifeboats available, and saying, ''Go, go as fast as you want.'' The automobile companies are—you see it subtly advertised: ''more power,'' ''get from there to here in 30 seconds,'' ''you can get there faster if you buy brand X or brand Y,'' ''for 60 seconds maybe you are better off with brand A or brand B or C.'' So there is an effort to go faster to get someplace, and maybe pay for that luxury with one's life or the life of one's loved one.

So that is the situation, Mr. President. I think that I am probably a lonely minority on this matter. I just cannot, in good conscience, vote for legislation that will cause the kind of injury and pain that this bill will cause. I am going to vote no and strongly encourage my colleagues to do the same. And, Mr. President, I repeat once more, that I am for the investments in our infrastructure.

I do not think that there have been stronger advocates than this Senator from New Jersey. I was chairman of the Transportation Subcommittee in Appropriations for some years and was always looking for ways to increase investment in infrastructure, get rid of the congestion on our highways, help clean the air that we breathe, invest in all types of transportation systems, rail and aviation and highways, to try and help our country be more efficient, improve the productivity in this very competitive world in which we live. But I could never, never participate in decisions that say, ''OK, perhaps we'll get there faster, perhaps we'll be able to move our missions from one city to another in a little more rapid fashion. There may be some life and limb lost along the way, but we'll get there faster.'' That is not, in my view, the way to make progress.

I yield the floor, Mr. President.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I wish to say to our distinguished colleague that I am very sympathetic to many of the points he expressed here today. As I said earlier on the floor, I was not in favor of the speed limit provision. Indeed, at each juncture I feel that I cast my vote on the side of safety. But, of course, as the manager of the conference I feel the bill has many vital provisions for the United States transportation system. I must go forward as vigorously as I can and support it. And I am sure my colleague understands that.

But, Mr. President, I thank the distinguished Senator from New Jersey for taking his time here to come over and really address these issues very carefully, very thoroughly.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I want to say to my friend and colleague from Virginia, few have the respect that he engenders in this body because he is very serious about the things that he does. I really enjoy working with him on so many issues. Here we simply have a kind of a divergence, if I might use the expression, of the road because, while I agree it is a good bill, it has many, many advantages to it in terms of the size of investment in our infrastructure, in terms of making certain that there are conditions met in the engineering and the construction of these roads that help achieve some measure of safety, of improving our bridges and the infrastructure of our vehicle transportation system—and I know very well that the Senator from Virginia has no less a concern about life and safety than do I. It is perhaps a change in perspective.

I remember so vividly that horrible accident that took place with an intoxicated driver, a little girl and her mother waiting for a school bus not too long ago in Virginia. I know we have had his cooperation on all measures related to driving while intoxicated, getting rid of the drunk driver, getting them off the road. So we differ here, but we differ with respect to an evaluation that each of us has to make. And I thank the Senator for his ever-abiding cooperation on matters that we work on together, serving on the same committee.

Mr. WARNER. I thank the distinguished Senator from New Jersey. Indeed, it is a matter of grave concern to this Senator as well as others. The simple fact of the matter is, 65 Members of the U.S. Senate voted to make a decision as to the 55-mile speed limit. Many of them—for example, the Presiding Officer comes from a State which has vast, vast distances with a very low habitation rate on those routes, very low traffic. Indeed, I think his State is one that can fairly argue in favor of some flexibility for Governors as it relates to speed limits.

I hope the Senator from New Jersey would join me in making an appeal to the Governors to take into consideration all aspects very seriously as they begin to make the adjustments in the several States.

Mr. LAUTENBERG. I say to my friend from Virginia, who knows this country so very well, I know he has traveled through and to New Jersey on occasion, the most densely populated State in the country, my precious home, and also has a major north-south highway called the New Jersey Turnpike.

I am pleased to note that our Governor has made a statement that she intends to continue having the speed limits generally in the area that they are, given the need to make a choice. But anyone on that highway who sees these giant trucks bearing down on them, I do not care how steely one's nerves are, the fact of the matter is that it is not pleasant to be caught in the wind tunnel that these trucks make sometimes as they pass at 75, 80 miles an hour.

So, whether it is in Wyoming with its beautiful mountains and spaciousness, or the State of New Jersey, the fact is that speed is something that concerns us all, whether it is marginally higher in the State of Wyoming—I note here it has a higher level of speed on its highways—the fact of the matter is, whether it is a far western sparsely populated State, they treasure lives just as much as any of us in the more crowded, densest parts of our country.

But we are in a situation now where we are making a decision about a bill. I am not unrealistic when I look at the vote count that took place and saw that we lost the vote on this by 64 to 36. You might call me a sore loser in this case, but I believe in the fight that I took up and I hope we can do something about it. This is, after all, a conference bill. This was a meeting of the House and Senate conferees and they agreed to the policy that exists in the bill.

Perhaps the Senator from Virginia offers a point of some salvation here in that he urges Governors to be as mindful of safety as they can be as they review their speed limits on their roads.

Mr. WARNER. Mr. President, I thank our distinguished colleague and member of the Environment Committee,

and I take note he is the ranking member on the Transportation Subcommittee of Appropriations. As such, he has invested a great deal of his Senate career in the area of transportation and can speak with considerable authority on this matter.

We do, indeed, urge Governors, and I repeat again and again, the need for senior citizens' concerns to be taken into consideration when these highway issues are decided by the several Governors.

I would like to turn to another matter now. Yesterday's Washington Post carried a report about this bill, and in the last paragraph, there was reference to the Woodrow Wilson Bridge.

Mr. President, I wish to provide a clarification, which I think is needed for that report yesterday. And that is this conference report response to the urgent Federal—may I underline Federal—need to move forward on a replacement facility for the Woodrow Wilson Memorial Bridge.

That bridge links Virginia and Maryland. It is the only bridge—and I repeat, only bridge—in the United States of America, so far as I know, absent a military facility or other Federal property, owned by the Federal Government. It is an absolute essential connector between the two States, and particularly as it relates to that connector facilitating commercial traffic. An enormous number of trucks pass over that bridge every day.

I cannot emphasize too strongly the importance to this entire region to have that bridge in first-class operating condition and safety otherwise, because if for any reason that bridge became unusable prior to its projected lifespan—and I will address that momentarily—it would cause gridlock, traffic jams in the Washington metropolitan area unlike anything we have ever seen before.

So that is why this Senator took it upon himself to work towards laying a foundation to solve the problems associated with that bridge. It certainly should not be put in any category of pork. As a matter of fact, I carefully put it in the bill so that what funds would be available come from another source rather than any specific earmarking of funds in this bill.

The proposal that I drafted and placed in the conference report puts forward and accomplishes three major objectives. First, it offers an opportunity for the Federal Government to transfer ownership of the bridge to a regional authority established by Virginia, Maryland, and the District of Columbia, thereby relieving the Federal Government of sole responsibility for this facility in future years.

Second, it provides a framework that will stimulate additional financing to facilitate the construction of the alternative identified in an environmental impact statement which is still in the process of being worked on.

Third, with less than 10 years of useful life remaining on the existing bridge, this approach addresses the need to provide for the safety of the traveling public and for the efficient flow of commercial traffic.

Now, I said 10 years. I have knowledge of an engineering report that is now being reviewed in the Department of Transportation, and that engineering report may, once it passes its final review and made public, it may have an impact to reduce those 10 years. That is of grave concern.

Further, this conference gives authority to the Federal highways to use existing administrative funds to continue rehabilitation of the existing bridge. That was absolutely essential, Mr. President, for parts of the bridge which from time to time become unworkable, and to complete the environmental work preparing for decisions which will eventually result in a new bridge or a tunnel or whatever the experts come up with.

As I said, recent safety inspections reveal conditions of the bridge are much more severe than the earlier reports. We will await the public disclosure of that engineering study and safety study which is working its way through the Department of Transportation at this time.

Mr. President, I yield the floor.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. WARNER. Mr. President, I ask that such time as the distinguished Senator may require—I see 5 minutes—be drawn equally from that time under the control of the distinguished Senator from Montana and the Senator from Virginia.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Missouri is recognized.

Mr. BOND. I thank the Chair, and I particularly thank my good friend and colleague from Virginia. On February 16 of this year, I joined with Senator WARNER, my distinguished colleague, with Senator BAUCUS, Senator CHAFEE, and others in introducing S. 440, the National Highway System Designation Act of 1995.

From my standpoint, the NHS is a key component of the changes for which we fought so hard in the Intermodal Surface Transportation Efficiency Act. The NHS will demonstrate our commitment to a modern national system of high quality interconnected highways, the step beyond interstates, the next phase, the future for transportation in America.

The good thing about NHS is that it was developed from the bottom up. It was developed with input from those agencies at the State and local level who best know the traffic needs in their area. In my case, obviously, the State of Missouri, that was the Missouri Highway and Transportation Department. They coordinated with metropolitan planning organizations, regional planning agencies, highway groups and local officials to determine the highway priorities of the State.

Mr. President, if you have ever followed the process of determining where a highway should go, telling one city that it will get it and two other cities they will not get that particular highway, you know how much work that is. But it is work best done by the State and the locally responsible agencies. Frankly, it saves the Federal Government a lot of headache and keeps them out of a job that they probably do not know how to do as well as the Federal Government and cannot do as well.

I think this is a great example of cooperation between Federal, State, and local governments. We ought to encourage and continue this priority.

There are also some things that we have in the measure that are very important, I think, to all Americans who are concerned about good transportation—the intermodal connections. And we will be presenting a colloquy on the floor. It is vitally important, if we have these wonderful new highway systems, that they be able to plug into the airports, the ports, the rail facilities. Let us make sure that our entire transportation system works together.

Now, as you take a look, on a State-by-State basis, I am sure that every Member who has any kind of highway transportation —and this is almost all States—some have more, some have less. In Missouri, we have great need for highways, as do other States like ours. It is particularly important because Missouri and Missourians need access for every community of any size to a modern, safe highway designed for high-volume traffic. We need high-quality roads that connect communities within our State in a grid and connect up similar roads in States adjacent to us, all the way to the markets which others now dominate because they already enjoy such access.

For my State, the National Highway System is about 4,500 miles of our most economically important roads, which carry almost half of all motor vehicle traffic and the vast majority of heavy truck traffic. It is our map to future economic development. On its signing into law, this measure will bring an estimated $156 million for Missouri in this fiscal year—a first step in building for the future, and a vitally important economic development project in and of itself.

I extend my very special and most sincere thanks to Senator WARNER, Senator CHAFEE, Senator BAUCUS, and their staffs, who have worked with my office very closely, and with me, not only providing leadership on this whole measure, but providing a response to particular needs that we have identified—and I mentioned intermodal connectors, inspection and maintenance, and designating I–35 as a high priority corridor. The assistance of these leaders of the Senate and their staffs was invaluable.

Now we ought to urge the President to sign this legislation as soon as possible, so that my State, Missouri, and other States will no longer have to

wonder about their highway funding. Senator WARNER and I have fought for a long time to make certain that everyone understands the importance of highways. The legislation that he championed and which he has brought to the floor today will be the backbone of the national transportation network in the 21st century. It will affect every American, directly and indirectly, by increased economic growth, job creation, and reduction in congestion levels. I offer my sincerest congratulations to you for not only meeting the obstacles you confronted in accomplishing this legislation, but in overcoming successfully those obstacles.

Mr. President, I reserve the remainder of my time, and I yield the floor.

Mr. WARNER. I thank the distinguished Senator from Missouri. I think those of us that serve with him on the Environment and Public Works Committee, where he is a very valued member, recognize that he is the foremost expert on intermodal connectors—a subject that defies a lot of our imaginations as to how some of these things are laid out and work. But they are very essential, Mr. President, to the modern highway system. He has taken the time to become an expert.

Mr. President, I also note the presence on the Senate floor of the distinguished chairman of the House committee, Mr. SHUSTER from Pennsylvania, who was my working partner throughout the conference. As I said earlier, neither of us blinked. We both worked in a very constructive way to reach a compromise, which was essential between the two Chambers. I am confident that, in a fair and objective view of this conference report, it will be regarded as a step forward in the interest of this country.

Mr. SIMPSON. Mr. President, I wish to make a few remarks about the Highway Bill conference report we are considering today. The Highway Bill is so very critical for my State of Wyoming. We need to complete action on this legislation very soon in order that funds can be released for badly needed projects in all the States.

In the west our highways have become more and more important as we have observed the effects of airline deregulation and the reduction in rail service in our rural States. Airline deregulation has led to a dramatic decrease in the number of carriers and flights into Wyoming and we have nearly lost all Amtrak service. So the interstate and State Highways System was and is—and always will be our great lifeline.

Because highways are so very important to us the State of Wyoming has proposed to add three significant road segments to the National Highway System in order to link several other primary and secondary highways. The Wyoming delegation has contacted the Federal Highway Administrator regarding this proposal and we trust he will give it every proper consideration.

When people travel in Wyoming, for the most part they drive—and they usually drive for long distances. We have highways that stretch for miles with no habitation at all in between. It is understandable that we are so ''put off'' by a national speed limit. I am so pleased to see that the conference agreement repeals the national speed limit. I think that the individual States are quite able to set speed limits that provide for a safe speed given local conditions. The same holds true for seat belt laws and helmet laws. I believe the States are able to determine on their own if they want these laws and how they should be administered without the intrusion of the Federal Government and the threat of Federal sanctions.

I trust we will swiftly pass this legislation and get it onto the President's desk so that we can get about the business of maintaining our present National Highway System and constructing the additional mileage as we require it. Those of us from the western States of high altitude and low multitude understand the real necessity of passing this important legislation and I would urge my colleagues to support it.

Mr. HOLLINGS. Mr. President, I support the purposes of this bill, but oppose the unnecessary provisions not connected to its purpose.

This bill is intended to designate a National Highway System map, and it does that. So far, so good.

Particularly, it makes a necessary designation of a route for I–73 and I–74 in South Carolina. I am very glad that we were able to work this out, and thank, my colleagues from Virginia, North Carolina, and Senator THURMOND for their cooperation on this point.

However, there are unwise provisions in this conference report that have nothing to do with designating a map and everything to do with the safety of citizens using the roads. It is neither necessary nor wise to pass these provisions in order to do the basic designation jobs we need to do, and I will therefore vote against the conference report.

First, this conference report creates a new pilot program that actually encourages trucking companies and companies that use trucks to deliver their goods to seek exemptions from Federal safety standards. These standards guarantee that drivers get enough rest, that basic equipment such as brakes and lights are functional, and that trucks are prepared with safety equipment like fire extinguishers. Senators may not realize that the page-one story on the most recent issue of ''Transport Topics'' is the major contribution of driver fatigue to transportation accidents. In this environment, rolling back truck safety regulation is extremely unadvisable.

Second, this bill invites States to roll back national speed limits. I understand that State officials are conscientious with regard to safety. I understand that speed limits are not always popular. However, we are sticking our heads in the sand if we think lifting Federal protections in this area will not kill people. Admittedly, we did not implement national standards with safety foremost in mind. Congress implemented a 55 mile per hour national speed limit in order to save fuel during the energy crisis. However, the record shows that death rates fell 16 percent. When we voted to raise speed limits in some areas to 65 miles per hour, death rates rose significantly. How much more experience do we need to determine whether lives are at stake? Again, we don't need a provision to roll back speed limits to designate a map, which is the purpose of this bill. It is an extraneous provision, and probably a popular one, except for those families that will end up getting a call from the emergency room due to our vote today.

Mr. WELLSTONE. Mr. President, I speak today in support of the conference report for S. 440, the National Highway System (NHS) Designation Act. With passage of this legislation over $95 million will be made available to the State of Minnesota for much needed highway renovation and construction work on the State's NHS roads.

Many rural and urban intermodal routes are included in Minnesota's nearly 4,000 miles of NHS roads. Highway 2 runs from East Grand Forks on the North Dakota border to the port city of Duluth. Highway 53 runs from International Falls on the Canadian border to Cloquet, MN. Highway 52 runs from Rochester to the Twin Cities. These are just some of the routes that will be eligible for funding under NHS. These are important trade and commerce routes throughout the State.

Some of my colleagues have voiced their opposition to this bill because of its motorcycle helmet language. I was pleased to support the amendment to eliminate the penalties on States like Minnesota that do not require the use of motorcycle helmets that passed during consideration of S. 440 in June. The State of Minnesota has not had a helmet law for the last 10 years. However, since the inception of Minnesota's Rider Education and Public Awareness Program, motorcycle fatalities have actually decreased. This motorcycle safety education program has been essential in my State.

I do have reservations about the language in this bill that eliminates a national speed limit. However, this is a conference report and in this body we are sometimes faced with taking some provisions we don't like in order to pass a bill that on the whole is a good one. The NHS bill is a good bill. It will free up funding that is greatly needed for roads all over our country.

Mr. KERRY. Mr. President, the National Highway System (NHS) that would be designated by the conference report before us today is an important

piece of our Nation's highway transportation system. I wholeheartedly support enactment of legislation to designate the National Highway System as directed by the Intermodal Surface Transportation Efficiency Act (ISTAE). The $6.5 billion authorized by this legislation is a needed investment in our Nation's transportation infrastructure. Just look around. There is a clear and pressing need for maintaining and upgrading our roads. In Massachusetts, for example, two-thirds of our bridges need replacement or repair.

But as important as this investment is, it has been overshadowed in this legislation by other policy changes. The final product has strayed too far from the bill I supported when it passed the Senate, and it is therefore with regret that I am unable to support the conference report.

One of the most important components of the bill that passed the Senate was the so-called Roth-Biden provision relating to our Nation's passenger rail system. Without the funding necessary to sustain Amtrak and without giving States the flexibility to spend their NHS funds to maintain passenger rail service, it is almost certain that many critical passenger rail routes—routes that offer important environmental, energy and traffic congestion benefits—will be eliminated permanently. The conferees did not include this provision in the report.

Another provision that was included in the conference report but was not in the Senate bill relates to billboards. This matter was not considered in the Senate and reflects the worst type of special interest lobbying. It has no place in this bill.

Yet another provision included in the conference report that was not part of the Senate's bill is the exemption for some three and one-quarter million so-called ''unit trucks'' and their drivers from all Federal motor carrier safety regulations. The regulations cover activities ranging from driver hours-of-service restrictions and driver medical qualifications to safety equipment and maintenance requirements and roadside driver and equipment safety inspections. An exemption from safety regulations for these trucks, which are used frequently for delivery services, will seriously threaten safety on our roads. This class of truck is involved every year in 15,000 injury-producing accidents, and in 1994, was responsible for nearly 700 deaths. I fear we will witness more accidents as a result of the changes proposed in the conference report.

Of equal concern is the repeal of the nationwide maximum speed limit, and the elimination of the Senate provision that sought to retain the limit for trucks. The National Highway Traffic Safety Administration expects this action will increase the number of Americans killed on our highways by about 4,750 each year, and cost taxpayers $17 billion annually in lost productivity, taxes and added health care costs. Maximum speed limits also produce important environmental benefits and savings in fuel consumption.

There are several other provisions that concern me, including the repeal of the requirement that Federal highway contractors pay their workers the prevailing local wage. While some reasonable reform of the Davis-Bacon requirement should be explored, this legislation is not the appropriate venue.

Mr. President, it is not clear whether the President will accept or reject this legislation. It is my hope that the President will allow us to revisit the designation of the National Highway System so that we may proceed with a simple designation that many members support and eliminate the controversial provisions that detract from the significance of this legislation.

I am aware that the conference report is the product of many long hours of negotiation and I want to recognize the effort put into developing this legislation by Chairman CHAFEE and Senator BAUCUS, who serves as the ranking minority member on the Environment and Public Works Committee. I appreciate the hard work they put into this legislation and would hope we have a chance to reconsider the Conference Report so that I might support it.

Mr. PELL. Mr. President, I reluctantly opposed the Conference Report on the National Highway System Act, S. 440.

Back in February, I was pleased to join as an original cosponsor of S.440 since it would designate a National Highway System [NHS] to improve the Nation's key roads, comprising some 159,000 miles. The tenets of this bill were exemplary. In addition to providing some $6 billion in highway funding to the States, S. 440 was intended to improve safety through our highway system, as well as increase mobility and economic productivity. As for my State of Rhode Island, this measure would bring more than $31 million in Federal highway funding to help upgrade 267 miles of key roadways, including all 70 miles of interstate highways.

When the Senate debated S. 440 earlier this summer, I was pleased to strongly support the amendment offered by my colleagues from Delaware which would have enabled States to provide a small portion of their funds to assist passenger rail services. I am disturbed that that amendment, which was overwhelmingly approved by the Senate by a 64–36 margin, did not emerge from the Conference Committee.

I am also deeply disturbed, Mr. President, by the fact that the Senate provision to require a national maximum speed limit for trucks and buses was also dropped from the conference report. As an original cosponsor of S. 440, I am further disturbed that the final version which emerged from conference repeals Federal regulations on motorcycle helmet laws, while also allowing States to erect new billboards on scenic highways.

Mr. President, I am aware that this was an exceptionally contentious conference with the House and do not in any way criticize the actions of my Senate colleagues. Indeed, Senators CHAFEE and WARNER, longtime champions of highway safety provisions, fought hard to negotiate a fair compromise between the two divergent bills. I commend them for their tenacity and huge efforts to craft a good bill which would enhance our safety standards.

I fully recognize the overall importance of this bill and the need to get the necessary funding back to the States. However, given the substantive changes that occurred in conference, my earlier enthusiasm has waned as my concern about safety provisions increased. Mr. President, my preference would have been for a leaner, cleaner NHS bill, something we in this Chamber supported with vigor. I am certain that we will attempt again to deal with the issues important to the Senate such as the Amtrak trust fund, speed limits on trucks and buses, and other motor vehicular safety laws.

Mr. President, I ask unanimous consent that my statement appear in the RECORD prior to the vote on S. 440.

• Mr. MCCAIN. Mr. President, I want to express my strong disagreement with this conference report. Although the bill does much good and is certainly necessary, it unfortunately contains numerous earmarks.

While I understand that this is an authorization bill, the practical effect of these earmarks is to mandate spending on certain specific projects. It is as wrong here as it is when similar earmarks appear in appropriations legislation.

I want to bring special attention to section 335, the innovative projects section of the bill. This section appears to be rife with earmarks.

What are innovative projects? Well, Mr. President, they are nothing more than demonstration projects with a new—more innovative—name. The name, I would venture, has been changed because passing demonstration projects is no longer considered appropriate. I have introduced many amendments in this body to end all highway demonstration projects. Most recently, I offered an amendment that would ban any future demonstration projects. That amendment overwhelmingly passed the Senate.

Mr. President, this section entitled ''Corrections to Innovative Projects'' would change existing law regarding numerous demonstration projects so that money can continue to be spent on projects in a certain select few States. For far too long, tax dollars sent to Washington by the citizens of most States are not returning to those States, but instead going to fund pet projects in other States. That is wrong, it is not fair, and it must be stopped.

The problems associated with diverting highway trust fund money to pay

for congressionally earmarked highway projects are well documented and have been debated before. I do not intend to belabor this point again now, except to note, however, that the practice continues.

Mr. President, I would like to know what these so-called technical corrections actually entail. The report that accompanies this bill states the following:

Senate Bill: The Senate bill makes a technical correction to an innovative project in ISTEA.

House Amendment: This provision makes a series of technical amendments to innovative projects in ISTEA.

Conference Substitute: The conference adopts the House provision with additional modifications.

Mr. President, to this Senator—someone who is not an expert in these programs, but who is expected to vote on this matter—this clarification is not sufficient.

Mr. President, again I want to repeat, this is an important bill and I am sure passing it is vital. But what is more vital is balancing the budget and paying down the debt, and continuing the practice of earmarking demonstration projects is exactly the wrong thing to do at this time.

In Reinventing Government, Vice President GORE stated:

GAO also discovered that 10 projects—worth $31 million in demonstration funds—were for local roads not even entitled to receive federal highway funding. In other words, many highway demonstration projects are little more than federal pork.

The Reinventing Government report went on to say:

Looking specifically at the $1.3 billion authorized to fund 152 projects under the 1987 Surface Transportation and Uniform Relocation and Assistance Act, GAO found that ''most of the projects . . . did not respond to States' and regions' most critical federal aid needs.

Unfortunately this bill demonstrates that the Congress continues to find innovative ways to promote its most favored projects.

If a project has merit, it should be a priority under the individual State's transportation plan. Highway funding should be distributed fairly according to establish formulas so that taxpayer's dollars can be spent according to the priorities established with such great care and expertise by those best qualified to do so—the individual States.

Mr. President, I hope that we will end the practice of earmarking money for demonstration projects or innovative projects or any other similarly earmarked projects. The time has come to change our ways.

I thank my colleagues for their indulgence.●

Ms. MIKULSKI. Mr. President, I rise in support of the conference report accompanying the National Highway System bill but I do so with reservations. While I support the need to move forward with badly needed construction funds for our Nation's highways including the Woodrow Wilson Bridge, I am greatly disturbed by the weakening of highway safety laws.

Our Nation's highways are absolutely vital to our infrastructure. This legislation will release approximately $100 million in badly needed highway funds for my own State of Maryland. These funds have already been factored into Maryland's highway program and need to be released in order to avoid slowdowns in construction. These funds will create construction jobs and help States meet the increasing costs of maintaining our highways.

This legislation also authorizes the creation of a new interstate authority for the Woodrow Wilson Bridge and authorizes funding for ongoing maintenance of the bridge. As a major artery serving Maryland and the entire National Capital region, the maintenance and eventual replacement of the Wilson Bridge must proceed without delay.

However, I fail to see the justification for weakening highway safety laws, including motorcycle helmet laws. I believe that the Government's primary responsibility is to protect public health and safety. Delegating this responsibility to the States is not consistent with the Federal Government's role in regulating interstate highways or protecting public safety. How else can we guarantee that Marylanders will be safe driving in other States? The Federal Government should maintain its role in public safety matters, not delegate it to the States.

While I am disappointed with the decision to weaken safety laws, I believe that we must move forward with the construction funds that Maryland and other States need to maintain and improve our highways. A reliable and well maintained infrastructure is a vital element in our ability to sustain economic growth and job creation into the next century. So, I will vote in favor of this legislation despite my opposition to weakening highway safety laws.

Mrs. FEINSTEIN. Mr. President, I rise today in opposition to the conference report on the National Highway Systems bill. As my colleagues know, I am a strong supporter of infrastructure development, and am an especially strong supporter of the transportation infrastructure provided for in this bill which is so vital to my State. I appreciate the hard work of the Senators from Virginia, Rhode Island, and Montana, and I want to thank them and their staffs for their work in the difficult crafting of this legislation.

This conference report will provide California with $569 million in much needed and long overdue Federal highway funding for essential transportation projects. Unfortunately, however, the public safety measures included in the legislation compel me to oppose this conference report.

My specific concerns are with the repeal of the 55 miles per hour speed limit for automobiles, the lack of a national speed limit for trucks, and the repeal of Federal motorcycle helmet laws.

REPEAL OF NATIONAL SPEED LIMIT

According to the National Highway Traffic Safety Administration, one third of all fatal crashes are speed related, and 1,000 people are killed every month in speed-related crashes.

The National Highway Traffic Safety Administration predicts elimination of the national speed limit on nonrural interstates and noninterstate roads will increase deaths by 4,750 annually at a cost of $15–$19 billion in additional insurance costs. This amounts to an increase of $2 billion per year in California.

Almost 25 percent of all accidents in California are speed related. In California, the Highway Patrol reports that in 1994 there were 436 fatal accidents and 48,877 injuries that were speed related.

SPEED LIMIT FOR TRUCKS

During initial consideration of this bill, Senator REID offered an amendment to retain a national speed limit on trucks. I supported this amendment because, according to the California Highway Patrol, the State of California has seen a steady reduction in the number accidents, injuries and fatalities relating to accidents involving trucks since 1989.

In 1989, 647 people lost their lives and 17,703 people were injured in California as a result of 12,159 truck-related accidents.

By 1994, 451 people were killed and 13,512 injured in California as a result of 9,225 truck-related accidents.

I look forward to working with the administration and my colleagues in the Senate to address the growing problems associated with making these big rigs safe.

MOTORCYCLE HELMET REPEAL

Since enactment of California's motorcycle helmet law in 1992, the California Highway Patrol estimates that motorcycle fatalities have decreased by 41 percent and motorcycle injuries have decreased by 35 percent. I believe helmets save lives, and our Nation's highways will be a little less safe for all of us without their use.

In closing, let me say that I cannot support legislation that will very likely put greater numbers of traveling public at risk. Were this only an infrastructure bill, it would very likely have my support. Only time can tell if my concerns will be realized. If they are, I hope this body will take immediate action to remediate some of the changes this bill makes.

Mrs. MURRAY. Mr. President, I rise today to support the National Highway System Designation Act. I add my support to this conference report though, with serious concerns. Concerns over the safety provisions I originally voted for in the Senate legislation have now been replaced by changes to the bill that could threaten the safety of our Nation's highways.

Of foremost concern is the Senate provision to require a national maximum speed limit for trucks and buses.

This important mandate was dropped from the conference report and will not only increase speeds for the oversized vehicles, but also increase their stopping distances.

I am also concerned over a House provision that could exempt trucks weighing 10,000 to 26,000 pounds gross vehicle weight rating from Federal safety rules including driver hours-of-service restrictions, driver medical qualifications, safety equipment and maintenance requirements, and roadside driver and equipment safety inspections.

Mr. President, I am hopeful that our State legislatures will step up and seek solutions to these shortcomings in an otherwise well intentioned piece of legislation. I was hesitant to support a conference report that retreats on issues of safety such as these, however the passage of this national highway system designation is essential to our Nation's very livelihood. A delay of implementation of this act will begin to cost my State of Washington approximately $120 million over 2 years.

The time to move this bill is long overdue. We can not lose this valuable opportunity to support 4 percent for the Nation's four million miles of public roads. This National Highway System will carry 40 percent of the Nation's highway traffic and 70 percent of the truck freight traffic. One behalf of my State's Governor and secretary of transportation, I urge my colleagues to pass this conference report and continue our Nation's strong commitment to interstate commerce and mobility.

FLEXIBILITY FOR AMTRAK

Mr. HATFIELD. Mr. President, it is unfortunate that the National Highway System conference report does not include the Senate-passed Amtrak passenger rail provision, which provided States the flexibility to use their Federal transportation dollars for passenger rail service. This proposal would have given States the ability to decide what transportation system best meets their needs and allocate their transportation funds accordingly. In a time of severe budget constraints at all levels of government, this provision would have empowered State and local officials to make the best use of the Federal resources provided to them.

Sixty-four Senators supported the Amtrak passenger rail amendment when S. 440, the National Highway System designation bill, was debated on the Senate floor. Sixty-four Senators—from both sides of the aisle, representing both very rural States and congested urban States; chairmen of the committees who oversee aviation, highways, and mass transit—supported the provision, recognizing that States need more flexibility in the use of their transportation funds.

The State of Oregon is currently involved in a situation requiring ample flexibility to retain an important element of Oregon's transportation infrastructure system. Governor Kitzhaber, Secretary Pena, Amtrak president Downs and I are working together to develop a plan to keep the *Cascadia* train, which runs between Portland and Eugene, operating. The *Cascadia* has been an extremely successful passenger rail provider for Oregon and, unfortunately, it is scheduled to be terminated on December 31, 1995. Innovative proposals, such as the Amtrak passenger rail provision, would be extremely helpful in allowing Oregon and other States to meet their respective transportation needs.

According to the most recently compiled U.S. Department of Transportation statistics, more than $15,800,000 in CMAQ funds were subject to lapse at the end of fiscal year 1995. It makes absolute sense to make these lapsed funds available to States for the operation of intercity passenger rail. Many other Federal programs that provide State allocations pool all unobligated funds at some point during the fiscal year and redistribute them to States who have projects cleared and awaiting funding. This would provide a solution to transportation challenges in many States and it is consistent with the Intermodal Surface Transportation Efficiency Act (ISTEA) funding priorities.

The CMAQ program, created in ISTEA, provides an incentive to focus on transportation alternatives that reduce traffic congestion, improve air quality, and lower fuel consumption. These funds can be used on transportation programs, projects, strategies, or methods which will contribute to the attainment of a national ambient air quality standard, whether through the reduction of vehicle miles traveled, the reduction of fuel consumption, or other means. Amtrak passenger rail service clearly meets this definition, and should be deemed an eligible use of CMAQ funds.

Mr. President, although I am disappointed that the NHS designation conference report came back without the Amtrak passenger rail provision, I do not support a potential motion to recommit this conference report. However, I do want to express my sincere regret that the conference agreement does not include this important provision that would provide my State, and many others, with the needed flexibility to use their Federal transportation dollars in the most effective way possible.

Mrs. BOXER. Mr. President, I support final passage of S. 440, the National Highway Designation Act. This legislation includes provisions that I had requested to help my State in the area of traffic congestion relief, air quality, and international trade.

I wish to thank my chairman, Senator CHAFEE, our subcommittee chairman, Senator WARNER, and our ranking minority member, Senator BAUCUS, for preserving the California provisions that I requested in the Senate bill.

The most significant provision is the assistance provided for the Alameda transportation corridor, a project to consolidate three rail lines into a single 20-mile high-capacity highway and rail corridor serving the ports of Los Angeles and Long Beach. The project is expected to generate 10,500 direct construction jobs. Today, more than 25 percent of all U.S. waterborne, international trade depends on the ports of Los Angeles and Long Beach to reach its market.

The National Highway System Act will provide the Alameda transportation corridor the financing tools it needs to become southern California's linchpin to increased Pacific rim trade.

Once the House passes this NHS bill, as expected, for the first time Congress will have recognized the corridor not as a series of individual intersection improvements, but as a single, high priority infrastructure project. The Alameda project will speed cargo along a corridor of uninterrupted rail and highway traffic between our national transportation network to the ports of Los Angeles and Long Beach.

Federal highway funds can now be spent on a single program to eliminate 200 street and rail intersections.

The NHS bill also designates the corridor as a high priority corridor under the Intermodal Surface Transportation and Efficiency Act [ISTEA]. That will make the project eligible for guaranteed Federal loans or other innovative financing options available to the Secretary of Transportation.

Secretary Pena wrote to me last month, acknowledging that the Alameda corridor ''is an extremely important project that will benefit the entire Nation'' and committing to work with us ''to make the Alameda transportation corridor a reality.''

Now that we have made the project eligible for the Secretary's revolving loan program, we are working closely with the administration to obtain seed money in the President's fiscal year 1997 budget in order to initiate this innovative financing program.

This bill also ensures that California will continue to receive its share of transportation funds used to enhance air quality under the Congestion Mitigation and Air Quality Program, despite the improvements to air quality in the San Francisco Bay area.

The San Francisco Bay area was recently upgraded from a non-attainment area to a maintenance area for its air quality. Although the improvement is welcome news, under current law the area and the State would lose its CMAQ funding. The program provides funding to the States for local traffic improvements to relieve congestion and reduce air pollution in urban areas with poor air quality.

I believe we should not penalize communities that improve air quality by eliminating much-needed funding. The air quality funds provide $15 million each for BART rail car rehabilitation and Santa Clara County's light rail construction in the Tasman corridor, among other projects to reduce traffic emissions.

Another part of the bill that I requested would assist the seismic retrofit project for the Golden Gate Bridge. This language allows the Golden Gate Bridge, Highway and Transportation District to begin spending local funds now for the $175 million project to protect the famous bridge from earthquakes. When Federal funding is available in the future, the Federal Highway Administration will apply those funds spent now toward the 20 percent local match required for Federal funding.

The NHS bill also includes two provisions that would redirect previously authorized spending for high-cost projects in Los Angeles and Long Beach to more practical projects that can be completed sooner.

The first measure would help alleviate the gridlock that has occurred along Sepulveda Boulevard near the Los Angeles International Airport. In 1991, Congress authorized $8.95 million to develop alternative approaches to expanding the Sepulveda Boulevard Tunnel that runs underneath the airport. However, an analysis completed last year indicated expansion of the tunnel would require considerable more funding. Less costly, short-term measures were sought to reduce the commuter and airport traffic using the tunnel.

The final conference agreement includes my provision to redesignate the funds for the following projects: $3.5 million for the airport's central terminal ramp access project, $3.5 million for Aviation Boulevard widening south of Imperial Highway, $1 million for Aviation Boulevard widening north of Imperial Highway and $950,000 for transportation systems management improvements near the tunnel.

A second provision would use $7.4 million previously authorized to construct carpool lanes on Interstate 710 in Long Beach for downtown Long Beach access ramps to separate city traffic from the heavy trucks carrying port cargo. This project will enhance safety at the terminus of I–710.

There are provisions in this final bill that I do object to. I am very concerned and disappointed that this bill rolls back gains we have made in this Nation to curb the carnage on our highways. The bill ends the maximum national speed limit for all vehicles. After the national maximum speed limit was established in 1974, we saved 9,000 lives.

The final bill also would effectively exempt small to mid-sized trucks from safety regulations, a House provision on which the Senate never held a hearing.

Finally, the bill was stripped of the Senate amendment to grant to States the option of using its flexible category of highway funds for Amtrak operations. I am surprised at the House opposition to this amendment to grant States more flexibility in funding transportation programs. These funds already can be used for mass transit and bike paths. Including Amtrak only makes sense and at a time when Amtrak service cutbacks are leaving commuters and intercity passengers stranded on station platforms. This modest assistance could be nothing but helpful.

I have a long record in support of strong transportation safety measures, from highways to runways. However, realistically, a vote opposing final passage of the NHS would not change the outcome. I know Senator CHAFEE shared my concern about the safety provisions and the loss of the Amtrak amendment. About two-thirds of the Senate had voted to eliminate the national speed limit, and if Senator CHAFEE could not win on the Amtrak amendment in conference, then it could not be saved.

Nevertheless, despite these flaws, passage of the National Highway System Designation Act is crucial. About $6.5 billion in highway have been withheld from the States since October 1. California will receive $569 million once this act is passed. This money is urgently needed to help relieve our backlog in road maintenance projects.

We will be reauthorizing the highway bill in 2 years. At that time, I hope we can reconsider these issues important to preserving the safety of our traveling public.

Mr. NICKLES addressed the Chair.

Mr. WARNER. Mr. President, I yield such time to the distinguished Senator from Oklahoma as he may require, drawing it jointly from that under the control of the Senator from Montana and myself.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. NICKLES. Mr. President, I wish to thank my colleague from Virginia, as well as my colleague and friend from Montana, for their leadership in bringing this bill to the floor.

Mr. WARNER. If the Senator will yield for a moment, I wish to advise the Senator from Delaware and the Senator from Ohio that, in all likelihood, following the remarks by the one or two Senators now joining us on the floor, we will turn to those allocations of time under the time agreement. In their absence, a quorum call would have to be charged against those time periods.

I yield back to the Senator from Oklahoma.

Mr. NICKLES. Again, I thank my friends and colleagues from Virginia and Montana for bringing this important bill to the floor. I hope our colleagues will strongly support it and that the President will sign it. It will mean jobs in our States. It will help rebuild our national road infrastructure. I compliment them.

The reason I come to the floor today is to speak specifically on the issue on speed limits, because I have heard some of our colleagues imply that this bill increases speed limits. It does not do that. What this bill does do is insert a provision that myself, Senator BURNS, and others, support. It would eliminate the Federal penalty mandating a national limit. It does not say we eliminate speed limits.

I happen to favor speed limits. But I favor States setting them instead of the Federal Government. Some people assume that we are automatically going to have higher speed limits all across the country. I do not know that that will be the case. Undoubtedly, in many cases, you will have increased speed limits, if the State legislatures, working with their Governors, make that decision.

So it is really not a question of whether or not we are going to have speed limits or what the speed limits will be. It is a question of who defines what the speed limits will be. What many of us are saying, and what this legislation says, is we are going to repeal the Federal penalty. This Federal penalty says if you do not comply with the national speed limit, we are going to withhold some of a State's funds—funds which rightly belong to the State.

I am amazed sometimes that some people think the Federal Government knows best, so the Federal Government is going to set speed limits. I disagree. The Federal Government is going to set other criteria. What we are saying in this legislation is that the proper body or electorate to make this decision is at the State level. We have heard a few people talk about the 10th amendment, but the 10th amendment states: ''The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.''

That is exactly what we are doing in this legislation—reserving to the States the power to set the speed limits in their States. The appropriate speed limits in Oklahoma or Montana may be quite different than the speed limits in Delaware or Rhode Island. So it makes sense if the elected representatives of those individual States would set those speed limits. They know the road conditions better than we do on the Federal level. And 55 may be too fast. That is the national speed limit. It may be too fast, or it may be too high in some areas. The State should have the authority to set it. Maybe 55 is not high enough in some other areas. Let the States decide.

Some of my colleagues assert that it is going to result in a large increase in fatalities. That, I think, misses the question. I think the States, and the elected officials in the States, are just as concerned about the safety and health of their constituents—maybe more than we are on the Federal level. They are concerned. They know those stretches of roads that have a higher number of fatalities, and they are the ones responsible for fixing them. It may be that, on a rural interstate, 55, 65, or 70 miles an hour may be safe. But it may have some winding areas that maybe should be set at 40 miles an

hour. The State should know that, and they should make that determination.

We should not have a Federal law that says nowhere in the country can it exceed 55. We passed a law in 1987—and I was a sponsor—that on rural interstates limits could go to 65 miles an hour. Even when we passed that, my argument was, really, it should not be set by the Federal Government. It should be set by the State governments. This is an area where, really, State and local governments should have priority.

Again, I want to take issue with the fact that some people say there are going to be thousands of more deaths or fatalities if this bill passes as it is. I take issue with that. One, I believe they are looking at a study that assumes that all roads that are now 55 will be going to 65 or 70. I do not think that is the case. You have a lot of States that probably had higher speed limits that now are at lower speed limits. They may leave them there. That is fine. I could really care less. I think it should be their responsibility, the State's responsibility. And to assume that all of the highways in the country that are now at 55 will be increasing to 65 or 70 would be a mistaken assumption. But the States should be the ones that would have that responsibility. I just happen to believe that Governors and legislators in those States are just as concerned, maybe even more than we are for their constituents' safety.

I think they will keep safety in mind when they make those decisions. They are the duly elected body of the people from that State and hopefully will be responsive to their wishes and to their safety needs.

I am delighted that this legislation finally takes away this Federal mandate, this Federal law that says if you do not comply with ''Government-knows-best, Washington, DC,'' we will withhold some of your money.

I am delighted we finally have repeal of the Federal mandate. We did not repeal speed limits, we had the repeal of the national Federal speed limit, and now we will be returning speed limit decisions to the rightful level of Government, and that is to State and local authorities.

Again, I compliment my friends and colleague, and I wish to compliment the Senator from Rhode Island for his leadership in passing this bill as well. I am delighted it is on the floor. I hope the President will sign it.

Mr. WARNER. Mr. President, I thank the participation of the able Senator from Oklahoma. We may have some differences of view on this particular subject, but we hope that the accident rates do not dictate the Federal Congress will once again have to intervene and readdress this issue.

The Senator from Wyoming, a distinguished member of our committee, seeks recognition, and at such time as he gains the floor Senator BAUCUS and myself yield such time as the Senator from Wyoming may require.

The PRESIDING OFFICER. The Senator from Virginia and the Senator from Montana jointly have 9 minutes remaining.

Mr. WARNER. I thank you for that advisory.

For those Senators during the course of the vote that might wish to acquaint themselves with the national highway map, we have arranged for it to be placed in the Vice President's office jut off the Chamber. I urge Senators to take a look.

I yield such time to the distinguished Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I listened carefully to what the distinguished Senator from Oklahoma had to say. He has been a long battler for the States being able to set these speed limits. He prevailed overwhelmingly on the floor of this Chamber.

I did not agree with him, but the vote was clearly in his favor. I just hope he is right. I hope he proves the rest of us to be absolutely wrong. I hope that the speed limits will be monitored carefully by the States.

I think there is a lot in what he says in that the States are concerned about highway deaths. I know when I was Governor, every year I paid a great deal of attention to the deaths on our highways and sought to bring it down. Whether all the Governors spend time on matters like that, as I did, I do not know. I just hope he is right. I hope a year from now we can say to the Senator from Oklahoma, ''You were right and we were wrong.'' If so, I would be very, very pleased. Here is a case where I would be glad to be proven wrong.

Mr. WARNER. Mr. President, I join the distinguished chairman in his observation.

I think, in fairness, we should put in context here that the Federal highway limits were put on as a consequence of a very severe energy crisis that faced the United States. It was viewed then as an energy conservation measure.

Once they were placed as a matter of law, we did see, fortunately, a very rapid reduction in accident rates across America. So that was an unanticipated fallout of this.

I see the distinguished Senator from Wyoming and yield such time as he may require, bearing in mind that the managers have about 7 minutes left.

The PRESIDING OFFICER. The time of the Senator from Virginia is up and the Senator from Montana has 7 minutes remaining.

Mr. LAUTENBERG. I wonder if I might just take a couple minutes off my time while the time allocation for the Senator from Wyoming is being considered.

Would the Senator from Wyoming indulge us?

Mr. THOMAS. I am happy to. I am not sure we have any time.

Mr. WARNER. Mr. President, we will find the time for the Senator from Wyoming if he would be gracious enough to indulge the Senator.

Could I inquire how much time the Senator from New Jersey has remaining?

The PRESIDING OFFICER. There are 22 minutes remaining.

Mr. WARNER. Would the Senator from New Jersey be willing to take from his time and allocate 5 minutes to the Senator from Wyoming?

Mr. LAUTENBERG. I would not object to the unanimous consent to allow an extra 5 minutes.

Mr. WARNER. I will place that in the form of a unanimous-consent request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUTENBERG. Mr. President, I just wanted to respond to some of the comments that have recently in the last little while been made. I do not want to be harsh. I think we know around here despite the fact that occasionally this does look like fantasy land, wishing never makes it so. Law makes it so, votes make it so.

That is what happens. Reality takes over. Thus, when we talk about no assurances that the States will rush to bump up their speed limits the minute they have this permission, I point out something to those who would believe it, that there are several States—nine in particular—that have already in law a requirement that once the Federal speed limits are removed, and I address this to my distinguished colleague, the chairman of the Environment and Public Works Committee, Senator CHAFEE, once the law is removed, the Federal speed limit is removed, there are nine States that immediately bump up by virtue of existing statutes.

I am pleased to name them. It does not matter. Just for edification, I will: Montana, Kansas, Nevada, Wyoming, Oklahoma, South Dakota, Missouri, Texas, and California. These are States that already committed that once the rules are off from the Federal Government, they immediately move up. There are 28 other States that are States that have bypassed actions, indicate that they are anxious to get the speed limits moved up. They are States which increase the maximum speed limit on rural interstates within 6 months of the 1987 congressional enactment allowing 65 miles an hour.

It is fairly easy to recognize, Mr. President, because the States that are outlined in blue, it is a fair number, and when combined with the nine States, gives us a total of 37 States that are likely to move ahead with their speed limit increases.

I just put that in the RECORD, Mr. President, to indicate that as much as we hope, as much as we wish, we would like to see constraints on speed limits, it ''ain't'' going to happen, to put it crudely. So the mayhem that will follow that I projected—and I do not want to be the forecaster of gloom and doom around here, but I want to be realistic about what is going to happen when this bill becomes law.

I yield the floor.

Mr. THOMAS. Mr. President, I am particularly pleased that the Senate

today is considering the conference report on Senate 440, a bill that will designate the highway system. The States have been waiting for a good long time now, waiting since October 1, for this bill to pass, so that the $6.5 million in highway funds—which, of course, belongs to the States—can be distributed and used for the purpose for which the drivers and purchasers have paid.

I particularly want to recognize Senators WARNER, CHAFEE, BAUCUS, and others who have worked very hard to bring this bill to the floor. I appreciate their leadership and appreciate the opportunity to have served on that committee.

I support this bill for a number of reasons. Not only is the bill important, of course, to all of us in our highway systems, but particularly important from the economic and job creation perspective. It also, it seems to me, sets a direction for the transportation needs of our country and does so well into the next century.

In addition, I am pleased with some of the philosophical changes that are found in this bill. This proposal increases State flexibility in a number of areas.

Let me just say, philosophically I agreed with that and I find it difficult to hear people constantly talk about the fact that we really ought to run it from here because we do not trust those rascals in the State. I do not understand that. I have a hard time with that.

This bill permits a State to increase the transfer of funds from bridge accounts to the National Highway System and Surface Transportation Program categories, eliminates the Federal mandates that the States adopt Federal management systems, repeals some of the Federal mandates requiring the use of crumbed rubber asphalt—I happen to favor the idea—and to transfer to the State the question of mandatory helmet laws and certainly the maximum speed limit.

I come from a large rural State, quite different from New Jersey, quite different from Rhode Island, in terms of our obligations to provide for transportation. I also served in the Wyoming legislature, and I have great confidence in that body's ability to determine and have as much interest in the safety of Wyoming drivers and others who drive through our State as does this body. That is really what it is all about. It is not a question of doing away with speed limits. It is a question of having the opportunity to tailor needs to different kinds of places, the opportunities to deal with the differences in the needs of New Jersey and the needs of Wyoming.

So, there is a principle involved here. Obviously, our 100,000-square mile State with 450,000 people is quite different from New York, quite different from Connecticut. So we need to have the flexibility, in a union of this kind, to do that. This is a clear step away from the Washington-knows-best approach and I strongly endorse it. State leaders in Departments of Transportation do not need this constant oversight that we have had here.

So, this is a good bill and one that needs to be passed in a timely fashion. It deserves strong support. It has had a great deal of input, a great deal of conversation from States, a great deal of communication with State Highway Departments and others. So I encourage all my colleagues to vote for the bill. I hope the President will sign it promptly so that the States can finally receive the money that does, indeed, belong to them.

Mr. President, I urge quick passage of this bill and its quick movement through the White House and I yield the floor.

The PRESIDING OFFICER (Mr. GORTON). Who yields time?

Mr. CHAFEE. Mr. President, we are ready for the Senator from Delaware.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, I rise to speak to the motion— I will withhold sending it to the desk at the moment—that I intended to offer.

Mr. President, I rise today to express my deep concern and, quite frankly, disappointment that this conference report comes back to us without an important Senate provision that enjoyed very strong, bipartisan support in the Senate.

On June 21, by a vote of 64 to 36, the Senate voted to give our State Governors the option to use some of their Federal highway funds on intercity rail, that is for Amtrak. It was a proposal that Senator ROTH and I introduced, along with Senators BOXER, CHAFEE, COHEN, JEFFORDS, KERRY, LAUTENBERG, LEAHY, MOYNIHAN, MURRAY, SPECTER, PELL, SNOWE, and D'AMATO.

I point out to my colleagues that these are States with varying degrees of Amtrak service. As a matter of fact, the Governors of those States which have a limited amount of Amtrak service, have the greatest concern about being given this additional flexibility. The bottom line here is Amtrak has, as the distinguished chairman of the committee knows, out of necessity made some significant cuts in its operations over the last couple of years, in a sense downsized the number of trains it runs as well as the number of personnel that it has. The result of that has not affected, much, the Northeast corridor, where people have significant access to rail. But it has affected States like Montana, it has affected States like Vermont, it has affected States like Mississippi, because they have lost trains because we could not justify their cost based on these new, incredible restrictions placed upon Amtrak.

I might note, by the way, although the reigning expert is on the floor—the Senator from Rhode Island—that I do not know of any national rail system in the world, as a passenger rail system, that runs on operating costs, on the money that it takes in. Everybody comes over and my conservative and liberal colleagues—there are not many liberals left—but my conservative colleagues come back from Japan and Germany or Europe and they say, ''Boy, we rode on these trains and they were something else. Why do we not have trains like that?''

They subsidize them, like we do the airlines. They subsidize them, like we do the highways. None of them make it based on the fare everyone pays. There would not be any airlines running, we could not afford any ticket, if the fare we paid did not cover the air traffic controllers, covered the runways, covered the towers, covered the places we land. They are subsidized. But, somehow—I am not speaking to anybody on the floor here in particular, because I know the Senator from Rhode Island is a champion of rail as well as highways—somehow, we look at the Amtrak ticket and say, ''Boy, they are really subsidized,'' because we have a direct appropriation and everybody can see it.

At any rate, what happened was in a number of States, like the State of Montana, officials said, ''Look, there are one or two trains that run across Montana, that go across the Northwest to the State of the Presiding Officer, and we cannot justify, based on passenger load, keeping that train going.'' Or the Vermonter, that goes up into Vermont, or the Crescent, that goes down to New Orleans and goes through Mississippi. It is kind of hard when you say you have to go out and cut—they are the ones which are cut.

So all of a sudden Republican and Democratic Governors, like the Republican Governor from Pennsylvania, Governor Ridge, a former Congressman, said, ''Wait a minute, we need these trains going across. Not the ones going to Harrisburg and Pittsburgh and so on and so forth,'' the Governors of these other, various States agreed. So what we did was we came along with nothing particularly radical here. The amendment I am talking about, the flexibility amendment, was not designed to fix every problem that Amtrak has. It was not designed to make Amtrak solvent. It was not designed to solve any intercity rail problem that is going to exist because there are larger problems and there are larger costs. But, by providing the States some flexibility in allocating their Federal transportation funds, although not intended to be a final solution to Amtrak's problems, it was a partial solution to the problems the States had, the Governors had. So, increasing the State flexibility was an important goal.

By the way, under the leadership of Senator CHAFEE and Senator MOYNIHAN and the votes of the vast majority of Members here, we made a significant departure, a necessary but significant departure a couple of years ago when we passed the new highway bill, the so-called ISTEA.

What that said was basically this. If, in a State, you decide to abate the air quality problems you have, or to deal with congestion, or to deal with rural transportation problems, out of your Highway Trust Fund moneys that you get you can go out and you can, instead of building a new lane of a highway, you can subsidize a bus or you can subsidize a bus route from Dover, DE, to Dagsboro, DE, instead building a new highway. It is cheaper and makes more sense.

The leaders on this have been Senators CHAFEE and MOYNIHAN. They said it does not make any sense to insist that States have to pour more concrete. They can say, ''OK, we want to put a bike path in. We can spend money for that, or for buses, if it is going to improve the air quality, instead of more lanes for cars.''

It gave flexibility to the States. It was only a portion of the highway money they received. So all this amendment did, and I think the reason why it enjoyed such wide support, was to just logically extend that flexibility. The goal of the Senate amendment, which was dropped in conference, was not to shift the burden of passenger rail services in the States. It was to allow the States to have another alternative to deal with their problems.

For some, this means a small portion of their highway money—I say that because to use the vernacular the cement and asphalt guys out there said, ''Oh, my. They are going to be able to spend money on something other than laying concrete or laying down asphalt.'' They can still lay billions of dollars worth of concrete and asphalt across this Nation under the flexibility amendment.

This is not a backdoor to do away with the highways. This is a provision to give flexibility to the States. And it does not require an additional penny. It just says the States can use some of it. Instead of building a bicycle path, they can say in Vermont, we want to keep that train that comes up into Vermont from the Northeast corridor, and brings us millions of dollars worth of skiers every year, improves our economy, and has a significant impact on health of our State. We want to use some of our highway money to pay Amtrak to say, ''Look, put that train back on. We will pay for it. The rails are already there. We will pay for it.''

Because they understand this, the Governors of our States are actively seeking to keep Amtrak running. The Republican Governors from Wisconsin, Michigan, and Pennsylvania, and the Democratic Governors, also, feel very strongly about this.

The Senate language dropped in conference would have provided those Governors the means, if they chose, to support Amtrak routes important to their States. Specifically, it would have made Amtrak an eligible use for funds from two areas—the so-called STP fund, Surface Transportation Program, which is known as STP around here; funds to be used for most kinds of roads and highways, as well as capital costs for bus terminals, car pool projects, bicycle and pedestrian facilities, hike and bike trails. Right now, under the Surface Transportation Program, you can expend money, if you are Governor, from your highway trust fund to build a bus terminal. You can spend your money from the highway trust fund to build a bike or hike trail, a bicycle path, or a pedestrian path. You can do all of that. You can even spend the money for promoting car pooling, all of which makes sense.

But the one thing you cannot do is you cannot say—even though you have a railroad track running through your State where you want it to go—Amtrak, if you can put an extra train on there, we will pay you for that. Why? It makes no sense.

So the Senate language added intercity rail—translated, Amtrak—to that list of things that Governors can do consistent with the aims of the program to support and fully fund an integrated transportation system. Integrated means highways. It means buses. It means subways. It means Amtrak, if this were to prevail. It gives them flexibility.

The second thing the Governors could do, in addition to going to the so-called STP fund—is go to the congestion mitigation and air quality fund, or, the so-called CMAQ fund. CMAQ is an innovative program designed by Senators MOYNIHAN and CHAFEE which supposed to help urban areas come into compliance with the Clean Air Act.

Mr. President, we all know in most of our States where we are told that, if the air quality is not particularly good, the Governor is told to take the necessary steps in order to meet the Clean Air Act standards. This gives the Governor an opportunity when managing a growing State, a growing community and a growing urban area, to say, OK, one of the ways I can deal with increased congestion is, instead of putting more cars on the highway, to increase intercity rail.

Let us imagine what would happen if we shut down Amtrak in the Northeast corridor? Those of you, the tourists here today, traveling I–95 from here up to Boston through the States of Maryland, Delaware, Pennsylvania, New Jersey, New York, Connecticut, Rhode Island, can you imagine? How many more lanes can we add on to I–95 in order to just transport people up and down? How many more airplanes can we add? We are having problems with airports. There is so much traffic on the east coast they are talking about the State of Delaware and the Wilmington airport becoming an overflow facility for the Philadelphia airport.

Mr. LAUTENBERG. Mr. President, will the Senator yield for a question?

Mr. BIDEN. Sure. I am delighted to.

Mr. LAUTENBERG. The Senator mentions aviation and the problems, if we did not have Amtrak operating. The projection is that, if Amtrak were not operating, we would have 10,000 DC–9 flights a year more to accommodate the traffic that would come off of Amtrak.

Mr. BIDEN. I say to my friend from New Jersey, Mr. President, that statistic makes the point. Two of the three people who know most about the transportation problems in this country are right here in the Chamber now, and the Senator from New Jersey is one of them. Ten thousand additional flights. We are having trouble keeping airports open during certain hours so people cannot have them interfere with their living standard and the quality of life. Where are they going to go, and why are we doing this? Why are we failing to make this small change in flexibility?

I never impugn the motive of anybody on this floor. But I must tell you in my 23 years here I have not run across many lobbies that are more powerful than the highway lobby, than the cement folks and the asphalt folks. There is nothing bad about them. But I think they are being incredibly shortsighted here in terms of not allowing this flexibility. I think in the long run, in 2 years, or 10 years, the public is going to say, ''Enough, I do not want a 17-lane highway running by my house.''

To combat this growing concern, Mr. President, these CMAQ funds, that the States receive as part of their highway funds, could be used for Amtrak, at the discretion of the Governors, if they chose to mitigate congestion and to carry the same number of people with less pollution and cars on the highways. Surely, this would be an appropriate use of those funds, a use currently denied the States.

In addition to those provisions, Mr. President, this amendment would permit States to enter into interstate compacts to support the Amtrak services. For example, the Presiding Officer is from the great State of Washington. You cannot very well get a train to go to Washington coming from Chicago unless you get the folks in the Dakotas, Montana, and Idaho to let it get there. There is no other way to get it there. If they do not have the ability to come up with the funds to provide for that train coming through, then it is a problem.

So it allows, if they so choose, the States in the Northwest to enter into a compact if they want those trains to move from Chicago to the State of Washington with more frequency. States come up with their own money, come up with the money they want out of their highway funds, if they decide to do so.

In the long run the answer to Amtrak's financial problems are not solved by this amendment. It will come from clearly defined, dedicated sources of funds supporting capital means. That is the only way out for Amtrak.

I must say that I am pleased to note that Senator ROTH has taken an amendment that he and I supported, and has drafted just such a bill which

has come out of the Finance Committee which he chairs. I look forward to working with him, and dealing with that bill on another occasion in the near future. It has to do with setting up a trust fund, a very small one, so that Amtrak will have the funds it needs for necessary capital improvements. The Senator from Montana supports that as well.

But, Mr. President, this flexibility proposal was taken out I think for very shortsighted reasons—not for lack of support of Senator CHAFEE, who stood his ground as long as he could in this conference. It was dropped because the House was adamant in refusing to give the States the needed flexibility to manage their transportation needs the way they should do best. As a matter of fact, the chairman in the House on this committee, a gentleman from Pennsylvania, a very, very tenacious, very good Congressman, works very hard, even resisted to consent to the entreaties of his Governor telling them he needed this. And so I in no way am suggesting that the Senate did not try its best to hold this provision.

The House just adamantly refused to give the States flexibility. So much for the revolution. So much for the devolution of power away from Washington to the States. Here we have an example on the limits of revolutionary fervor; it ends when the committee is threatened with a tiny, marginal loss of authority or it ends where important interests to the highway community decide they want it to end.

The Senate language that was dropped would not spend one dime of additional State or Federal money—not one dime of additional money. It would not require the States to spend any funds on Amtrak, not a single penny, if they did not want to. It would not change any formula for distributing or allocating transportation funds among the States. It would not affect the amount of annual Federal transportation funds States now receive individually or in total.

The bottom line is the Senate amendment simply permitted States to use funds they already qualify for in a way that is not currently permitted. Current restrictions on the use of Federal transportation funds would be removed and Governors around the country would be able to use those funds as they see fit, including in support of intercity rail services provided by Amtrak, if this amendment were to prevail. In very congested areas, particularly in urban corridors along the east and west coasts, but in other areas as well, adding more highways in certain areas is simply not an economic or environmental option. Keeping an Amtrak route open on existing rail right-of-way, which is much more cost effective and safer and cleaner than buying land to construct even one more lane on a major interstate highway, is the way to go. The increasing flexibility provided by the Senate amendment is fully consistent with the major goals of the national highway safety bill before us today and with ISTEA, the landmark legislation that calls for a National Highway System designation.

The need for enhanced State flexibility is clear. I find it fascinating that my colleagues, some of whom spoke today, colleagues who I have great respect for from wide open spaces of the West, from Montana and Wyoming, talk about the need for us to consider their specific needs and afford them flexibility, allowing them to have a highway speed limit higher than might be appropriate in the middle of Philadelphia County in Philadelphia, PA, or in the middle of Newark, NJ.

I understand that and appreciate that, but I have always found it difficult to understand how they cannot appreciate the problems of urban States where it makes much less sense for us to go out and build additional highways than it does for us to allow the States to have flexibility to use some of those moneys, designated portions of them, for the purpose of making sure we meet air quality standards, safety standards, and the transportation needs of the people of our State.

Let States decide. Let States decide. This is the mandate set out in both the House and Senate budget resolutions which we are going to hear a lot about today. Let the devolution of power occur; send it back to the States.

This whole thing is also a mandate that sets out for Amtrak authorizing legislation that we are going to take up very soon.

The first stage of this new authorizing legislation for Amtrak was announced last December with major routes elimination taking place effective in April, frequency reductions in the selection of routes throughout the country that will be completed this coming October.

The bottom line is more States will have less service in areas that they need and that they could very well be willing to use highway funds to keep. As a result, many communities across the country find themselves with little or no interstate rail service, and the Governors of those States know that intercity rail is an important option for small towns without air service as well as for congested commuter corridors. They know that intercity rail supports commerce and is an important component of the modern national transportation system.

Last June, I entered into the RECORD a letter from Governor Dean of Vermont, Governor Thompson of Wisconsin, Governor Engler of Michigan, Governor Carper of Delaware, and subsequently Governor Ridge of Pennsylvania, Democrats and Republicans alike, asking for this flexibility.

Among the authors of that letter were Governors who had already committed their own State general revenues to support intercity rail routes and at the same time they had surpluses in their Federal transportation program that they are prohibited from using, that is, money that went back to the States they could not use because they did not want to build more highways. I said, ''Can't we use that for this?'' They said, ''No, you can't.'' So they are required to go into the general funds of their States. That seems to me to be counterproductive. Many States have confirmed the importance of Amtrak.

Today, Mr. President, I have a letter from those same Governors, joined by Governor Allen of Virginia, another Republican, along with additional letters from Governor Whitman of New Jersey, reinforcing their support for the Roth-Biden amendment in the Senate version of the National Highway System bill. These letters were sent in October, unfortunately to no avail. They were sent to Congressman SHUSTER, chair of the House Transportation Committee and leader of the House conferees. I ask unanimous consent these letters be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

OCTOBER 20, 1995.

Hon. BUD SHUSTER,
Chairman, House Committee on Transportation and Infrastructure, House of Representatives, Washington, DC.

DEAR CHAIRMAN SHUSTER: As you continue to work with the Senate towards completion of the National Highway System bill, we want you to be aware our strong support for the right of states to use their federal transportation funds for rail passenger service. The so called ''Roth-Biden'' provision which was included in S. 440 by a vote of 64–36 has our full and enthusiastic support, and we urge you to support its inclusion in the final NHS bill.

As you are aware, under present law, we are not able to make use of our federal highway or transit funds for rail passenger service. Enactment of this provision will provide states with the ability to decide what transportation system best meets their needs and to allocate their federal funds accordingly. In this time of severe budget constraints at all levels of government, it is essential that we empower state and local officials to make the best use of scarce federal resources.

We view this inclusion of the Both/Biden provision in the final version of the NHS bill as an extremely positive step in the direction of achieving a higher level of state choice and a more balanced transportation system. We look forward to working with you to ensure this result.

Sincerely,

GOV. HOWARD DEAN.
GOV. GEORGE ALLEN.
GOV. GASTON CAPERTON.
GOV. JOHN ENGLER.
GOV. TOM CARPER.

STATE OF NEW JERSEY,
Trenton, NJ, October 20, 1995.

Hon. BUD SHUSTER,
Chairman, House Committee on Transportation and Infrastructure, House of Representatives, Washington, DC.

DEAR CHAIRMAN SHUSTER: As you continue to work with the Senate towards completion of the National Highway System bill, I want you to be aware of my strong support for the right of states to use their federal transportation funds for rail passenger service. The so called ''Roth-Biden'' provision, which was included in S. 440 by a vote of 64–36, has my

full and enthusiastic support, and I urge you to support its inclusion in the final NHS bill.

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The inclusion of the Both/Biden provision in the final version of the NHS bill is an extremely positive step in the direction of achieving a higher level of state choice, and a more balanced transportation system. I look forward to working with you to ensure this result.

Yours sincerely,

CHRISTINE TODD WHITMAN,
Governor.

Mr. BIDEN. Mr. President, because the support is still out there and because the need for Amtrak services must still be met by the States and because the principle of increased State flexibility is still valid, I will continue to fight for this Senate language that has been dropped from the conference report. But because I do not want to waste more time on this proposal and tie up my friend, the chairman of the committee, who I again thank for his dogged support of this proposition at a time when so much of our legislative business is yet to be done, I will not introduce this motion to recommit. But I consider the loss of important Senate language a clear reason for me to vote against this conference report.

I also want my colleagues to know that I will seek another means by which to accomplish the goals of the Roth-Biden amendment, and I will continue to fight to get it put into law.

To put it to you very bluntly, Mr. President, the reason I am not going to pursue this right now is if this prevails and gets sent back to committee, these States that are looking for the flexibility will also in the meantime have additional moneys tied up. They will not be able to get moneys that are in this bill that they need now. So I am in kind of a catch-22 position. My purpose here is to help Amtrak and to give Governors of States flexibility to decide what their transportation network should look like. But if I succeed, it goes back to the House again and goes back into conference, and I am not at all sure, to be very blunt about it, whether or not my friend from Rhode Island, notwithstanding his Herculean efforts, would be able to prevail were we to send him back. So that is why I am withholding this motion. So I will yield.

I saw my colleague from Delaware, who is the lead sponsor on this amendment. I do not know whether he wishes to speak on this right now. But for the time being—is there any time under the control of the Senator from Delaware?

The PRESIDING OFFICER. The Senator from Delaware has 3 minutes 40 seconds.

Mr. BIDEN. Mr. President, I will reserve the remainder of my time and yield the floor.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. I believe that I have some time remaining.

The PRESIDING OFFICER. The Senator from New Jersey has 18 minutes 40 seconds remaining.

Mr. LAUTENBERG. Eighteen?

The PRESIDING OFFICER. Eighteen minutes forty seconds left.

Mr. LAUTENBERG. Thank you, Mr. President.

I just want to stand up and announce my support of the comments and the program that the distinguished Senator from Delaware outlined in terms of where he would like to see things go for Amtrak. I, too, am an active proponent of Amtrak because its part in our intermodal transportation system is so significant.

I note, Mr. President, that when I was chairman of the Transportation Subcommittee of Appropriations—and that was the situation until the beginning of this year—that whenever there was an opportunity to review another transportation bill, invariably colleagues would come and plead with me for continued service by Amtrak to their States, even those States that had a couple of trains a week going through there.

They all loved the notion that Amtrak, the intercity rail system, the national passenger rail service, was going to continue providing service. Well, we have seen cutback after cutback, narrowing this thing down. And in these days of spare resources, I think it made sense to review very closely what was taking place there and to avoid as much as possible the continued costs for the operations of Amtrak.

However, Amtrak stands alone in terms of the percentage of the fare box that is received among railroads across the world. Amtrak has the highest share of revenues per fare box of any railroad in any country on Earth.

So, I fight very hard to protect the ability of Amtrak to function. And I know that is true of my colleagues from Rhode Island, including the distinguished chairman of the Environment and Public Works Committee, as well as other colleagues who see the value of Amtrak as part of the transportation system and who look at the possibilities that might exist if Amtrak was not functioning.

The distinguished Senator from Delaware talked about aviation. I point out that we would need 10,000 flights a year, additional flights a year, DC–9 size, just to service the volume of traffic that Amtrak now handles. If Amtrak can improve its service, get higher speed service, make the capital investments to bring that system up to the level that it ought to be, it would carry even more passengers. A computer permutation shows exactly that.

Here we are, when we have a chance, when we give the Governors—we talk about States' rights, and we talk about giving the States the chance to make their own decisions. Here we have a chance to do it. When it was supported in the Senate by a vote of 64–36, we lose it in conference. Frankly, I think that is a terrible condition. I was disappointed that it was believed that we could maintain the integrity of the highway trust fund by receding from the Senate position on Amtrak flexibility.

Simply, this provision would have allowed the States the discretion to use a small portion of their highway formula funds for Amtrak expenses. I sponsored this same amendment when ISTEA was being developed and when it passed the Senate. So, when it comes to Amtrak, when it comes to motorcycles—when it comes to Amtrak, we do not say that the States know best. We say Washington knows best. And that is an anomaly that, frankly, I do not understand.

Mr. President, I feel that we have lost an excellent opportunity here. I hope that we will be able to recapture it along the way with other legislation, as indicated by the Senator from Delaware. As the ranking member of the Transportation Appropriations Subcommittee, I can tell my colleagues that the appropriations bill that the President signed the other night included a 25-percent cut in Amtrak's operating subsidy; $137 million in a single year will be cut.

Without having to be a rocket scientist, it is obvious these cuts will cause another round of service cuts, another round of layoffs. Amtrak just completed the largest round of service cuts and layoffs in its history. Now we are going to look again at another round of service cuts, another round of layoffs.

This NHS bill was held to be minimizing these cuts, to allow the Nation's Governors to use their discretion, to enter into cost-sharing agreements with Amtrak and keep certain of these trains running. I am sure that those Members that insist that we deny the Governors this form of flexibility will be the same persons who complain when they endure additional losses in Amtrak service and additional losses in Amtrak employment.

Mr. President, while I have the floor, I just want to reiterate—and I will not be long in deference to my colleagues who are waiting for the floor—that I think the NHS bill is a very positive piece of legislation in general, that it provides additional investments in infrastructure, which I repeat that I strongly support, but as we look at the abandonment of safety, we have to also consider what happens in terms of not only the loss of limb and life, but the additional financial costs that are associated with it. We also have to look at the fact that we will help create more air pollution as we load up further highway travel. We will be looking

at depending more on imported oil from the Middle East. That is a tragic situation for us.

More danger to law enforcement people. Put a patrol car out there having to enforce the law with someone going 90 miles an hour. I assure you that no policeman's family is going to like that assignment. But here we are. We are abandoning all other good judgment to save minutes a day. It is a regrettable thing, again, because this is tagged onto a good piece of legislation. But those who believe that safety is not a significant factor have abandoned that at this juncture. And I sincerely regret it.

Mr. LEAHY. Mr. President, I was deeply disappointed that the conferees dropped the provision that would have let States invest limited amounts of highway funds for intercity passenger rail service. This reasonable amendment would have given States like Vermont some flexibility to start or continue Amtrak service.

Last December, Amtrak made the painful decision to terminate the Montrealer, Vermont's only passenger rail service. Over the ensuing months, a unique partnership developed between the State of Vermont and Amtrak that resulted in an improved, cost-effective train, the Vermonter. The Vermonter has become a success story for Vermont and for Amtrak. Ridership has dramatically increased since its inception, a new baggage car has made the train more attractive to skiers and bicyclists, and the train operates at less than half the cost of the Montrealer.

The Vermonter's existence is largely due to the State of Vermont, which agreed last spring to pay up to $750,000 to subsidize the route for 1 year. This subsidy represents a heavy commitment for my small State. As the Congress continues to cut Amtrak's budget, reallocated Amtrak costs are going to be passed on to Vermont in the form of a higher subsidy, which could well make the Vermonter unaffordable for Vermont.

This is why this amendment was so important for Vermont and other States. We subsidize highway construction with billions of taxpayer dollars every year. This modest provision would have allowed States some flexibility to use a small portion of those funds for Amtrak service. I am disappointed that the Senate conferees allowed this provision to be dropped in conference.

Mr. LAUTENBERG. Mr. President, I ask how much time I have left?

The PRESIDING OFFICER. The Senator has 9 minutes 55 seconds.

Mr. LAUTENBERG. I thank the Chair, and I yield the floor.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, first, I see the distinguished Democratic Senator from Delaware here. I want to say everything he said was exactly right. It was an overwhelming vote on the floor to permit the States to give money to Amtrak, that this was the ultimate of flexibility, which is the big war cry around this place. But we have discovered when it comes to flexibility, there is a great deal of flexibility in interpreting what is flexible. There was no movement in the House on this. It was very, very—they were adamant.

All I can say is I think what this country needs is a transportation trust fund, not a highway trust fund. I know that the distinguished chairman of the Finance Committee is going to speak in a few minutes, and I believe he has thoughts in the same manner.

But clearly we have to do something about Amtrak. We cannot just make the cuts that the distinguished Senator from New Jersey was talking about, $137 million. As the Senator from Delaware said, every railroad transportation system in the world is subsidized, and for us to think that we can get away without subsidizing Amtrak is nonsense. However, we would not have a bill here today if we hung to our position that was voted here on the floor.

Mr. BOND. Mr. President, I thank Senator WARNER, Congressman SHUSTER, and the other conferees for agreeing to include a provision in the National Highway System bill ensuring that public highways connecting the NHS to ports, airports, and other intermodal transportation facilities will be eligible for NHS funds without further delay.

One of the main reasons for creating the NHS was to establish intermodal facility connections. But few of the connectors are included on the current NHS map and the Department of Transportation is not expected to have a list of additional connectors ready until after enactment of this legislation. To ensure that NHS funding for the connectors on DOT's list is not further delayed, the bill makes them eligible for such assistance on an interim basis. While I would have preferred the Senate passed bill language, this provision represents a reasonable compromise and should achieve the same results.

There is one matter dealing with the interim eligibility provision on which I would appreciate the chairman's clarification, however. The provision refers to a project to construct a connector to an intermodal transportation facility. It is my understanding that the word ''construct'' is to be read very broadly to include not only construction and reconstruction projects, but also ones involving resurfacing, restoration, rehabilitation, and operational improvements, such as the installation of traffic surveillance and control equipment and computerized signal systems.

Mr. CHAFEE. The understanding of the Senator from Missouri is correct. The word ''construct'' is to be read very broadly to include the types of projects the Senator have just described.

Mr. BOND. I thank the chairman for this clarification.

UNANIMOUS-CONSENT AGREEMENT

Mr. CHAFEE. Mr. President, this has been cleared with the Democratic leader. I ask unanimous consent that the vote on the adoption of the conference report to accompany S. 440 occur at 1:15 p.m. today, with paragraph 4 of rule XII waived; and further, that immediately following that vote, notwithstanding receipt of the conference report to accompany H.R. 2491, that the time consumed then be counted against the statutory time limit provided for in the conference report and each statement only occur as time is yielded by the managers or their designees.

The PRESIDING OFFICER. Is there objection?

Mr. LAUTENBERG. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. LAUTENBERG. No.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUTENBERG. I ask the question again—I am sorry—are the yeas and nays ordered?

The PRESIDING OFFICER. They have not been ordered.

Mr. LAUTENBERG. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. CHAFEE. Mr. President, I yield 7 minutes to the distinguished Senator from Delaware.

The PRESIDING OFFICER. The Senator from Rhode Island does not have 7 minutes.

Mr. CHAFEE. I was wondering if the Senator from New Jersey would give me a bit of his time.

Mr. LAUTENBERG. How much time do I have?

The PRESIDING OFFICER. Nine minutes fifty-two seconds.

Mr. LAUTENBERG. I wanted to offer 2 minutes to the distinguished Senator from Arkansas. I will be happy to yield 7 minutes from my time to the distinguished Senator from Delaware.

Mr. CHAFEE. I have 5 minutes. Why do we not give him——

The PRESIDING OFFICER. Four minutes remain for the Senator from Rhode Island.

Mr. CHAFEE. Three from you.

Mr. BUMPERS. I wonder if the senior Senator from Delaware will allow me 2 minutes to ask the manager a question.

Mr. CHAFEE. And the Senator has the time.

Mr. BUMPERS. This morning, I heard the Senator from Rhode Island talking about the provision in the bill that changes the law that prohibits States from putting new billboards on scenic highways. I was adamantly opposed to the section of the bill that would turn this authority back to the States. We have a magnificent highway

in my State. When complete, it is going to be one of the most beautiful—if not the most beautiful—scenic highways in America.

I am not sure what the distinguished floor manager said this morning on that provision about the Secretary's right to override the States on this. Could the Senator clarify that for me?

Mr. CHAFEE. Here is the situation. As the Senator knows, I very strongly supported the provision that we have in the law that says on scenic byways—and by the way, a scenic byway is designated by the State. It is not Big Brother from the Federal Government that designates them. The States designate the scenic byways, and then the Federal Government gives some moneys to help them.

By the way, the provision we have is no new billboards on scenic byways, no new billboards. The question came up on segmentation. You could have a 40-mile scenic byway, then a commercial section of 2 miles maybe, and then 30 more miles of scenic byway. The question was, could you segment these things?

The answer was, we included a provision that you could segment it without getting ridiculous; in other words, having a 2-mile stretch and then 4 miles of billboards and then another 2-mile stretch. So we believe that what we came up with protects the existing situation.

The words that the Senator was referring to was permitting the Secretary of Transportation to have the authority to prevent actions by the State that overrode the Federal requirements that prevented billboards. In other words, this was something to ensure that these States cannot set claim it is a scenic byway and instead it is a billboard alley.

Mr. BUMPERS. Does the Senator from Rhode Island feel that this sufficiently protects existing law?

Mr. CHAFEE. I do. We spent a lot of time with the highway administrator and with his folks. We believe that what we have written into the law now is exactly the way the situation is interpreted currently.

Mr. BUMPERS. I thank the Senator very much, and I thank the Senator from Delaware for allowing me to speak.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, as the author of the Amtrak amendment, I cannot overemphasize my extreme disappointment that the National Highway System conference report does not include this amendment. This amendment passed overwhelmingly in the Senate by a vote of 64 to 36. In April, when I introduced the Intercity Rail Investment Act with 13 cosponsors, I thought I had an approach that would be acceptable to all parties. I find it difficult to understand the objection to this proposal. As others have pointed out, in other countries, a viable rail system has always depended upon Government aid.

Frankly, when I offered the Roth-Biden amendment to the National Highway System bill, it was overwhelmingly approved, as I thought it would be. While my amendment received strong support in this body, it, unfortunately, ran into difficulty on the House side in the conference.

Mr. President, my amendment would have given States the flexibility to use a portion of their Federal transportation dollars for passenger rail service, and it would have provided States with the ability to decide what transportation system would best meet their needs and allow them to allocate their Federal funds accordingly.

In a time of budget constraints, my amendment would have empowered State and local officials to make the best use of their Federal resources and, as has been pointed out, one of the things that we have been seeking to do in bringing about change in Government is to provide flexibility to State and local officials to make the best use of the Federal resources that they have available.

Sixty-four Senators agreed with me and voted in favor of my amendment. Sixty-four Senators went on record for State choice, for a more balanced transportation system. These Members know that Amtrak is a vital and absolutely essential part of America's transportation network. While the Senate position did not prevail in conference, I know that Senator CHAFEE and other Members worked hard to convince the House how important this legislation is to our State Governors and to the intermodal transportation system. I want to express my appreciation to Senator CHAFEE, and others, for what they did.

I appreciate their strong support for my amendment and we shall be back. We shall be back until we provide this kind of flexibility to our State officials.

Mr. President, the need for passenger rail service is clear. All one has to do is look at our congested areas, particularly in the urban corridors along the east and west coast. Adding more highways simply is not an economic or viable option. In this part of the country, the Northeast corridor alone, annual Amtrak ridership between New York and Washington, DC, is the equivalent of 7,500 fully booked 757's, or 10,000 fully booked DC–9's.

If Amtrak were to shut down, adding more highways simply would not be a viable option. Just in the last year, Delaware alone had 607,000 riders.

We simply cannot have another system with that kind of capacity without adversely affecting our air quality and our land resources.

Mr. President, I know that my amendment would not have solved Amtrak's financial problems. Amtrak will need to continue to do its own internal restructuring. It will also need a dedicated trust fund to support capital needs the way we provide capital for highways and airports.

As chairman of the Finance Committee, I recently reported out a bill that would dedicate a half cent from the mass transit fund to Amtrak. This measure would dedicate over $2 billion to Amtrak. As with the Roth-Biden Amtrak amendment, I am also eager to see this legislation enacted this year.

While I had hoped that my amendment would have been included in the conference report, I understand, having experienced some of them myself, the constraints that Members must operate under in conference.

Mr. President, I will conclude by saying that if Congress hopes to privatize Amtrak in the next 5 years, and if we support continued intercity passenger rail service—service that is vital to both rural and urban areas—we will vote in favor of a dedicated trust fund for Amtrak and for flexibility for State transportation spending on passenger rail service.

Mr. President, I am eager to work with my colleagues in the House and Senate to achieve this goal. Again, I thank Senator CHAFEE for his cooperation.

Mr. CHAFEE. Mr. President, I have the remainder of Senator LAUTENBERG's time.

The PRESIDING OFFICER. The Senator has 2½ minutes.

Mr. CHAFEE. Mr. President, I want to say to the distinguished Senator from Delaware, the chairman of the Finance Committee, that I agree with everything he said. I think that it was terribly unfortunate that we could not get the House to budge. This was an absolute immovable position that they had. I hope that we can set up this Amtrak trust fund.

Frankly, as I said before, I would like to see a national transportation fund instead of a highway trust fund. Amtrak deserves every bit of support we can give, for all the reasons that the distinguished Senator from Delaware so ably set forth.

Mr. President, we are going to vote at 1:15.

I suggest the absence of a quorum at this time.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. CHAFEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GRAMS). Without objection, it is so ordered.

Mr. CHAFEE. Mr. President, the hour of 1:15 having arrived, I believe, according to the prior agreement, we commence the vote on the National Highway System conference report. Am I correct?

The PRESIDING OFFICER. The question occurs on agreeing to the conference report to S. 440. The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Texas [Mr. GRAMM], the Senator from Arizona [Mr. MCCAIN], and the Senator from New Hampshire [Mr. SMITH] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 80, nays 16, as follows:

[Rollcall Vote No. 582 Leg.]

YEAS—80

Abraham	Faircloth	Lugar
Ashcroft	Feingold	Mack
Baucus	Ford	McConnell
Bennett	Frist	Mikulski
Bingaman	Glenn	Moynihan
Bond	Graham	Murkowski
Boxer	Grams	Murray
Breaux	Grassley	Nickles
Brown	Gregg	Nunn
Bryan	Harkin	Pressler
Bumpers	Hatch	Pryor
Burns	Hatfield	Reid
Byrd	Heflin	Robb
Campbell	Helms	Rockefeller
Chafee	Hutchison	Santorum
Coats	Inhofe	Sarbanes
Cochran	Inouye	Shelby
Cohen	Jeffords	Simpson
Conrad	Johnston	Snowe
Coverdell	Kassebaum	Specter
Craig	Kempthorne	Stevens
D'Amato	Kennedy	Thomas
Daschle	Kerrey	Thompson
Dole	Kohl	Thurmond
Domenici	Kyl	Warner
Dorgan	Levin	Wellstone
Exon	Lott	

NAYS—16

Akaka	Gorton	Moseley-Braun
Biden	Hollings	Pell
Bradley	Kerry	Roth
DeWine	Lautenberg	Simon
Dodd	Leahy	
Feinstein	Lieberman	

NOT VOTING—3

Gramm	McCain	Smith

So the conference report was agreed to.

Mr. CHAFEE. I move to reconsider the vote.

Mr. BAUCUS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE 7-YEAR BALANCED BUDGET RECONCILIATION ACT OF 1995

The PRESIDING OFFICER. Under the previous order, there will now be a period of debate on the conference report to accompany H.R. 2491, the Balanced Budget Act of 1995. Debate consumed during this period will be counted against the 10-hour statutory time limit under the Congressional Budget Act.

Who yields time?

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, I can indicate to our colleagues what the program is for today. We have a consent agreement that the time, as of 5 minutes ago, the 10-hour statutory time on the conference report on the Balanced Budget Act of 1995 started to run. We will not receive that from the House until about 3 o'clock. In any event, the time has started running, and if we use all the time, we will vote about sometime after 11 o'clock tonight. If we do not use all the time, obviously, we will vote at an earlier time.

Anybody who would like to debate this particular subject, now is a good time to start. If there is no indication of debate, why, we can be in recess subject to call of the Chair, whatever.

And on tomorrow, it will be HUD-VA, if available, and there may be another CR tomorrow coming from the House, which will be a narrow CR dealing with Social Security, veterans, and Medicare, those three topics. But we have to have consent over here before we can bring that up. If we put in a lot of amendments, we will not get it passed. These are subjects the President mentioned in his statement yesterday. That will probably come over tomorrow.

I am somewhat doubtful the HUD-VA is going to make it. I do not think they will finish in the House in time. That is sort of where we are. I hope we can have some resolution of the continuing resolution. I understand there are different people talking to different people about different things.

[Laughter.]

I do not know whether they are going to get it resolved or not. Mr. President, I ask the minority leader if he has anything to add?

Mr. DASCHLE. Mr. President, I share the majority leader's view that this is a good time to begin the debate on the reconciliation bill. I know a number of our colleagues have expressed an interest in beginning the debate and have statements to make. I think we can proceed with that and try to give them an update from time to time on what, if anything, the negotiations may be producing with regard to an agreement on the CR.

Mr. DOLE. The time will be under the control of the Senator from New Mexico and the Senator from Nebraska, or their designees.

Mr. LEAHY. Will the leader yield for a question?

Mr. DOLE. Sure.

Mr. LEAHY. Mr. President, the Senator from Kansas [Mrs. KASSEBAUM] and I were going to introduce legislation, Kassebaum-Leahy legislation. I wonder at what point it will be an appropriate time.

Mr. DOLE. Right now.

Mr. LEAHY. I cannot speak for the Senator from Kansas on how much time she needs, but I know I only need about 4 or 5 minutes.

Mrs. KASSEBAUM. Mr. President, I do not need any longer, maybe even less than that. It is just to introduce some legislation.

Mr. DOLE. As far as I know, if there is no objection by the managers, it can be done right now.

Mr. EXON. I will be pleased to yield whatever time is necessary equally off the 10 hours.

Mrs. KASSEBAUM. I thank the Chair.

(The remarks of Mrs. KASSEBAUM, Mr. LEAHY, and Mr. FEINGOLD pertaining to the introduction of S. 1419 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

The PRESIDING OFFICER (Mr. GREGG). The Senator from New Mexico.

Mr. DOMENICI. Mr. President, this is a historic day, in my opinion, in the life of our country. While we do not have the resolution, a balanced budget amendment of 1995, over here from the House, yet I am holding the text of it in my hand.

Essentially today, in my opinion, we have finally cast aside years of irresponsibility. Today, we will keep our word to the American people. Today, for the first time in 25 years, the Congress of the United States will approve the first balanced budget in more than 25 years.

Today, we will act like adults and give this Nation the grown-up leadership needed to protect its future and allow our children to prosper.

Leaders, it has been said, are the custodians of a nation, of its ideals, its values, its hopes, and its aspirations—those things which bind a nation and make it more than a mere aggregation of individuals. By governing for today, it is obvious that it is much easier to just govern for today than leading for the future. It does not take a great deal of talent or courage to solve an immediate need. It is a lot harder to pave the pathway for the future.

Yet, we who serve in public office and those of us who do have a high responsibility to protect a great nation's future, we must work on behalf of those who will follow us, our children and our grandchildren. When the facts are clear, we must act in their behalf or we are not leaders. We are the trustees of the future and of their future, of their legacy, of their opportunities. Leadership requires courage. It requires boldness and foresight to safeguard a nation's ambitions and comfort and to confront its challenges.

We have tried to provide the leadership needed to throttle runaway Federal spending and give the American people the first balanced budget in more than a quarter century. That might not be much in the life of this Nation, but essentially what we have rung up on the credit card is now approaching $5 trillion.

So during that 25 years since we last had a balanced budget, we have mortgaged our future in a rather almost irreparable way. We better fix it, and fix it now.

So, for many of us who have thought this was the biggest socioeconomic issue that our Nation has, this is a red-letter day. It is a day of great pride.

Now, there is no use kidding ourselves. What we have done is controversial and difficult. Obviously, the President says he will veto it. But it is also obvious that with that veto pen comes a high responsibility. The shoulders of the President will have a very heavy

load on them as he exercises that veto pen, because the question will be: When will we get a balanced budget, Mr. President? The question will be: What is our legacy going to be to our children once we have placed this in the hands of the President?

For it will now be up to him, sometime this evening or tomorrow when we finish, it will be up to him, not us. But we will pass it here in the Senate as it will pass in the U.S. House.

It has not been an easy road for scores of Senators. It has been a difficult job politically for many Members on our side of the aisle. Yes, we are getting beat about the head and shoulders. It has not been easy, perhaps, for today more people think we are not doing the right thing than think we are doing the right thing. But I believe when you do great things and difficult things you have to take a little bit of the heat for a while until it all sinks in, in terms of what you really have accomplished.

Again, I repeat: Since we have accomplished it, it will be on the shoulders of the President; then, once it is vetoed, to accomplish something of equal value and of equal legacy for our people.

We knew from the beginning this would be difficult. We knew it would require determination and endurance, but we had promised the American people that we would balance this budget and put an end to persistent deficit spending that has been bleeding our Nation dry and leaving our children with less of a future than we had, which is not a good thought, not one we relish very much as adult leaders in the world's greatest democracy and the world's greatest capitalist system, which has produced more goods and wealth for our people and for the world than any group of people living under any kind of government forever.

A deficit that is growing by $482 million a day, $335,000 a minute, $5,500 every second, and growing—our deficit spending is heaping mountains of debt upon our children. It will drag them down. We are irresponsible in shackling our children with our bills. If this pattern is left unchanged, they will be the first generation of Americans to suffer a lower standard of living and less opportunity than their parents.

Yes, if we pass this budget, our budget, we can reverse that tide. We can restore our Nation's fiscal equilibrium, and preserve America as a land of opportunity, not just for the ''now'' generation, but for future generations of children yet unborn.

Our budget reflects a commitment to responsibility, to generating economic growth, creating family-wage jobs, and protecting the American dream for all our citizens, young and old. A balanced budget does not just mean a better future for our children. It will put more money in the pockets of working Americans today. It will mean lower interest rates, cheaper mortgages, and lower car payments. With our budget in place, working Americans will have an easier time sending their children to school or buying their first home.

Economists predict a balanced budget will result in a 2 point drop in interest rates. That is a yearly $200 saving on a typical 10-year loan of $10,000, or $2,000. Over the life of a loan, a family will save $2,500 a year on a $100,000 mortgage on their home if this budget is balanced. We owe it to the American people, and to those who live in our houses and make them their homes, to make it a little easier for them to live in that style.

Studies conclude that a balanced budget will boost an average family's income. Others say it will create 2½ million new jobs. And, even as we move toward a balanced budget in 2002, under our budget, Federal spending will continue to grow.

We will spend $12 trillion over the next 7 years; a number that is almost unfathomable to most American citizens, and to many of us. That is only $890 billion less than we would have otherwise spent—around $900 billion less.

Also, we balance this budget without touching Social Security. The budget shrinks the Federal bureaucracy, eliminating many Federal agencies and departments and programs. And, over time, to meet the targets even more will have to be changed.

We move money and power out of Washington and back to citizens in their States and communities. This budget reform will also take care of an old, an ancient welfare system, for it, too, will be reformed. But, yet, we will maintain a safety net for those in true need, especially children.

It preserves and improves Medicare and it protects Medicare. In fact, the way it is written in this document, we make the Medicare system solvent for anywhere from 14 to 17 years instead of until the next election, or just a few years.

I want to say to my colleagues who may not agree with every item in this package, there may be some portions you would like to change. That may happen. But I also want to remind you that this is an honest and straightforward balanced budget. In the vernacular of past budget debates, you may disagree but there is no smoke and no mirrors, no rosy scenarios, no cooking the books, just balancing the books. The President says he will veto this budget. As I said a few moments ago, I wish he would not. But I think I understand the game and I think I understand what the White House is up to. He says he is kinder and gentler and he is going to have a kinder and gentler budget, that somehow magically gets to balance while spending about $300 billion more in domestic programs. He says he can get to balance by spending more and cutting less. It sounds a little bit phony. That is because the President's so-called budget hides about $475 billion in the smoke and mirrors of different economic assumptions from those of the Congressional Budget Office, which dictates our economic assumptions and our costs of programming.

The President's document, in my opinion, is a political one, hastily thrown together last June in response to a Republican determined effort and our passage of the budget resolution which set the path for a balanced budget. Yet, I understand sooner rather than later we will have to work with our President to get a balanced budget. But I think it behooves us here, today, to make sure that the American people understand that we had a real balanced budget and when you look at it in its entirety, it is a pretty fair document. When you look at it, as to what it has accomplished that the people want, it preserves and protects Medicare without any question. And for those who come to the floor talking about increases in the costs, I remind them that even the President has recommended increased costs in Medicare. In fact, some of our experts will take to the floor and will bring to the people of the country the realization that most of the President's talk in the last 4 or 5 days about Medicare and not reducing and not cutting Medicare and not increasing the fees that have to be paid by seniors—that, in fact, the President has already recommended that we do that. Last year he recommended it. This year he recommended it. I think there is only a couple of dollars difference between his recommendations and ours.

So, I understand. We might have made a tactical mistake, assuming that the President would not play politics with Medicare when we sent down our last continuing resolution. But we set that aside for now. We will take that up at another date, if in fact we are able to get to the table with the President, if he makes sufficient commitment in advance so we know we are going to get there. For, obviously, we will not give until the President agrees to accept a continuing resolution that assures us we are going to go to the table, negotiating about a balanced budget at a given time that we can all live with. We believe that time is 7 years.

The reality is that throughout the debate we have had to drag along the White House toward a balanced budget. I will not belabor it, but clearly the President produced a budget earlier this year that ignored the deficit totally. Only after we had our determined effort of many months did he put together a balanced budget—allegedly a balanced budget—put together very short shrift, a 21-page document, nine of which are graphs.

So, now the time is clear and it is right ahead of us. Sometime tonight or early tomorrow we will pass a historic document. It will already have passed the House. And then the President of the United States will have it firmly and squarely on his shoulders. I believe there is hope. I am ready to meet with

budget leaders at the White House any time, so they might join with us in fashioning a budget that gets to balance in 7 years. I am ready to do it any time. But I believe it is far more important that, during the next 24 hours, we pass this one, which is our marker, our marker for this year and for the future. And I think just getting this budget passed will forever change the way we handle our citizens' tax dollars.

I believe we will have shown that excuses for a balanced budget are not justified. Excuses merely mean we do not have the guts to do it, or the courage to do it. But it can be done and it should be done. It may set the pattern for decades to come, that we do not spend—that we do not go in deficit in good economic times, that we pay our bills in good economic times so somebody else does not have to pay them, some other American who did not even vote on any of this because they were not around, or they were too little, or too young, or not born yet.

So with this background, I believe we have before us a real important event in American history. Later on, we will talk in more detail about what we actually did in Medicare and Medicaid and tax cuts. I will rely on others to give their versions of it, but clearly I will be here during the next 12 hours or so to give my version. Since I have tried as hard as I could to learn as much as I could about this, it is important to me that we get our message across and get it across well. I believe we will.

It is a pleasure working with Senator EXON. We do not agree on a lot of things, but I guarantee you, if Senator EXON and I were locked in a room and told to come out with a balanced budget that was good, we might shock some people. It might be right. For now, we are on other sides of the ledger, and I understand that.

Let me at the end of my remarks insert in the RECORD a document that I was anxious about the last 3 weeks. As we went through our conference and had to change a lot of things, I was very anxious that we get this one document from the authenticator of budgets, the Congressional Budget Office, headed by Dr. June O'Neill, and this was directed to me dated November 16: ''Dear Mr. Chairman.'' In essence, it says this budget reaches a balance in 2002 and has a surplus of $4 billion. That is the story.

I ask unanimous consent that the letter confirming and ratifying that be made a part of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, November 16, 1995.

Hon. PETE V. DOMENICI,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has reviewed the conference report on H.R. 2491, the Balanced Budget Act of 1995, and has projected the deficits that would result if the bill is enacted. These projections use the economic and technical assumptions underlying the budget resolution for fiscal year 1996 (H. Con. Res. 67), assume the level of discretionary spending indicated in the budget resolution, and include changes in outlays and revenues estimated to result from the economic impact of balancing the budget by fiscal year 2002 as estimated by CBO in its April 1995 report, *An Analysis of the President's Budgetary Proposals for Fiscal Year 1996.* On that basis, CBO projects that enactment of the reconciliation legislation recommended by the conferees would produce a small budget surplus in 2002. The estimated federal spending, revenues and deficits that would occur if the proposal is enacted are shown in Table 1. The resulting differences from CBO's April 1995 baseline are summarized in Table 2, which includes the adjustments to the baseline assumed by the budget resolution. The estimated savings from changes in direct spending and revenues that would result from enactment of each title of the bill are summarized in Table 3 and described in more detail in an attachment.

Sincerely,

JUNE E. O'NEILL.

TABLE 1.—CONFERENCE OUTLAYS, REVENUES, AND DEFICITS

[By fiscal year, in billions of dollars]

	1996	1997	1998	1999	2000	2001	2002
Outlays: Discretionary	534	524	518	516	520	516	515
Mandatory:							
Medicare [1]	196	210	217	226	248	267	289
Medicaid	97	104	109	113	118	122	127
Other	506	529	555	586	618	642	676
Subtotal	799	843	881	925	984	1,031	1,093
Net interest	257	262	261	262	260	254	249
Total outlays	1,590	1,629	1,660	1,703	1,764	1,801	1,857
Revenues	1,412	1,440	1,514	1,585	1,665	1,756	1,861
Deficit	178	189	146	118	100	46	–4

[1] Medicare benefit payments only. Excludes Medicare premiums.

Source: Congressional Budget Office.

Notes.—The fiscal dividend expected to result from balancing the budget is reflected in these figures. Numbers may not add to totals because of rounding.

Mr. DOMENICI. I yield the floor.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Nebraska.

Mr. EXON. Mr. President, I have listened with great interest to my friend and colleague giving his opening remarks in the debate. I would simply thank him for his kind comments, and I agree that we have worked together as friends, not always agreeing on all of the issues but at least we will continue in the future to work together, and eventually that relationship might be the basis for some kind of a workable compromise that obviously is going to have to come about, hopefully sooner than later.

Mr. President, since this budget was unveiled last spring—and we are just now looking at the final details of it that were presented to us for the first time last night as numbers were concerned—we happen to feel that the Republicans are asking the American people a question that was once made famous by Groucho Marx. Groucho said, ''Are you going to believe what you see or what I'm telling you?'' The American people see a budget that is unfair. They see a budget that showers tax breaks for those living on Easy Street but punishes those slogging it out on Main Street. They see a budget that bestows bucks to the wealthy but passes the buck to working Americans. They see the Republicans pledge to their Contract With America but break the promise of Medicare made to American seniors 30 years ago. They see a budget totally out of tune with the values of fairness and reasonableness that they hold so very dear.

But to this day the Republicans keep trying to spin this budget, blurring its hard edges and test marketing its language as if it were a new brand of cereal. But the American people can see through it all. The American people see that the Republicans have gone too far, too fast, and the American people are right.

I have spent as much time as any Senator arguing for a balanced budget and working for one. It has been an article of faith with this Senator. It has been an article of faith with this Senator and many others on this side of the aisle who are in general agreement with many Senators on the opposite side of the aisle in this regard.

I must say, though, that one of my biggest disappointments has been our inability to pass a balanced budget amendment to the Constitution. But there is a way, Mr. President, there is a right way to do it and there is a wrong way to balance the budget. Regardless of where it originates, it must be fair, and it must have shared sacrifice. This Republican budget falls flat in that regard.

The ugly truth about this extremist Republican budget is that it has no semblance of balance. The overwhelming majority of the mandatory reductions come from only two areas—the first are the means-tested programs that serve primarily low- and moderate-income Americans. The second is Medicare, where three-fourths of the beneficiaries have incomes under $25,000 a year.

Under this budget, ordinary Americans will pay more through higher premiums in Medicare, through higher student loan fees, through higher contributions for the GI bill benefits, and through cuts of a major magnitude, through cuts of a major magnitude in the earned-income tax credit. The Republicans keep turning the screws tighter and tighter and tighter on the ordinary Americans while opening the spigot of tax breaks for the wealthy.

The $270 billion in Medicare reductions are extreme. It is far more, far more than the $89 billion needed to retain solvency of the trust fund as recommended by the trustees. Obviously, when the Republicans had to make a choice between doing right for our parents and doing right for the rich, they, unfortunately, decided to soak it to our seniors to the benefit of the wealthiest of Americans. That is one of the main points that we are most concerned about with regard to this budget rescission that will be vetoed, fortunately, by the President.

The same is true with approximately $165 billion in Medicare reductions. How many of our most vulnerable neighbors will lose all of their health insurance? No one knows for sure but estimates have run as high as 12 million Americans will lose.

Rural America's fragile health care system could be shattered through the combined Medicare and Medicaid reductions.

Yes, the fix is in for distribution of the tax breaks. If you are making under $30,000 a year, your taxes are going to go up. The events of the past week are an absolute disgrace and do not bode well, unfortunately, for the future. The extremists have obviously hijacked the Republican Party, especially in the House, where there is no semblance of reason, fairness, or proportion. The House Republicans bared their fangs and they also bared their souls. No wonder the American people believe that Republicans have gone too far and way too fast. What our Nation needed was a simple extension, just this last week, a simple extension of the continuing resolution and the debt limit, a short-term bridge, one might say. What we got from the House were two bills loaded with so much junk that they looked like a truck from the Beverly Hillbillies. So what happened? The Government, unfortunately, is shutting down and default looms. The Republican majority seemed ready to turn Uncle Sam into a deadbeat dad.

What the Republicans did not tell the American public is that their very own budget reconciliation bill will require that the debt ceiling be raised from the present $4.9 to $6.7 trillion by the year 2002. And one of the biggest reasons for jacking up the national debt by $1.8 trillion is to help pay for the $245 billion break in taxes for the wealthy.

Every dollar, every dollar for tax breaks, will have to be borrowed or found from some other source, and the American people will have to cover the ever-increasing cost resulting from it in the form of interest.

Since the Republicans clearly need the debt ceiling to be raised to accommodate their budget, why, oh, why, then, did we have to go through this charade of the last week? The answer is an old one. Unfortunately, it is politics. The Republicans are trying to twist the arm of the President of the United States into accepting an unacceptable budget, which the President will not do. They are willing to push this country over the edge just to gain better purchase in upcoming negotiations. That is unacceptable also to this Senator. And I believe unacceptable to the American people.

In spite of all this acrimony over the past month, I still am not without hope. The essayist C.S. Lewis once said that ''Our friends are not necessarily people who agree with us, they are people asking the same questions.'' I feel that way about many of my friends on the other side of the aisle, especially my friend and colleague for so many, many years, the distinguished chairman of the Budget Committee, Senator DOMENICI. For many years we have been asking the same questions about how to balance the budget.

Our time on the Budget Committee goes way back to those days when I first came here, when Senator Muskie of Maine was here and Senator Henry Bellmon was the ranking Republican on the Budget Committee. And I must say that I think looking back to those days, we both had great respect for Senator Muskie and for Senator Bellmon. And I think by and large during our tenure as the leaders of our two parties on the Budget Committee, Senator DOMENICI and I, with our differences, have had to try and carry on that bipartisan spirit as best we could.

For many years then, we, Senator DOMENICI and I, have been asking the same questions about how to balance the budget. This time we came to different answers. But in the weeks ahead we may come to an agreement because I say to all once again, when all the dust clears, and when all the rhetoric is over, then we are going to have to do the true heavy lifting by getting a budget that can pass the House and the Senate and a budget that will not be vetoed and will be happily signed by the President of the United States. That is going to be an enormous task under the obvious difficulties that face us. But in the weeks ahead, I suggest we must come to agreement.

In closing, Mr. President, we should not view compromise as a weakness. I have always viewed it as a sign of leadership and a sign of maturity. And I believe that is the way the American people understand it. We know this bill will be vetoed by the President. And in spite of the bullying and in spite of the ultimatums, there is no way the President will sign it. To this Senator the first compromise is clear, and it is compelling. The need is there.

We must get together and respond as quickly as we can. Both sides can continue this trench warfare as long as they want, leaving a scorched and desolate landscape. But in the end the heavy lifting, the compromise, mutual understandings are going to have to be reached, and I will be a part of that. If we do not do that, Mr. President, we are going to continue the chaos that we see in America today with the close down of the Government.

Mr. President, I will do all that I can, everything in my power, to help facilitate that process. And I am standing ready once again to do whatever I can to bring a measure of understanding to this body and hopefully in the other body to get on with the budget that is not going to be perfect, but a budget that could be workable and a budget that I feel can be formulated to balance the income and the outgo of the Federal Government in 7 years, as the chairman of the committee has so often stated is a necessity.

Mr. President, I yield the floor.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Washington.

Mr. GORTON. Mr. President, I yield myself such time as I may use.

Mr. President, in the eloquent and impassioned remarks by my friend, the Senator from Nebraska, outlining his reasons and those of the President of the United States for rejecting this historic proposal, the first proposal which offers to balance the budget in almost 30 years, one two-word phrase stood out, and I believe fairly summarizes his position and that of the President of the United States. That phrase was—and I quote—''simple extension.''

Why would not the Republican Party grant to the President, the Democratic Party, a simple extension of what we have already been doing, a simple extension of the policies of the last 30 years, a simple extension of policies which promise us $200 billion deficits as far as the eye can see, a simple extension of a policy which was phrased elegantly in yesterday's Washington Post as ''paying not just for the government we have, but for the government we had and did not pay for earlier?''

The policy of the President, the policy of the minority party in this body is to do just that, not to pay for the Government we have, not to pay for the Government we want, but to consume all of these societal goods and send the bill to someone else, in this case, to our children and to our grandchildren.

GeorgeWillputitinhiscolumn yesterday:

Having sought in 1992 a mandate for an empty idea—''change''—he [that is to say, President Clinton] has come to the arguable conclusion that serious change is more trouble than it is worth. Never a martyr to candor, he will not make that argument. [But] still, he does represent a discernible notion of what the Federal Government ought to do—approximately what it is doing.

And between that idea, simple change, that the Government ought to continue to do approximately what it is doing, and the ideas presented in this budget, there is, Mr. President, a great gulf fixed. We do not stand for a simple extension. We do not stand for a Government which continues to do what it has been doing. We stand for a Government which provides no more in services than it is willing to pay for.

The road to that conclusion, seemingly too radical for our administration or our friends on the other side of the aisle, is, according to them, fraught with great difficulty. But, in fact, of course, Mr. President, it does not mean that we must cut the budget. The budget of the United States will increase by 3 percent in each and every year from now until the budget is balanced. It does not mean that we will cut Medicare. Medicare will grow at almost 8 percent a year—interestingly enough, at a slightly greater rate than it would have grown had we adopted the President's proposals for Medicare that were a part of his health care bill just one short year ago. Yet, this course of action is denounced as inhuman, as impossible, as literally throwing millions of Americans into poverty, principally, I suspect, because to argue its specific content would be to show the shallowness of the opposition to this set of ideas.

Now, is the proposal which has been laid before us by our wonderfully distinguished friend and colleague, the senior Senator from New Mexico, in pursuit of nothing other than some form of ideology that says it is nice to have two columns of figures balanced against one another? If that were the case, arguments against it might have some fairly considerable validity. But that is not the case.

It is this business as usual, this simple extension that caused every American, no matter what his or her age last year, to pay an average of some $800 in taxes just to cover interest on the national debt; it is this simple extension which causes an American born today to inherit an average debt of some $187,000 during his or her lifetime just to cover interest on our national debt; it is this simple extension, this love for the status quo that, according to the Concord Coalition, headed by two former Members of this body, one from each party, to report the debt and deficit spending has lowered the income of American families by an average of $15,000 per year—$15,000 per year, Mr. President; and it is the fact that the proposal that is before us today is believed, by a very conservative Congressional Budget Office, to have such a positive impact on our economy that the Government of the United States itself will be $170 billion better off by the year 2002 than it will be if we grant a simple extension.

That $170 billion is a small figure compared to the half trillion dollars or more by which the American people will be better off because of better job and career opportunities, higher incomes, lower interest rates on the homes and the automobiles, and the other goods and services that they buy on a time-payment basis.

Those are the reasons, Mr. President, that this proposal is before you. Those are the reasons that this proposal represents such a dramatic change in course, as the Senator from New Mexico reported earlier. In fact, it is perhaps even a greater change in course than he expressed.

He reported, as we have frequently, that the last time the budget was balanced was the year 1969. But balancing the budget in 1969 required only modest changes from budget deficits of the previous years. This deficit and this simple extension does require a degree of political courage and a change of course that has not been matched in the memory of any Member of either House of the Congress of the United States; not matched by my party in the early 1980's; not matched by the other party ever, as far as we can tell.

We are told that this is too much too fast, and the fundamental rationale behind that conclusion is that while a balanced budget may be a good idea in the abstract, not now, not on our watch.

Mr. President, I dredge up into my memory some of my reading in college about St. Augustine, who was reported to have written, and I paraphrase, ''Grant me repentance and a new life, O Lord, but not now.'' That, I think, is the view of those on the other side. The President now, for today at least, holds the belief that maybe we can balance the budget in 10 years, a period of time at least 5 years beyond the end of any term which he could constitutionally hold as President of the United States.

''Lord, let me repent and grant me a new life, but not now, let someone else do it at some later time.'' That is the difference between the positions represented by this responsible budget which offers a dividend to the American people and their Government of almost a trillion dollars and the course of action advocated by my friend from Nebraska, and I quote, ''simple extension.'' We are not for a simple extension; we are for a new and better course of action.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER. Who yields time? The Chair recognizes the Senator from California.

Mr. DOMENICI. I wonder if the Senator will permit me 30 seconds.

Mrs. BOXER. Absolutely.

The PRESIDING OFFICER. The Chair recognizes the Senator from New Mexico.

Mr. DOMENICI. Mr. President, let me comment for Republican Senators, we are trying to accommodate everybody who wants to speak. If you could send down your names and give us some idea when you might be available in the next 3 or 4 hours, we very much would like to accommodate you because we do want people to express themselves. We have a lot of time. If you can do that, bring it down to the manager's desk and we will try to work it out to everybody's convenience.

I thank the Senator from California.

The PRESIDING OFFICER. The Chair recognizes the Senator from California.

Mrs. BOXER. Thank you very much, Mr. President. I am glad as a member of the Budget Committee that we have finally gotten to this point where we have the reconciliation bill before us, because if ever there was a difference between the two parties, this is the time and the place for all America to see it. And those people who say there is no difference between the parties ought to listen to this debate, because there is a huge difference between the two parties. Both want to balance the budget. The question is, how do you do it? That is the issue. That is why our President has taken such a firm stand and has not blinked and has not wavered, and has said, in fact, that he could not possibly be President of the United States if these values of the Republicans—these radical priorities of the Republicans—prevail.

It is a tough fight. We are all tired. Many of us are very tired. There are a lot of workers today, American workers, who are not getting paid because of this fight. Of course, every one of the Senators is getting paid. Essential workers, who are working, are not getting their paychecks now. But every Senator is getting a paycheck. This Senate voted twice for the Boxer bill—the no budget-no pay bill. It passed unanimously. But Speaker GINGRICH is stopping it from coming up in the House, and now we are having trouble right here in this Chamber. Senator SNOWE, a Republican Senator from Maine, has a very important bill to treat us like every other Federal employee. She is being blocked from bringing it up, for whatever reason. Senator SNOWE and I are going to continue to try to bring it up because it is very interesting that people around here can dish out the pain, but their families do not have to worry. I heard one colleague say, ''I cannot do that, I have a mortgage to pay.'' That is right. So does every other Federal employee out there. The ones who were told to go home wanted to work. They have kids that they love and they are not getting paid. So, yes, this is a very painful fight. It is painful for a lot of people. I know that every single Senator in the U.S. Senate, be he or she Republican or Democrat, has stated in speeches that America is ''the greatest country in the world.''

This is the greatest country in the world. Why? Because of the genius of the American people, because of the

strength of the people who would lay their lives down for this country, because of our great democracy, which is the envy of the world. But also because of our Constitution.

I am going to read the preamble to the Constitution. When we get elected to this office, be we Republicans or Democrats, we raise our right hands to uphold this Constitution. I want to read the preamble, which is the reason for our Government:

> We the People of the United States, in Order to form a more perfect Union, establish Justice, insure domestic Tranquility, provide for the common defence, promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity, do ordain and establish this Constitution for the United States of America.

That is our guidance. That is what we are supposed to do—provide for the common defense, establish justice, insure domestic tranquility, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity. That is why we are the greatest Nation in the world because, all through the years, in a bipartisan way, we have worked to ensure those words.

Now, I believe in my heart of hearts—and I do not know whether it is popular or whether it is unpopular—that this budget that is before us—and I tried as a member of the Budget Committee to make it better, along with my ranking member, JIM EXON, and the other colleagues on that committee—is a radical departure from many years of bipartisanship. This budget is a radical departure from bipartisanship. It destroys, in my view, what has made us the greatest country in the world—values. Values, where we say it is, in fact, important to invest in our children and their education; that it is important to invest in environmental protection. Just look at Eastern Europe when they tore down those walls. It was so polluted, they could not have economic development. But, in a bipartisan way, we passed environmental legislation.

This budget guts education, guts environmental protection, guts protecting our senior citizens. I have been on this floor and debated this with my colleagues, and the script that they have over on that side of the aisle is very clever. ''We are not reducing Medicare, we are saving it.'' Well, the senior citizens know better. I ask you, who do you believe? Speaker GINGRICH, who said Medicare should ''wither on the vine''? The Republican majority leader, who said, proudly, a month ago, ''I led the fight against Medicare?''

If people in this country believe that the Republican Party, by cutting Medicare by $270 billion when the trustees tell us you have to cut $89 billion—if the people of the United States believe that is the party that is going to protect Medicare, then I say: Read history—not ancient history. Go back to the sixties when this program was formed. It was the idea of Harry Truman. It passed during Lyndon Johnson's days.

You know what? The last time we had a surplus was when Lyndon Johnson was President. When the Republicans took over from Jimmy Carter in 1980, I remember when President Reagan turned to Jimmy Carter in a debate and said, ''There you go again.'' He said, ''I am going to balance the budget in 4 years.'' They added more to the debt under the years of Ronald Reagan and George Bush than in all the years from George Washington up to Jimmy Carter. They would have you believe that they are the ones who have always been fiscally responsible.

Ask them why they increased military spending $30 billion more than the Pentagon asked for. Suddenly, their credentials for cutting budgets fly out the window. When it comes to Star Wars, go, go, go—even though the cold war is over. The weapons systems that were drawn up by the Pentagon so we would be prepared to fight with the Soviet Union are not going away, they are coming back.

Fiscally responsible people. When it comes to gutting Medicare, oh, yes, they are fiscally responsible. They gut it. When it comes to cutting Medicaid, education, the environment, oh, we are tough. But not when it comes to the Pentagon.

When it comes to raising taxes on the people who make under $30,000, they are tough. We will get more money from those people. That is what they do in this budget. If you earn over $350,000, you get back $5,600 a year. What is the matter with this picture?

David Gergen, a Republican, says this Republican budget is harsh. Why does he say that? Because 80 percent of the cuts go to the bottom 20 percent of Americans and 80 percent of the benefit goes to the top 20 percent of Americans.

That is the vote we are going to cast here on this reconciliation bill.

Speaker GINGRICH says it was his intuition—I am quoting him—that led him to a 7-year balanced budget. The President says if we go to 8 years, 9 years, we can soften the cuts.

I hope once this bill is vetoed that there will be some compromise. We were sent here to keep the Government going, to pass a budget. We have to get down to doing just that.

Let me give, in closing, because I see other colleagues have come over to the floor, in very quick version, the top 10 outrageous aspects of this GOP reconciliation conference report.

First, the GOP uses about $270 billion cuts in Medicare to pay for a $245 billion tax cut for the wealthy. They are taking the Medicare fund, they are gutting it, and taking the money and giving it to the wealthiest of members. That is probably the top outrage.

Second, the GOP increases taxes on working families by $32 billion. Outrage No. 2. In other words, a majority of people under $30,000 a year get a tax increase in this budget.

Third, the GOP drastically cuts the corporate alternative minimum tax. Do you remember the 1980's when we had lists of corporations that paid no taxes? We fixed it by writing the alternative minimum tax. Some of these corporations actually got refunds—got refunds. We fixed it. This budget reconciliation package takes us back to those bad old days.

Next, the GOP permits corporate raids on pension funds. Can you imagine, you save for your retirement, and in this bill corporations can go in and essentially take your money. The money that you put away every month, and you look at it, how is it growing, how is it going, how is it doing—they can go in there and take that money. That should be disallowed. So we outlawed that. It is back.

While giving tax breaks to the wealthy, the GOP cuts child nutrition.

The PRESIDING OFFICER (Mr. THOMAS). The Senator from Massachusetts.

Mr. KENNEDY. Will the Senator yield?

Mrs. BOXER. I am happy to yield to the Senator.

Mr. KENNEDY. Does the Senator find it somewhat amazing that on many of these issues like billionaires' tax cut, over 90 Members of the Senate, Republican and Democrat alike, voted to change that particular provision, and then when it goes over to the closed doors and closets of the Republican conference it comes back in?

Does the Senator remember when we voted 94–5 not to permit the corporate raiders to rob the pensions? We passed that, Republican and Democrat. It goes over to the conference and it comes right back again. We did that on the discounts for drugs for Medicaid and for public hospitals. It went over and came right back again.

Double billing—to try and collect for seniors who are on Medicare from being charged again. Struck out in conference. Our conferees retained the current law. We passed it, it goes over there, and it comes back again.

Does the Senator reach the conclusion with me that our Republican friends, when it is out in the sunlight they respond to the public interest, and when they are behind the closed doors they have the private and special interests? That is what we are dealing with.

Mrs. BOXER. The Senator is exactly right. When it comes to the corporate raids on pension funds he is right. We voted in a bipartisan way to stop that. Guess what happened? In this conference report, corporations would withdraw as much as $20 billion from pension funds—up to $20 billion. These provisions were avidly sought by corporate lobbyists, but many pension experts warn it could endanger the security of the pension funds.

In the light of day they all walk the walk and talk the talk but get behind close doors, there it goes. Everything we fought for on this side goes out the window.

I say to say my friend from Massachusetts who fought hard on this, and

my friend from Minnesota, these are issues they brought here.

That is why I am reading these 10 outrages because suddenly things we fixed are back here again. There are 10 reasons—there are many more than that—but these are the 10 outrages in this reconciliation bill.

Here is another one. While giving tax breaks to the wealthiest among us, the GOP cuts child nutrition programs, including school lunches, by $6 billion. Is it no wonder that this President is taking such a strong stand?

Next, while giving tax breaks to the wealthy, the GOP cut student loan program by $5 billion, including rolling back direct student loan program to 10 percent of the loan.

My friend from Massachusetts has stood up here on his feet hour after hour, making the point that the direct loan program means more dollars for the students and cutting out the middle man, if you will. It is very important that we not shut down the direct loan program. They keep it going only for 10 percent of the loans. All the hard work my friend put into this is out the window.

Next, in its Medicaid repeal provision, the GOP eliminates the guarantees of nursing home care for seniors who have exhausted their assets. Imagine such a thing—imagine such a thing.

Of course, there is more on that. We know they have weakened nursing home standards as well.

In its Medicaid repeal provision, the GOP eliminates the guarantee of help with Medicare premiums for low-income seniors.

Next, the GOP protects physician fees under Medicare from any actual reductions while at the same time doubling seniors Medicare premiums. We saw that happen. Suddenly the AMA says, ''We will back the plan,'' because they cut a deal at the expense of seniors. Their fees are going to be just fine, but Medicare premiums are going to double.

How about this: The GOP opens the Arctic National Wildlife Refuge to drilling in this bill. Imagine drilling for oil in a wildlife refuge. It is an unbelievable thought. Why is it a refuge if you are going to allow drilling in it? It makes no sense. But it is in this bill.

I just add, as a California Senator, what else is in this bill? They slipped through a provision—follow this one, my friends—that would allow for the transfer of 1,100 acres of land to Pete Wilson in California, the Governor of California, who is going to take it for $500,000. Mr. President, 1,100 acres of land, what a giveaway, for a nuclear waste dump, and it is slipped into this bill. What an outrage that is, and what another reason for this President to veto this.

While they transfer the land, they say, ''Waive all environmental laws. No environmental laws will apply.'' So imagine, I say to the American people who may be watching this, you wake up one day and the next day you have a nuclear waste dump next door to you and all the environmental laws have been waived on it. You cannot even go to court. That is another outrage, a particular California outrage that is in this bill.

So, let me say, if ever people wonder why there is a difference between the two parties, it is synthesized in this budget. And I pray the President will have the continued strength to take the heat.

The Speaker of the House said one of the reasons you got such a tough time here is because the President did not talk to me on Air Force One. Unfortunately for the Speaker, there are pictures that show that not only did the President go back there—here is the picture—but he was intently listening to Speaker GINGRICH. And at another time, the same way.

This is Speaker GINGRICH clearly holding court on Air Force One. He complains he was treated unfairly. I say to Speaker GINGRICH and the people who follow his lead around here, you ought to start thinking of the American people, not the fact that you wanted to spend 3 hours with the President instead of an hour and a half, or you went out of another door. You are not the President of the United States of America.

Mr. LEAHY. Will my colleague yield for a question?

Mrs. BOXER. I will be happy to yield to my friend.

Mr. LEAHY. If I might, just for 3 minutes, and I have spoken to the Senator from Minnesota here who I know wishes to speak, but I would ask this question. When I look at this, I look at this vote as being one of the most significant I will cast in the U.S. Senate. Would my colleague not agree, this is a bill that will punish Vermonters?

It will punish the Vermont economy for years to come. It imposes a radical agenda on the American people that will squeeze the middle class, hurt the poor, and reward the rich.

In my State, I would say, we want a balanced budget. I want a balanced budget. Most Vermonters—Republicans, Democrats, Independents—want a balanced budget. Vermonters want a balanced budget, but they do not want it under an agenda that wipes out most of them. They want an agenda that speaks to all of them.

But this balanced budget is NEWT GINGRICH's agenda. It is not Vermont's agenda.

Would the Senator from California agree with that?

Mrs. BOXER. Clearly, it is his agenda. A lot of it is based on intuition, is what he told the press.

Mr. LEAHY. Will the Senator agree this extreme measure forces working Vermonters to pay more in taxes, makes it a lot harder for them to send their children to college, makes it harder for them to have a safe nursing home for their parents, and that average Vermonters will be making these sacrifices, not to balance the budget, but to pay for tax breaks for the rich because it will give the wealthy $245 million in new tax money? Will the Senator from California agree with that?

Mrs. BOXER. My friend is so right. He has a small State. I come from a large State, more than 30 million people. So, I say to my friend, imagine, if you took Vermont and put it into California, and you had many Vermonts to make up all of California, that is what this Senator is feeling. Because for each Vermonter that gets hurt, many more Californians get hurt. So I totally agree with my friend.

Mr. LEAHY. Mr. President, I would say I ask this question to the Senator from California because she represents the largest State in the Union while I represent the second smallest in population. The distinguished Presiding Officer, of course, represents the smallest in population, although one that in land area encompasses our State many times over.

I would also say, if I might, I have traveled many times in the State represented by the distinguished Presiding Officer. It is one of the most beautiful places. Were I to live somewhere other than Vermont, it would appeal to me.

I raise these questions because we have a 2,000-page bill and, whether you are from a large State or a small State, you have to ask what it does. The bill will cut Medicare by $271 billion over the next 7 years; it will cut payment rates to providers and hospitals; it will make seniors pay higher premiums; it will increase deductibles.

In Vermont, 73 percent of our elderly population have incomes of less than $15,000. These are things—in a small State like ours, I do not know how we could possibly handle it.

Average Vermonters must make these sacrifices not to balance the budget, but to pay for tax breaks for the rich. This bill gives the wealthy $245 billion in new tax breaks. The wealthy do not need these tax breaks and we cannot afford them.

The bill's unnecessary cuts in Medicaid, Medicare, student loans, and school lunches will send the Vermont economy reeling. This is the wrong way to balance the budget.

At a time when many working Vermonters are struggling to make ends meet, this budget would hike Federal taxes on low- and moderate-income working families by cutting $32 billion from the earned income tax credit—a program the rewards work and compensates for low wages.

This Federal tax increase also would raise State taxes in seven States, including Vermont, that have a State earned income tax credit. As a result, 27,000 Vermont working families earning less than $30,000 a year would be forced to pay higher taxes. This is a double whammy for working families.

This budget bill would leave my home State in an economic crisis for years to come.

I would say, as I have been saying since June or July on this floor, let us

come together, Democrats and Republicans. Let us forge a bipartisan consensus that will balance the budget but gives educational opportunities to our children, allows us to have safe nursing homes for parents, gives opportunity for working people.

I thank the Senator from California for doing me the courtesy of making these points. I appreciate it.

Mrs. BOXER. I thank the Senator for his questions, and I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, I yield such time as the Senator from Mississippi requires.

Mr. LOTT. I thank the distinguished Senator from Washington State.

Mr. President, first, I would like to express my sincere appreciation for the great work that has been done on this very important legislation, the Balanced Budget Act of 1995, by the chairman of the Senate Budget Committee, the Senator from New Mexico. Senator DOMENICI has been prepared for this moment by many trials of fire. He has been through the budget battles for 15 years at least now. They have always been tough, but none have been as tough or as important as this one. There is no question, without his experience and without his dynamic leadership, without Senator DOMENICI we would not be here today. I want the record to reflect my sincere appreciation for his work, and also for the outstanding work done by Senator ROTH, who is the new chairman of the Finance Committee. He moved into that chairmanship at a very critical time. He quickly got on top of the issues and has provided genuine leadership in producing a big chunk of what is in this balanced budget bill.

Of course, I want to recognize the majority leader. Senator DOLE has put many, many hours into this effort. As the negotiations on the conference report went forward, he was there and met with the conferees and subgroups and spent literally hours making this possible. So I commend those three gentlemen for their outstanding work.

Many staff people have been involved in it too, and many Members on both sides of the aisle have worked in good faith to try to come up with a genuine balanced budget.

Finally, we are getting to what this whole year has been about. Finally, after missing the target many times, the Washington Post this morning got it right. The Washington Post reported, ''Clinton reiterated his opposition on the grounds that it cuts spending too deeply and commits him to balancing the budget in seven years.'' That sums it up. That is what we have been going through here for the last few days—in fact, all year. The President wants spending increases in almost every program, and he does not really want a balanced budget.

With this bill he is going to get the balanced budget he doesn't want. He will get an opportunity to sign it and confirm that he in fact means what he says when he says he is for a balanced budget, for changes in Medicare, for welfare reform and even for tax cuts. He has advocated those, too, on occasion. Or, if he vetoes it, then we will have to wonder, what does he really mean when he says he supports those goals?

But, in the end he is going to have to sit down together and talk. We are going to have to come together, and we are going to have to come to an agreement. The agreement will be that we are going to have a balanced budget in 7 years. I think that, finally, Republicans and Democrats alike now acknowledge that is what we are going to do.

The question is: how do we get there? I am sure the priorities will be argued over as we go forward, but we are setting our priorities here today. We are setting out in this Balanced Budget Act of 1995 what needs to be done. I am very proud that we have stepped up to the task, and we are going to achieve it in a responsible, honest and fair manner.

This balanced budget is accomplished by controlling the rate of growth of spending. How many times will we hear from the other side that this program is being cut, that program is being slashed? They keep missing the fact that, in getting the budget under control, what we are really doing is not cutting and slashing programs; what we are doing is controlling the rate of growth.

Mr. KERRY. Will the Senator yield?

Mr. LOTT. The American people would be shocked to find out, as a matter of fact, even with this balanced budget, there will still be an annual growth of 3 percent in Government spending.

Let me say that again. Federal spending will grow at an annual rate of 3 percent.

So how do you call it a cut when you have a growth, even at a time when we are moving toward a balanced budget?

Let me ask the Senator to let me continue. I waited a long time, and I have a meeting I am supposed to attend in just 10 minutes. Let me continue for a few minutes, and I will be glad to yield, get in a dialog with the Senator from Massachusetts, unless he just wants to ask a unanimous-consent request or something.

Mr. KERRY. Mr. President, I did want to ask the Senator a question, but I appreciate that.

Mr. LOTT. Let me continue for a few minutes. We have a time agreement and we want to make sure we keep it even. We are a little bit behind time. Let me go ahead, and I will yield in a few minutes, if the Senator would not mind. I would be glad to get into a discussion with the Senator from Massachusetts because I know he is interested in this, and I know he wants to help find a way to get to a balanced budget.

But let me make some points we have not heard yet in speeches that have been given. And I think it is important we get them on the record.

This is where you put up or you shut up. My friends, this is it. Now, are you for a balanced budget or not? A dozen or more Senators on the Democratic side have voted for a constitutional amendment for a balanced budget. You voted for it. Not all of them this year, but some this year and some in previous years. Maybe they were for it some years and not this year. And every Republican has voted for balanced budget constitutional amendments.

Also, this very week the former chairman, now the ranking Democrat member of the House Budget Committee, stood up and said he was for a balanced budget in 7 years. Many of our colleagues over here on both sides of the aisle have said they are for a balanced budget. Well, when and how? What we hear over and over again is, oh, yes, we are for a balanced budget but not here, not there, not somewhere else.

My friends on the other side of the aisle, you cannot get there unless you are willing to step up to the task of controlling the rate of growth of spending or by raising taxes. Oh, and you have demonstrated that you know how to raise taxes. This is where you get a chance to vote for real spending control that will get us to a balanced budget.

Where is your plan? No, you do not have a plan. All you say is you cannot do it here; you cannot do it there. A few of you did try an alternative. It got, I think, 19 votes in the Senate—19 votes. In the House there were a few remaining Democrats that said, hey, we have to have some alternative. Congressman STENHOLM from Texas and I think maybe even the former chairman of the Budget Committee over there, Congressman SABO, did have a package that got 80 votes. And they had some good proposals in there. At least they had a proposal.

Mr. CONRAD. Will the Senator yield for a question?

Mr. LOTT. Just for a brief comment. As I said earlier, if I start yielding, I am never going to get to make my remarks. I listened patiently while the Senator from California, Senator BOXER, went on at great length.

Let me make my remarks, and then I will be glad to yield.

I believe the Senator is one of the Senators who did have a proposal. I think it got around 19 votes.

Mr. CONRAD. Mr. President, I would just say that we had two proposals. One got 39.

Mr. LOTT. Thirty-seven.

Mr. CONRAD. Thirty-nine out of forty-six Democrats for a balanced budget.

Mr. LOTT. Good. I would like to hear you at least say how you would get there. And, of course, what they always say is, ''Cut defense, cut defense, cut

defense.'' We have been cutting defense. It is going to take a little more than that. So I think maybe it is important I get to the details of how we achieve a balanced budget.

It is achieved by controlling the rate of growth throughout the Government. Every committee in the Senate has had to face up to this task, and it is never easy. Every committee, from the Commerce Committee to the Interior Committee to the Defense Committee, has had to come up with its allocated savings, and we have done it. So it is throughout the Government. We will have a decreased rate of growth in spending on interior, defense, agriculture—something I do not particularly like, but, yes, agriculture had to ante up, come up to the table and kick in a little bit—energy. Everybody has had to participate.

Now, let me talk about education. So many bits of misinformation are being put out in that area. Education is not being gutted. In fact, the Senate language was accepted in this conference report. That language was accepted with an amendment on a bipartisan vote, as I recall. That language prevailed. I wish to emphasize this, too. There will be no direct student impact. Now, some banks will be impacted, maybe some institutions, but not the students. Who are my friends on the other side of the aisle really standing up for? The students will not be impacted.

We do control the rate of growth in Medicare. It needs to be done. You cannot have a program that grows 10 percent or more every year over the previous year. I wonder, is maybe a growth each year of 7.7 percent enough? I wish to emphasize that. Under the MedicarePlus Program in this bill, Medicare will grow at a rate of 7.7 percent. That is an increase in case ''grow'' is not clear enough. It will go up.

It was alleged a while ago that deductibles will go up. That is inaccurate. Deductibles are not touched in this package. What we do is control the rate of growth.

As a matter of fact, the individual per capita Medicare will increase from $4,800 today to over $7,200 in the year 2002. Now, you can only demagog Medicare and scare elderly people so long. But they understand that there are some improvements that need to be made in the program. We must step up to the needs of Medicare so it will not be insolvent or eventually bankrupt. We have to make some decisions that will allow more choice in the Medicare Plus Program, and that is what we have done in this bill.

We have dealt with Medicare's problems; we have preserved it; and in fact, we sincerely believe we have improved it.

With regard to the MediGrant Program, previously referred to as Medicaid, that, too, will grow. As a matter of fact, the MediGrant Program will grow from $90 billion this year to over $127 billion in the year 2002—a 5.2-percent average annual increase.

Now, how can you scream and holler that we are cutting the program when in fact it is going to grow from $90 to $127 billion—5.2-percent average annual increase. And the same is true with programs serving the needy. Those programs will grow over the period of this balanced budget effort from $98.2 billion to $132 billion—a 34-percent increase in the next 7 years for programs serving the needy.

My friends, we are making tough choices, but we are making sure that the Medicare Program is going to be there and will grow to serve the people like my mother and my family, my children I hope. The same is true with Medicare and the programs serving the needy.

Let me talk about another Medicare issue, something that I am sure is going to get neglected. I have seen statistics—and I believe it is true—that as much of the money that we spend for the Medicare Program, as much as 10 percent of it may actually be wasted through fraud and abuse. We all know there is a problem with that. And there is an effort in this exercise to deal with that problem. That is a significant amount of money that we can save or redistribute to the elderly that really need the help.

All through the day I am sure the bulk of the debate will be about the balanced budget effort, and it should be, but there will be a lot of effort to distort—distort—what we are trying to do with giving some tax relief to the working people of America.

It is a novel idea, I know, letting the people who work and earn the taxes keep a little bit of their money. Novel, but it is something that I would like to see happen. There are those who say, ''Well, that won't benefit the poor.'' If you are not working and paying taxes, how can you get a little tax relief? That is what we have the needy programs for, for those who are in that category. But I am worried about the shipyard worker and the paper mill worker and the farmer, the young businessman, young entrepreneur who wants to make a little money and create some jobs; give them a little incentive. But I wish to go down the list and talk about what is really in this bill.

First of all, even with the $245 billion tax relief in this package, Federal taxes will still increase from $1.4 trillion to $1.9 trillion. So we give a little tax fairness, a little tax relief and yet Federal taxes will still grow dramatically, way too much, in my opinion.

I do not guess you talk to the same constituents I do. When I go home, people hammer me and complain about how hard they work and how much they are paying for taxes. They want a little relief.

It is easy to say, ''Oh, yes, we can't have these terrible tax cuts, you know, for the wealthy.'' But let me ask my colleagues on the other side of the aisle, which one of these programs it is you are really against. You indict it en bloc. But look at the specifics in the bill and tell me what it is you do not like.

Do you not like giving some relief from the marriage penalty? How many of us stood up over the years in the House and the Senate and said, ''The marriage penalty, how unfair. How can it possibly be?'' You get penalized if you get married. Do you want marriage penalized or not? Are you opposed to that? I do not think you will stand up and say that, not a single one of you.

How about a spousal IRA? Why should the homemakers working in the home be able to have an IRA like everybody else in America? We are all for that. ''Oh, yes, we're all for that.'' Sure. OK. So, we will accept that.

Are you opposed to the adoption credit? Would you not like to give people a little incentive, a little help in adopting children? Oh, yeah, you would like that. How about the deduction for custodial care? You probably like that, too. Do you think that individual retirement accounts are a good idea as a whole, especially if it is the super-IRA that allows you to use, without tax penalty, your IRA for your first home mortgage, for education, or medical expenses? I will bet you like that. And also, by the way, it is limited to the middle-income people, not to the wealthy.

I would like to see everybody entitled to have more IRA's. They encourage something we need in America. It is called more savings. We go over to meetings with parliamentarians from other parts of the world, and one of the things we hear about our problems from economists, and everybody else, is Americans do not save enough. It is because you get penalized in America if you try to save. So we have some additional consideration for individual retirement accounts.

We have in this bill a deduction for student loan interest. Anybody want to stand up and oppose the deduction for student loan interest? No. Even the President wants more than that. He wants us to be able to deduct all of the expenses for education. Frankly, I like that idea.

But as you go down this list, and this tax cut, what we are talking about is putting some fairness back in the code, getting rid of some of these things, like the marriage penalty, and creating some incentives to encourage savings.

And the capital gains rate. If we cut the capital gains tax rate—and we are going to do it in this bill—it will have a tremendous impact on growth in the economy. So many of us now get so deep into argument over spending and the balanced budget that we forget to talk about, how do we get some continued growth in the economy? How do we create jobs? It is great to talk about welfare reform with work required at the end, but what can we do to help ensure that there are jobs being created?

The capital gains rate cut is a little relief by cutting that capital gains rate down to 18.9 percent.

The President says he is for that. And that is not hearsay. He has told this Senator, personally, ''Yes. I like the capital gains tax cut.'' And I believe he still thinks that. Maybe we will not know for sure until later. But if you want to complain about a capital gains rate cut that might go to some people that are making use of it, including people that just maybe want to sell their home and are entitled to a little break there, I do not believe you want to really stand up and oppose that.

We provide some relief in estate taxes. I have never understood how we got into the process of taxing death. Why should a couple that works all their lives when they die have their estate taken away because of ridiculous, excessive, in my opinion, estate taxes that should not exist at all? We provide a little estate tax relief for family-owned businesses and farms.

So if you go through this whole tax cut package, we have a special low-income housing tax credit that is included in this package. Medical savings accounts—I think this is a great idea. Give people some incentive, a little encouragement, to have a medical savings account on their own.

This is a good package. And it is going to provide more fairness to the Tax Code and going to create growth in the economy. It is an important component of this whole package. I really do frankly think that the growth estimates that we are dealing with are low. I think we are going to have more growth.

I think the package is going to contribute to an explosion of activity in the economy. I think there is going to be more growth than we are now projecting. But I do not want to spend it before we get it. Let us see what happens. If we get down the road a couple years and everything is doing great, because we had the courage to pass a real tax incentive package, then we can have maybe another unusual idea—let the people who pay the taxes get a little bit more of their money back.

So my colleagues, I think a good job has been done here. I think it is time to quit whining and growling and pointing fingers. We have been through all of that.

This is a good and balanced package. Let us get it through. Let us go ahead and pass it as we are going to do tonight, and I hope with some Democrat support. I think maybe we will. And let us see what we can do to get it signed into law and have, for the first time in my 23 years in Congress, a balanced budget proposal that will actually get us to a balanced budget in a reasonable period of time, 7 years.

Mr. President, I would be glad to yield to the Senator from Massachusetts at this point. I would like to ask, at the suggestion of the floor leader, at this time that it count against the other side's time so we can keep a balance. Under these rules, we only have 5 hours each. So, would the Senator from Nebraska yield a little time to the Senator from Massachusetts, if he would like to ask questions?

Mr. EXON. I would not object to yielding. I would simply say that this is a very difficult position that I am in. We have plenty of time, but we have an awful lot of Senators wanting to make a speech that I think is very, very important. Therefore, I do not believe I would be interested in yielding any significant amount of time because there have been several Senators that I have stacked up waiting now.

How much time would it take to ask the question of the Senator from Massachusetts?

Mr. KERRY. One minute.

Mr. EXON. I am pleased to yield 1 minute.

Mr. LOTT. I will be glad to respond.

Mr. KERRY. I simply would like to ask my colleague, how he can persist in the myth that there is not a cut, when you unilaterally take a certain amount of money that is available for a fixed set of benefits and you cut that amount of money, even if it still is only a reduction in the rate of growth? How is it not a cut, if the growth in the population of people expecting those benefits continues at a rate that exceeds what is provided in your budget? How is that not a cut?

Mr. LOTT. The Senator said it himself, ''even in those areas of growth.'' It goes from $4,800 to $7,200 over the 7 years. In the Medicare-Plus program that is a growth any way you slice it. But also we are not just dealing with numbers. We are also making programmatic changes.

We are trying to give incentives for people to find ways to maybe get Medicare at less cost. That is the idea behind the medical savings account. And that is the idea behind encouraging people to take advantage of whatever it is, the physicians services organizations, HMO's. A whole variety of new ideas can be pursued through this legislation. And also we believe we can just—and in a bipartisan way—have a process to get at the fraud and abuse. That is 10 percent of the cost of this program that we can then use to help the people that need the help in the Medicare area.

Mr. KERRY. I wish we had time to pursue it. I do not now, but I will when I speak.

Mr. LOTT. I yield the floor, Mr. President.

The PRESIDING OFFICER. Who yields time?

Mr. EXON. Mr. President, I would like to get some order now if we could. We have plenty of time, but we are having difficulty meeting the schedules of the individual Senators. At 3:15 we had this list in their order of appearance on the floor: Senator WELLSTONE, Senator BOB KERREY, Senator KENNEDY, Senator DORGAN, Senator CONRAD, Senator John KERRY and Senator PRYOR.

Senator WELLSTONE will be first. He has indicated to me that he would like 10 minutes. May I inquire of the other Senators about how much time they would take when I yield, so the other Senators would have some idea of time.

Mr. KENNEDY. Fifteen minutes.

Mr. EXON. Fifteen. All right.

Mr. CONRAD. I would like 15 as well.

Mr. EXON. Fifteen.

Senator DORGAN, 15?

Mr. DORGAN. Yes.

Mr. EXON. Does Senator CONRAD ask for 15?

Mr. CONRAD. Yes.

Mr. EXON. Senator JOHN KERRY, 15?

Mr. KERRY. Yes.

Mr. EXON. Senator PRYOR?

Mr. PRYOR. Fifteen.

Mr. WELLSTONE. Can I say to the Senator from Nebraska, I will try to do 10. If I go a little over—why not put 15? Put 15 and I will try to do 10.

Mr. EXON. You bid first. I ask unanimous consent at this particular time, upon recognition from the Chair, that the following Senators be recognized in this order charged to our time: Senator WELLSTONE, 10 minutes; the following Senators 15 minutes each: Senator BOB KERREY, Senator KENNEDY, Senator DORGAN, Senator JOHN KERRY and Senator PRYOR.

Mr. WELLSTONE. Mr. President, true, I was here waiting for a long time. I would like 15.

Mr. EXON. I correct the RECORD. The only change is the Senator from Minnesota gets 15 minutes instead of 10 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. WELLSTONE. I thank the Chair. Mr. President, as I listened to my colleague from Mississippi—and I am really sorry he is not here, and the reason he is not here, he has other work to do. We speak and we leave. He is not here because he is unwilling to be engaged in debate. He certainly is.

In many ways, I think this debate goes way beyond the whole question of a balanced budget, since I think all Senators believe we ought to pay the interest off on our debt. But I am reminded of David Stockman's book in the early 1980's, and I think this Gingrich agenda is not really about balancing the budget. I think it is about overturning 60 years of people's history, because if it was about balancing the budget, there would be some standard of fairness.

If it was about balancing the budget, you would have military contractors that would be asked to sacrifice and would be asked to tighten their belt.

If it was about balancing the budget, you would not have all of these tax giveaways which disproportionately flow to those people at the top of the income ladder.

If this was about balancing the budget, we would have everything on the table and all of those tax loopholes and tax breaks and tax giveaways that the Pulitzer prize-winning journalists

Bartlett and Steele talk about in their book ''America: Who Really Pays Their Taxes,'' all of that would be on the table.

I do not even think this is about balancing the budget, because if it was about balancing the budget, we would be looking at all of those areas, and we would be asking all of the citizens of our country to be willing to be a part of the sacrifice, because they are more than willing to do so.

This is not about balancing the budget. This is about overturning 60 years of people's history, and there is going to be one heck of a debate on the floor of the Senate, but most important of all, there is going to be a huge debate in this country, and let me give but a few examples.

Mr. President, in 1965, we passed the Medicare and the Medical Assistance Program. There was a reason we passed those programs. They did not represent Heaven on Earth, but they made life a lot better for people who were elderly and also low-income people. There are imperfections. We can do better.

But I want to just say to my colleagues that this Gingrich agenda—I have called it very reckless with the lives of the people in our country—let me just tell you that it will have a very serious and a very negative impact on the lives of Minnesotans.

I said it before when I was debating Haley Barbour the other day on a show, he was talking about this agenda—and I will not put words into his mouth, he is not here to debate me; that is not fair—but I kept coming back to him and saying, ''You don't know my State: In my State, we have already kept the costs down and now you are penalizing us for keeping costs down?''

I said, ''You don't know my State: In greater Minnesota, in rural Minnesota, many of our caregivers, our hospitals, our doctors, our clinics have a patient payment mix where it is 60, 70 percent Medicare.''

''You don't know my State.'' I went on to say, ''You don't know my State: Seventy thousand senior citizens in Minnesota are poor. Stop talking about the elderly as if they are affluent.''

''You don't know my State: The median income for elderly people is $17,000 a year and, on the average, every year they pay $2,500 out of pocket.''

''You don't know my State: Many of them can't afford prescription drug costs.''

''You don't know my State: My mother and father are no longer alive. They both had Parkinson's disease. Without Medicare coverage—they never had any money—they would have gone under.''

I just feel as if the people who designed this agenda do not know my State. I think they have moved way beyond the goodness of people in America. It is too extreme and it is too harsh.

''You don't know my State: 300,000 children are covered by medical assistance. We have done a great job in Minnesota using that program as a safety net for children.''

''You don't know my State: Many families are able to keep a severely disabled child at home because of medical assistance and now they worry that they may not be able to do that.''

''You don't know my State: Two-thirds of the people in the nursing homes receive medical assistance, and we are trying to figure out who makes up that gap.''

Mr. President, I heard my colleague from Mississippi say it is about values. He is right, it is about values. And I will tell you something right now. I am confident that Minnesotans believe it is far more important to invest in health care and the health and intellect and character of young people—education—and also to provide children with a chance than it is to give away all these tax breaks to large corporations, to have these tax giveaways, $245 billion mainly going to people on the top, to have a Pentagon budget that is over what the Pentagon asked. You better believe it is all about choices. That is exactly what it is about.

But this Gingrich agenda is not an agenda to balance the budget. It is an agenda to move our country not into the 21st century but back into the 19th century.

Mr. President, we did not get it right in the last 60 years, but we made gains for people. We developed a safety net. It did not mean that every child had it so good. But at least we made it better for children. We had a safety net that at least gave us some assurance that children would not be so impoverished that they, in fact, would go hungry.

I argue, if we are going to talk about values that I believe as a Senator from Minnesota, I believe as the son of a Jewish immigrant from Russia, I believe as a former college teacher, I believe as a father, and I believe as a grandfather that every infant, regardless of gender and regardless of race and regardless of income and regardless of rural or urban, should have the same chance to fully develop his potential or her potential.

Now we have a safety net program for low-income children slashed by $82 billion, $17 billion more than the Senate ''welfare reform'' bill. Now we have the School Lunch Program cut by $6 billion.

We have had two studies, one of them by Health and Human Services and one of them by the Office of Management and Budget, and those studies told us something we did not want to know, or at least some of my colleagues do not want to know, which is that these cuts in these programs will mean that there will be more impoverished children in America and more children will go hungry in America.

This is all about values, that is for certain, but it is not about balancing the budget.

I brought to the floor of the Senate an amendment, and it says we could cut $70 billion by just having some tax fairness. We have a Tax Code for regular people; we have a Tax Code for privileged people. I looked at a number of different areas. I looked at the minimum tax, retaining the minimum tax for large multinational corporations in this budget bill; that is no longer there. I looked at subsidies for oil companies and coal companies. I looked at subsidies for pharmaceutical companies, and the list could go on and on.

Mr. President, what my colleagues do not tell you about are these tax giveaways, all the cuts in capital gains tax, all the cuts in rapid depreciation allowances, you name it. People in this country do not believe that we ought to at this time of tight budgets, at this time of deficit reduction be doing this in such a way that we ask the citizens to tighten their belts who cannot tighten their belts; that we target the elderly, we target people with disabilities, we target children, for God's sake, we target working families, families with incomes under $27,000 a year. But, at the same time, we have tax giveaways for the wealthy. We do not take on any of the corporate welfare. We let all these large companies continue with all of their tax loopholes and all of their tax breaks, and the military contractors have it just fine.

Mr. President, this is not about balancing the budget. This is an effort on the part of my colleagues to essentially say that they do not believe in a country where we focus so much on education, and equality of opportunity, and adequate health care for people, health care that is delivered in a humane and dignified way; they do not think the public sector should be involved in this area. As a matter of fact, they think when it comes to some of the most pressing problems of people's lives, there is nothing the Government can or should do.

That is a great philosophy if you own your own large corporation. But if you do not, if you are in the majority in this country, what we are talking about right here is an assault on what is the dearest principle of this country, which is equality of opportunity.

Mr. President, this is not a debate about balancing the budget. This is a debate about what this country stands for. This is a debate about the very values people hold dear.

I will tell you right now, Mr. President, people in this country do not believe in the harshness of this Gingrich budget. They believe it is mean-spirited, they believe it is extreme, they believe it goes too far. And the more people come to understand what is in this budget proposal, the less they are going to like it.

As a Senator from Minnesota, I am very proud to speak on the floor of the Senate on behalf of what I consider to be the vast majority of people in my State. I am proud to speak against this budget proposal. I do not believe that this proposal is good for this Nation. I do not believe that this proposal brings this Nation forward. I think it turns

the clock backward. I think most people in the country believe that.

I think the President, without a doubt, will veto this, and we will have a debate again, based upon substantive work, based upon what I hope will be a set of proposals that will make this Nation all that this Nation can be.

This budget ought not to be accepted. This budget should not pass. It will. This budget will be vetoed by the President. He should do so. As far as I am concerned, we can have a debate about the values. We can have a debate about choices, and we can have a debate about priorities for America, and we can take it right to the 1996 election.

I will be proud to say to Minnesotans that I am the children's Senator and that I fight hard for senior citizens. I will be proud to say to Minnesotans that I am a health care Senator. I will be proud to say to Minnesotans that I am an education Senator. I will be proud to say to Minnesotans that I think some of the heavy hitters and large special interests ought to also be asked to tighten their belts. I will be proud to say to Minnesotans that my vote, my debate, my words, and what I do as a U.S. Senator is based upon a Minnesota sense of fairness. That is lacking in this budget. It should be defeated.

I yield the floor.

Mr. ABRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. ABRAHAM. Mr. President, I yield myself such time as I may need. I will be very brief.

Mr. President, I guess two people can look at the same bill and see different things. I have a hard time looking at our Balanced Budget Act of 1995 and seeing the kind of recklessness in values and concerns the Senator has just spoken of. I see a whole different picture in front of America if we do not pass this act.

What I see as reckless is spending the country into the debt we are headed toward, in which children, in their lifetime, will pay $187,000 just in interest on the Federal debt that will grow during their lifetime if we do not bring this under control. That is the kind of unfairness to children in America we are here to end today. When we are talking about values, I can think of no values more important than the long-sustaining values of this country, and that we pass on to the next generation more than we inherited, not less. Yet, that is the direction in which we would head if we do not balance the budget and pass this act today.

To expand more on that, I now yield 15 minutes to the Senator from Missouri, Senator ASHCROFT.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. ASHCROFT. Mr. President, I thank the Senator from Michigan for yielding time to me.

It is true that different people can look at the same thing and see different things. As the Senator from Michigan has aptly stated, some look at this package and view spending $4,800 in 1996 per recipient to $7,000 in 2002 per recipient as a cut. I think you have to be a very substantial pessimist to call an increase of $2,200 over a base of $4,800 a cut—but that is how some people are choosing to view it.

I personally do not think it is nor do I see it as a cut. I see it as an increase. It is this precise inability to come to the same conclusion from viewing the same set of facts that sometimes confuses us. However, sometimes—as a single individual—you can look at the same thing—time and time again—and see something different all the time.

For instance, you can look at the President of the United States and try and find out whether he wants a balanced budget at all, or whether he wants a balanced budget in 7 years, or whether he wants a balanced budget in 10 years. You could look at the President of the United States and try and find out whether he wants to use the figures of the Office of Management and Budget, which is the political arm of the Presidency, or whether he wants to balance the budget according to the nonpartisan Congressional Budget Office.

Depending on when you look at our President, you get a different reading. You and I know that he said, when he was a candidate, that he wanted a balanced budget in 5 years. Later on, he came to us with a budget that would never balance. Then he came with one that would balance in 10 years, but only if you use the partisan figures of his Office of Management and Budget. In between times, he said 7 to 9 years.

So looking even at the same President, you might see far different things. It is, in part, because the President has not been firm. He has not reflected the kind of dedication and commitment to a balanced budget that indicates that he has a plan for one. As a matter of fact, the President has not had a budget at all. Well, he did send a budget up here, and it was so unrealistic that it lost 0–99. His second budget, the so-called balanced budget, was voted down 0–96. Not a single Member of the minority party voted in favor of either budget.

As we have been trying to find ways for the President to maintain the operation of Government in the last several days, we have seen the same President, but we have seen something vastly different every time we have seen him. At first, he says it is the Medicare problem. He cannot bear to have spending increased only from $4,800 to $7,000 per Medicare recipient per year over the next 5 or 6 or 7 years. That is not a big enough increase.

The truth of the matter is that the provision we are going to send him in the Balanced Budget Act of 1995 has bigger increases in Medicare than he originally requested. He asked for 7.1 percent, I think, and we are sending a budget that has a 7.7 percent. He threatened to veto our proposals due to both his effectiveness and willingness to scare people over Medicare.

Medicare also was his main concern when trying to pass the continuing resolution. Therefore, we decided to send him a continuing resolution without a Medicare provision. When we ripped off the Medicare mask, what did we see? We saw a President concerned about regulatory reform. He said ''I would not want to sign something that has regulatory reform associated with it.'' I said to myself, is this the same President that, in the past, has said, ''We want and need regulatory reform, and we need to free this economy, and we need to unshackle the economy so we can have more jobs, growth and opportunity''? Apparently, not at the moment, because he said, ''If you have regulatory reform or the criminal justice system reform in the package***'' —oh, about 20 years ago, the President and I had the privilege of each being an attorney general. We all know the way in which the criminal element manipulates the criminal appeals, and how the habeas corpus laws are abused. We saw them operate as attorneys general. We saw them operate as Governors. We see them operate now.

I believe he really knows that we need to reform the criminal appeals process, but he said he did not want to sign a continuing resolution containing criminal appeals reform. So we took the criminal appeals and regulatory reform out. We even took the provisions strengthening, protecting and preserving Medicare out of the continuing resolution and sent it to the President. It became clear, after ripping off all the masks—the Medicare, the regulatory reform and the habeas corpus reform masks—the real reason for his veto. His real reason for vetoing the continuing resolution can rest only on the single condition that now attends the continuing resolution, and that is the condition of a balanced budget in 7 years, with honest CBO figures.

A balanced budget is important. It is important that we understand that a balanced budget is not a sacrifice for this country—it is a substantial investment in this country.

We talk about cuts and we use the phony language of Washington to make it a cut. When you have an increase from $4,800 per year per capita to over $7,000 per year per capita, only in Washington, DC, does a $2,200 increase on a $4,800 base per capita result in the ability of some individuals to call it a cut.

Not only do we not cut spending, we make substantial improvements and give substantial opportunities to the American people.

The benefits have been quantified. The econometric studies have been conducted. The ideas have been distilled. The forecasts have been made. Here is the forecast: Nearly $11 billion more to our gross domestic product will result from a balanced budget.

That is real growth. That is real increase. An additional $32 billion in real disposable income to American families will be realized in the time period covered.

More than 100,000 additional new houses will be built over the next 7 years. More than 600,000 new cars will be sold in America over the next 7 years as a result of the discipline, as a result of the priority setting, as a result of this country doing what every family has to do on a regular basis. That is—sit around and say what can we afford, what can we not afford, how can we structure what we are doing—how can we achieve prosperity rather than continuing our decline.

That prosperity is important and it will make a big difference to people who are buying houses. They say $10,000 less for payments for people on a $100,000 home loan—a $10,000 bonus for a family in addition to the tax relief for families in the bill. You consider other areas where the family is borrowing money, such as car loans and student loans. The impact on our culture is not an impact of shared sacrifice. This is an impact of enjoyed benefit.

We balance the budget. Not only are there more jobs, 100,000 new houses, 600,000 more new cars in the country in the next 7 years, but also we have this vitality in the economy that gives us all great opportunity.

Our President, though, is unwilling to make a commitment to join us, to join us in the necessary discipline to balance the budget.

I am afraid we have found ourselves backed into a political corner. He is saying he cannot do it because of Medicare. He is saying he wanted to increase Medicare by 7.1 percent, and this bill increases Medicare by 7.7 percent. This proposal significantly exceeds his own proposal. Yet he holds up Medicare as an attempt to scare the American people.

Not only do we spend substantially more for Medicare but we are going to provide ways for people to use what we spend to be much more effective. All the marketing, all the revolution in the health care professions to restrain costs and to expand service and to improve the product available to the American people and the private sector really has not been available in the public sector. That is why the public sector's costs have soared.

Well, in the private sector for medical costs we have seen a leveling off of those costs, the HMO's, the PPO's, the ability of physicians to join together in order to offer services. All of those things are part of the program in addition to moving people from $4,800 a year to over $7,000 a year. That is not just a gross number but a per capita number, taking into account the demographic projections that seem to frighten our colleagues on the other side of the aisle so dramatically.

It is time for us to understand this is a great opportunity. We have come to a crossroads in American history. We are at a turning point. It is a turning point that we need to recognize and understand.

It is whether or not we will conduct business as usual, whether we are just going to go merrily down the beaten path of massaging the old hot button of acquiescence in the demands of this or that special interest group, and continue to run the printing press which publishes the debt of the United States. It is whether we are going to generate at higher and higher volumes to the detriment of our children, or whether we will make some important decisions about allocating our resources.

There are tough decisions, but they are not impossible by any stretch of the imagination. There are a few areas where there are real cuts, but frankly there are many more areas where we just restrain the growth. We bring Government under control.

This is a question about Government control, whether we will control Government or whether Government—out of control—now will spend so much of the next generation's money that it will control everything that they do.

If kids who are born this year are going to have to spend $187,000 just to cover the interest costs on the national debt during their lifetimes, their spending will be controlled. They will not have the opportunity to decide to do other things. They will have an obligation which will simply lock them into paying for the excesses of our consumption. We can turn that around, and we can turn it around now. We have not done so since 1969. We have not had the encouragement. We have not had the integrity. We have not had the tenacity.

In 1994, last fall about this time, the American people said ''stiffen your spine. Resolve to make a difference. Do something different. Change the way.'' That is why we are at a turning point. This is about control. We want the future generations to be able to control their own environment and their own communities. We want the future generations to have the control to spend their money on their own priorities, not to have to just pay off the debt which we have been paying.

We must act now if we want to stop this potential of eroding the ability of the next generation, undermining the ability of your children and mine. Hopefully someday I will have grandchildren—and I do not want to shift to them the responsibility to pay for the things that I have done. I want them to have the opportunity to do what every American should have the opportunity to do—that is to exercise the freedom of shaping a Government and spending your own resources the way you choose. It is as fundamental as the beginning of the American Republic.

Mr. President, 200 years ago Thomas Payne said it best, I think: ''We have it within our power to make the world over again.'' That is basically a statement that free people can govern themselves and they can devote their resources to things that they choose to devote their resources to.

We keep spending in debt—further and further in debt—stacking it up to where it is now about $19,000 per person, every man, woman and child. Mr. President, it is $76,000 for a family of four, and we are not paying off the debt, we are just paying interest on it.

Now if we keep stacking up that kind of debt we simply will not allow the next generation to make any choices on their own. They are just going to have to spend all they have to pay foreign creditors, pay all kinds of other individuals.

Talk about big business. They talk about we sure do not want to do anything that would help business. We want the little guy to prosper. Who do you think holds this debt? The people that own the securities of the United States—a lot is held in the hands of foreign people and governments.

Do you want the people who command what your children and grandchildren do to be people overseas—people who have the ability to call the debt and demand that the payments be made. Then the only thing that those who follow us have the opportunity to decide will be to decide to pay the guys who hold the debt? We owe them much more than that. We owe them much more than that.

Our country came into existence as a result of taxation without representation. I am afraid unless we stand up for the children right now and say we are now going to continue spending their money without their representation, we are not going to continue spending their resources and displacing to them the costs of doing our business—they would have every right to revolt against us—just as we did to establish this country in the first instance.

It is time for accountability. The American people want a Government which pays its debts. They sense that we can do it. When the different masks were being displayed by the President—about we cannot do this because it is the Medicare thing, there was a lot of confusion. Then the Medicare mask was taken off and we sent a continuing resolution without the Medicare provision and another mask was pulled out. Finally all the masks are gone.

The only thing that is left is the balanced budget. We come down to the question, Mr. President—I ask for an additional minute.

Mr. ABRAHAM. I yield 1 minute to the Senator.

Mr. ASHCROFT. So, now the President has before him an ability to continue the operation of the Government, coupled with a golden opportunity to commit this Government to responsibility and integrity. He can do that in signing a continuing resolution and he can do that in embracing a historic achievement for his administration or any other, the Balanced Budget Act of 1995.

This is a golden opportunity. It is not an opportunity that will make that much difference to you and me, but it will make a great difference to the generations that follow.

It is time for us to share with them the benefits of an ordered, priority-setting development of a budget that is structured and responsible and respects our future.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. COCHRAN). Who yields time?

The Senator from Nebraska, under an earlier order, is recognized for 15 minutes.

Mr. KERREY. I thank the Chair.

Mr. President, this reconciliation bill conference report is going to pass. It is going to be sent to the President and he is going to veto it. The question will be, in the aftermath, can Republicans and Democrats get together, can we pass something that is veto proof? I hope in fact we can.

I must say at the beginning, I praise the Republican leadership for attacking this problem. It is very difficult, almost always guaranteed to produce a considerable amount of controversy. It is rarely popular when you take something away from somebody who has an expectation they are going to get it and you always set yourself up for exaggerated claims, regardless of whether they are coming from this side of the aisle or coming from out in the community. I have done it as Governor. I voted for it as a Senator in 1990 and 1993. It always happens. It is very seldom the sort of thing that gets you a round of applause, when you do what I consider to be a very important and responsible thing.

So I begin my analysis of this conference report by thanking the Republican leadership for tackling this problem. I believe we do need to balance our budget. I do not in fact buy into the argument that our debt is rising at an unacceptable level. As a percent of GDP, it is actually going down. Relative to where we were after World War II, it looks fairly good. As a matter of fact, if you look at the markets and what the market is doing right now, it seems to me we ought to be careful as we examine this argument about whether or not our debt is where it ought to be or should it be higher or should it be lower. It seems to me it is heading in the right direction.

Nonetheless, it is important, in my judgment, for the Federal Government to have its budget in balance. So, again, I praise the Republican leadership for setting before this body a proposal that will accomplish that. I hope, after this proposal is vetoed, that some of the comments I have made might give Republican leadership some ideas of where I, at least, as one Democrat, want to see some change.

To begin with, I do think it has to be fair. It has to pass some test of fairness. This proposal left no impact upon me. It will have absolutely no impact upon me. Before I got here, and after I leave, and right now, my income is high enough it does not have any impact upon me. I do not receive a great deal of Government services, and as a consequence I can stand here courageously and say, ''Go ahead and do the deal.'' I have some stocks and bonds, so maybe I will have a gain on the capital gains tax reduction. It seems to me some standard of fairness needs to be applied.

Second, one of the things I think we urgently need to do as a body is answer the question, what kind of safety net does the Federal Government need to provide? If we want to have a market economy, and I think most of us understand we need to have a market economy in order to create jobs, and I think most of us support the idea of creating tax and regulatory environments so that people will want to make investments so our economy will grow, we need a safety net of some kind. All of us understand that. That is one of the most encouraging things in this debate, is Republicans saying they want to preserve and protect Medicare. Medicare is a safety net provided for people over the age of 65. When they leave the work force they have been and are able to purchase health insurance. It has worked. Nobody over the age of 65 is uninsured. Mr. President, 100 percent of the people over the age of 65 are insured.

The problem is, the economy has changed substantially since 1965 and all you have to do is pick up the newspaper and read about record mergers and read about companies laying folks off, or go home and talk to somebody who is 50 years of age, man or woman, who has worked in a company for 30 years, who finds himself or herself unable to purchase health care, finds himself or herself struggling with retirement questions, struggling with how do I retrain myself.

We have a radically different economy, and if we want a market economy, it seems to me, the question we ought to be wrestling with is what kind of safety net should be built? This proposal, as I see it, moves us away from a safety net, particularly as regards to health care. And particularly, especially the block granting of Medicaid back to the States, as I see it, will erode and move us away from that kind of—at least that kind—of a safety net.

I have a number of objections to this proposal that cause me to have to vote no. I had to vote no earlier and vote no again on the conference report. First and foremost are the reductions in Medicare and Medicaid over the next 7 years, in exchange, it seems to be, for tax cuts. Or at least the exchange is occurring somewhere. There is $270 billion in Medicare, $180 in Medicaid, $245 billion for the tax cuts.

Condition No. 1 for me, as a Democrat, is let us drop the tax cut. Again, if we are going to ask people to sacrifice and take less in their Government, take less in the way of income from their Government, it seems to me one of the ways, one of the actions we need take to restore fairness, is drop the idea of providing a tax cut which will benefit less than half of the American homes. More than half of the American homes will not even be impacted by this tax cut proposal. It seems to me that it is reasonable for us to say, at the beginning, let us drop that tax cut proposal.

I, as a Democrat, am willing, in exchange for that, to vote for some things that I also think need to be included. I think the CPI does need to be adjusted, the Consumer Price Index that is used to adjust transfer payments and used to adjust as well our Tax Code. It seems to me at least a half a point adjustment is reasonable. If you drop the tax cut and you drop the CPI, we will still be reducing the growth of Medicare and the growth of Medicaid. But we will be able to do it in a fashion, it seems to me, Mr. President, that is much more fair, much more reasonable, and much more likely that, in a bipartisan fashion, we can sell what will be nonetheless a difficult proposal to the American people.

I, for one, as well, happen to believe if you are going to really reform our Medicare system and our entitlement system, that you do have to adjust the age. In the Entitlement Commission recommendation, Senator DANFORTH and I recommended, and Senator SIMPSON and I have a proposal on Social Security that phases in an adjustment of eligibility age for Social Security. I would propose to do the same thing in Medicare. Not for current beneficiaries, not for anybody who is currently in the program, but for future beneficiaries.

The longer we wait to do that the more difficult, it seems to me, it is going to be to break the news that when the baby boomers retire we have this promise laying on the table we are simply not going to be able to keep.

I say to my Republican colleagues, I am willing to vote to drop the CPI by at least a half a point. I am willing to do the same thing on eligibility age. I have no difficulty adjusting the premium for part B. It is fair, it is reasonable, it ought to be done. It seems to me, at the very least we should say no more than a 70 percent subsidy for part B Medicare. I am willing to vote for that.

But I do not want a tax cut proposal on there because I cannot sell it as fair. I cannot explain it as being necessary, because it is not necessary. There are other ways for us to do this, to generate the savings needed to balance the budget in 7 years and get us to that objective.

The next thing I want to spend a little more time on is talking about this idea of building a safety net. I listen to people talk, both at home and as I watch the news and read the newspaper. Increasingly, people are saying this debate has provoked their concern once again about whether or not they are going to be able to have health care. Why? Mr. President, in the State

of Texas, 50 percent of all babies are paid for by Medicaid. These are working families out there. These are people who are earning the minimum wage or slightly above, that cannot afford to buy health insurance. If you want to preserve and protect Medicare, if you have ever come to this floor and said let us preserve and protect Medicare, the fundamental premise of that program is that at some point the market does not work, that we have to collectively look for some way to provide for health care for people who either are not going to be able to afford to buy it or might be excluded as a consequence of some physical condition on their part.

We need a safety net that guarantees health insurance to every single American. No one should be left off the hook of having to pay. The payment ought to be based upon our capacity to pay.

Not only do I support a means testing, an affluence testing of Medicare, but I would love to see us change the eligibility and allow every single American or every legal resident—once you pass those two tests, you know with certainty you have it. You can go out and work. You can go out and pay attention to your education and do the sorts of things you need to do to lift your earning power and do not worry that you are going to lose health insurance.

I think we need a safety net in changing our retirement laws. I think we need a safety net as well in education. The work force today places a very heavy premium on those with skills. It seems to me one of the worst things about this proposal is that we are not increasing the amount of money that families need to be able to send their children to college. It seems to me we are moving in the opposite direction in trying to build the kind of safety net that we need for an active, vibrant market economy.

Finally, Mr. President, I would like to talk about something I have talked about ad nauseam on this floor a time or two before, and that is this question of entitlements as a percent of our budget and what this does to our ability to invest in education, transportation, research, those things that either will improve the quality of our lives like parks or helping those who are mentally retarded. Whatever it is we decide we want to do to strengthen our conscience, we are decreasing our ability to do it as entitlements as a percent of our budget grow. This year, it is 34.5 percent for domestic spending. At the end of this budget proposal it is 26.5 percent.

Now, percentages do not mean much to us typically, so let me try to convert that. If you think this year's budget is tough on appropriations, wait until 2002. I do not think we can do the things that are required in this budget proposal. If you think you can, do not try to construct a budget with these numbers.

Mr. President, 27.5 percent gives you $435 billion for defense and nondefense spending. Let us presume we spend $263 billion on defense, which we did this year. I think we can spend slightly less than that. No matter what you do, you are going to spend $255 to $265 billion on defense. So let us take $263 billion out, which is this year's spending, which I presume most, if not all, of the Republicans believe ought to occur. That leaves you $172 billion.

I know the occupant of the chair, who is on the Appropriations Committee, probably is familiar with this, but let me just show you what I have done. I take $18.7 billion for law enforcement, for drug efforts, for the FBI, for Border Patrol, for the U.S. attorneys; I take $17 billion for international affairs—I did not really pull these because they are my priorities; I just pulled some numbers—$17 billion, slightly more than 1 percent of our entire budget; $20 billion appropriated for veterans—that is veterans' pensions that are only appropriated accounts; $10 billion for community efforts such as the CDBG efforts; $17 billion for science and space; $38 billion for transportation; $53 billion for all of education and training.

Mr. President, that is $174 billion. Right there you have $174 billion. So I ask those who say: Well, that is fine, what are you going to do about the NIH? What are you going to do about all environmental protection, all of housing, the management of our national parks, disaster relief, natural resources management? The list goes on and on and on.

The answer is you cannot do it. There is not a single Member of this body, I suggest to my colleagues, who could come to the floor and tell me, make a proposal that would show how we are going to in the year 2002 allocate defense and nondefense with only $435 billion. It is not possible.

It is not desirable either, I might point out, for us to be heading in that direction. If you think that is bad in 2002, just look a little beyond that when my generation starts to retire. Instead of a 1-percent erosion of operations, which is about $15 billion a year, it will double in the year 2008, and then it is too late. Then the kinds of changes that we have to put in place, the kinds of changes that we have to put in place will cut current beneficiaries of Social Security and Medicare. It will cut current beneficiaries substantially or we are going to have to say to our young people in the work force: We have to have a substantial increase in your payroll taxes in order to be able to cover the bills.

I am here to say again I appreciate the work that the Republicans have done in trying to tackle this problem. There are other problems that need to be addressed that are left unaddressed in this proposal. It is going to be vetoed by the President. It is going to be sent back here, and it will be up to the Republican leadership. Do we embrace the ranking Democrat on the Budget Committee, who is one of the most fiscally conservative Members of this body. For gosh sakes, if he and the chairman cannot put together a balanced budget, I do not know who else can.

The question will occur, when the Republican leadership package is vetoed and sent back, not can you not find Democrats who will support it, but will you make an active effort to recruit and bring us into the process and say, what are your standards of fairness? What are the things you want before you will support this proposal? I think there is the will to balance the budget, but there is a desire to do an awful lot more than that. I hope that after this bill is vetoed and after it is sent back to us and after we have unsuccessfully attempted to override it, that those who want to balance the budget will join those of us on this side who want to balance the budget as well. I hope you will turn to us and give us an opportunity to participate.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. ABRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. ABRAHAM. At this time I yield 20 minutes to the Senator from Delaware, the chairman of the Finance Committee.

The PRESIDING OFFICER. The distinguished Senator from Delaware is recognized.

Mr. ROTH. Mr. President, today we are closer than ever to meeting four fundamental promises we made to the American people when we promised to balance the budget. This legislation offers a balanced budget. We promised to save Medicare, a critical program for our elderly. This legislation preserves and strengthens Medicare. We promised to reform welfare, to end the perverse incentives that have found us spending more and more money only to find more and more children living under the poverty level. We have provided in this legislation real reforms. And, finally, we promised to cut taxes on Americans everywhere, to reverse the record-setting Clinton increases that even the President admits were too high. And with this important balanced budget package we have done just that.

I am encouraged by all that this legislative package offers—the Balanced Budget Act of 1995. I am concerned that certain political dynamics that have overtaken this debate are obscuring the real importance of what we are offering today.

On its most fundamental level, this legislation is about change, real change in Government. It is the beginning of a new era, a redesigning of the way Washington does business. Certainly, given the monumental issues this package addresses, we can understand why President Clinton has forced us to an impasse. Make no mistake, this legislation is revolutionary. It begins to

make changes in the way Government has done business over the last 50 years. It takes the large, overbearing, income-eating, inefficient Federal monolith, a government that was designed for the industrial age, and it prepares it for the 21st century.

Making this kind of change is not easy. Institutions resist modernization. They even resist improvements. For this reason, many once mighty civilizations have fallen. On the other hand, growth and opportunity come from change. As the philosophers say, ''The mixture which is not shaken decomposes. Progress lies in changing things that are.''

Our Government needs to change. We need to balance the budget. This is not only the responsible thing to do, it is necessary for a strong, vibrant economy. A balanced budget will lower rates. It will create jobs. Some forecast that over 6 million jobs would be created if the budget were balanced.

A balanced budget would also provide a higher standard of living for all Americans. A balanced budget will reduce the burden of debt on future generations. Again, this is a moral responsibility. As Thomas Paine argued, ''* * * no parent, or master, nor all the authority of parliament * * * can bind or control the personal freedom of their posterity.'' But that is exactly what our Government, with 50 years of tax and spend policies, has done. A child born today owes more than $185,000 in interest alone on the Federal debt.

If he or she were to pay the debt, it would literally conscript him or her to a lifetime tax rate of 84 percent. Now, we have the responsibility to do something about this, and the package before us today is the beginning of a real and lasting solution. President Clinton in his first State of the Union address maintained that any economic forecasting should be performed by the nonpartisan Congressional Budget Office.

Mr. President, the CBO maintains that our program balanced the budget in 7 years. To balance the budget, of course, we must control the growth of Government, and controlling growth does not mean cutting or abolishing important programs. It simply means that we must bring spending into line with reality. It means getting back within our budget, within our ability to pay for necessary programs and making these programs as efficient and cost effective as possible, and that is what we accomplish with this legislation.

I understand that there are basic philosophical differences at play in this current debate. There are honorable representatives and arguments on both sides of the issue, each promoting a vision of Government. Now, those who argue for the status quo believe in the status quo. They have faith in big Government. They trust big Government. And they see it as the solution to very real concerns. Others—and I count myself among this latter group—believe Government needs to be reformed and that growth in Government spending needs to be slowed down.

We look at welfare and see that, despite the fact that Government has spent more than $5 trillion—let me repeat—has spent more than $5 trillion over the last 30 years, the program is a catastrophe. We see that in 1965 some 15.6 percent of all families with children under the age of 18 lived below the poverty level. By 1993, that number had grown to 18.5 percent. In other words, we see that despite the fact that Government has thrown trillions and trillions of dollars at the problem, the problem has only become worse.

Likewise, the pathologies associated with welfare—crime, illegitimacy, drug abuse, child neglect, and others—have increased to alarming proportions. And we see that between 1965 and 1992, the number of children receiving AFDC has grown by nearly 200 percent, even while the entire population of children under the age of 18 declined by 5.5 percent during this same period of time.

Mr. President, big Government has not worked. In Medicare, big Government has created a program rife with waste, fraud, and abuse. Big Government has literally run the system to the point of bankruptcy. We all know what President Clinton's own commission has said.

And I quote:

> The Hospital Insurance Trust Fund (part A) continues to be severely out of financial balance and is projected to be exhausted in about seven years. The SMI Trust Fund (part B), while in balance on an annual basis, shows a rate of growth of costs which is clearly unsustainable.

Again, I am repeating what President Clinton's own commissioners had to say.

> Moreover, [they continue] this fund is projected to be 75 percent or more financed by general revenues, so that given the general budget deficit problem, it is a major contributor to the larger fiscal problems of the nation. The Medicare program is clearly unsustainable in its present form.

Again, this analysis of Medicare's current crisis comes from the administration's own trustees. And what we propose today is a solution.

Mr. President, we also propose real tax relief. Big Government has successfully pilfered the taxpayer's pocket. Real Federal taxes per household now top $12,000 a year. Total Government taxes, Federal, State, local, reach $18,500 per household. The Federal regulatory burden, which can also be considered a tax, exceeds $6,000 a year. These numbers have been constantly rising, even as the Government has fallen deeper and deeper into debt.

For example, Federal taxes now take nearly 25 percent of our median household income every year, up from about 16 percent in 1970. This incessant increase in taxes has stifled economic growth. It is engendered irresponsibility in Government spending, even perverse incentives where programs grow based on their inefficiencies and wasteful practices. And all this has to stop.

Let this legislation serve as the catalyst for real reform. It successfully balances the budget in 7 years by controlling the growth of spending while promoting economic growth. It preserves and strengthens Medicare by allowing the program to grow at about twice the rate of inflation and by introducing choice in the system. In this way, seniors are guaranteed continued coverage as well as the ability to choose those plans and health care providers that best meet their needs.

In this bill, Medicare spending increases from $178 billion in 1995 to $286 billion in 2002. Average spending per beneficiary grows 7.7 percent per year, or from $4,800 to $7,100. Remember, President Clinton himself said, ''Medicare [is] going up three times the rate of inflation. We propose to let it go up at two times the rate of inflation. This is not a Medicare . . . cut.'' That is a quote of President Clinton himself.

Our proposal controls runaway costs by introducing choice into the system. It gives our seniors the ability to remain in the current fee-for-service plan, if that is what they want. There is no change, no cut in any of the medical services available today.

But, in addition, we also offer them an unlimited number of health care plan options that they may choose to better meet their needs. Our plan also aggressively attacks fraud and abuse in the Medicare Program. The GAO estimates the loss to Medicare from fraud and abuse equals some 10 percent of the program's total spending, and law enforcement officials claim that the majority of Medicare fraud goes undetected.

Our proposal directs the Secretary of HHS and the Attorney General to establish a national health care fraud and abuse control program to coordinate Federal, State and local law enforcement efforts in this area. We earmark some $150 million in the first year to use specifically for investigations and prosecutions of health care fraud.

We also offer a number of new tools to assist investigators and prosecutors in attacking this problem. The CBO has estimated that our provisions in this area will save the program more than $3.5 billion over 7 years.

Mr. President, these are the kinds of reforms we must make to preserve and to strengthen important programs. In welfare reform, we must reverse perverse incentives that have sapped the spirit of so many Americans, perverse incentives that have engendered dependency on Government and contributed to decay and even moral decline within our cities.

We must give Americans, as I say, tax relief. President Clinton, by his recent admission that he raised taxes too high, recognizes that our families are stretched beyond reasonable limits. High taxes kill savings, risk taking, incentive and economic opportunity. High taxes undermine job creation.

We offer Americans $245 billion in tax relief over 7 years. This includes a $500 per child credit, relief from the marriage penalty and tax credits for adoptions and deductions for student loans. This relief gives our families incentives to save. That President Clinton has elected to shut down the Government rather than work with us towards achieving these objectives is, indeed, a mystery.

Again, he once proposed a child tax credit, a credit of up to $800. Now, as with Medicare and welfare and even balancing the budget, he is backing away from his promises. Not only this, some are even attempting to make political hay out of the tax relief we are offering, trying to tie it to our efforts to slow the runaway growth in Medicare.

Let me say again that tax relief does not come at the expense of Medicare. As the Washington Post points out:

''The Democrats have fabricated the Medicare-tax cut connection because it is useful politically.''

In an earlier editorial, the Post stated that ''the Democrats are engaged in demagoguery, big time. And it's wrong. * * *''

It goes on to say:

[the Republicans] have a plan. Enough is known about it to say it's credible; it's gutsy and in some respects inventive—and it addresses a genuine problem that is only going to get worse. What Democrats have on the other hand is a lot of expostulation, TV ads and scare talk.

We must get beyond the scare talks. We must get beyond the political posturing that has brought the greatest Government on Earth to a standstill. The American people deserve better. They deserve a Government that works, a Government that works for them.

This, of course, is not the first time Government has been shut down. Ronald Reagan shut the Government down because during his tenure, Congress wanted to spend too much. Today, Clinton has shut it down because he wants to spend too much.

Look at the numbers, Mr. President. We cannot afford the waste, growth and inefficiency of the last 50 years, but what we can afford are the well-conceived, workable reforms contained in this Balanced Budget Act of 1995. I stand behind it, and I urge the President to sign it.

Mr. President, I yield back the remainder of my time.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. Under an earlier order, the Senator from Massachusetts [Mr. KENNEDY], is recognized for 15 minutes.

Mr. KENNEDY. I thank the Chair. Mr. President, I always welcome the opportunity to hear our Republican friends talk about reducing the deficit. I remember in 1980 when President Reagan was elected, we had about a $465 billion deficit, and all during that period of time of President Reagan and President Bush, we went up to $4.7 trillion, all run up during that period of time. It is always interesting to me, President Reagan requested higher budgets than were actually approved by the Democratic Congress.

Then we had President Clinton's program that went into effect that reduced the deficit by $600 billion. It is useful, as we examine what I consider an extreme resolution that is before us and budget before us, to put in some context exactly which party and who has been trying to do something about the deficit and basically who have been talking about it. Of course, as history points out, we did not get one single Republican vote when we put in place the deficit reduction program.

As was mentioned by other Members, by those Senators on the other side, this really is an issue of priority. I welcome the opportunity to compare the priorities. It is now clear to the whole country that this is not a conflict about a balanced budget, it is a dispute about fundamental American values and priorities.

The Republican budget plan is a program to sacrifice senior citizens, students and children and working families in order to pay for lavish tax breaks for the wealthiest individuals and corporations in America. It is a program to destroy Medicare, to benefit the rich. It is a program to slash aid to education and trash the environment. It raids private pension funds, closes the door of colleges and universities to the sons and daughters of working families, dumps over a million more children into poverty in a misguided version of welfare reform.

In page after page of this legislation, Republicans offer an open hand to powerful special interests and the back of their hand to everyone else.

Republicans pretend their continuing resolution is not about raising Medicare premiums, but their reconciliation bill certainly is—$52 billion in additional premiums over the next 7 years, an additional $2,500 in premiums for every elderly couple. That is only the tip of the iceberg.

The overall Republican cuts in Medicare total $270 billion. The trustees said what was necessary was $87 billion; their cut $270 billion. Compare that to the $245 billion in Republican tax breaks for the wealthy. You do not have to be a rocket scientist to understand that shameful arithmetic.

The Republican Medicare plan is also carefully constructed to force senior citizens to give up their own doctors and join HMO's and other private insurance plans. That means billions of dollars in higher profits for the insurance firms at the expense of elderly Americans.

Why are all the insurance companies supporting this particular proposal? Because they recognize it opens the opportunities for billions and billions in profits.

The Republican Medicare plan may be Heaven for the health insurance industry, but it is hell on senior citizens.

Senior citizens also depend on Medicaid for nursing home care and other services Medicare does not cover. Medicaid provides the health care for one-fifth of the Nation's children and for millions of American families with family members with disabilities.

It is interesting, 18 million children are on Medicaid; 94 percent of those children's parents work; 65 percent of them work full time. These are sons and daughters of hard-working Americans that are going to be cast adrift under this proposal that is before us.

The Republicans do not care about their health care. They cut Medicaid by $180 billion. By the year 2002, it will be slashed by one-third. Effectively, with the program for 7 years, they are taking 2 years of the payment out. They are taking that out of the program and giving it back to the States and saying, ''Provide better services for them.''

Millions of our needy citizens will lose. Last year, the Republicans blocked health reform that would have guaranteed coverage for all this year. They are taking away the coverage from those who now have it.

The giveaways go on. The weakening of the nursing home standards was defeated in the Senate by 95 to 1, but the weakened standards are back in the final Republican bill; liens on the homes of nursing home residents, defeated on the floor of the U.S. Senate, but the liens are back in the bill; permission for doctors to charge more than Medicare will pay, defeated in the Senate, back in the bill; weakened antifraud standards, defeated in the Senate, back in the bill. The casualty list for senior citizens goes on and on.

We have distributed a fact sheet laying out some of these back-room deals in more detail. On education, the Republican budget is a triumph of special interests over student interests. It is rigged to funnel over $100 billion in new business to banks and money lenders at the expense of colleges and students. It is hard to find a more vivid or disgraceful example of the prostitution of Republican principles. When profits are at stake, Republicans are more willing to sell out the free market competition and replace it with the heavy hand of Government-guaranteed monopoly.

The Republican budget also drastically cuts education. It slashes Federal aid by a third. It cuts aid for school reform. It cuts college student assistance by $5 billion. It caps the direct lending program at the ridiculously low level of 10 percent. Twelve-hundred colleges and universities will be forced out of this program they want for their students. Why? So the banks and guaranteed agencies can profit to the tune of $103 billion in new business over the next 7 years, and the best estimate is that it will be $7 to $9 billion in profits that ought to be used to lower the cost of education for the children of this country.

For children, this bill is a nightmare. There is a right way and a wrong way to reform welfare. Punishing children is the wrong way. Denying job training

and work opportunities is the wrong way. Leaving States holding the bag is the wrong way. This bill takes a bad Senate bill and makes it worse. The Senate bill eliminated 60 years of a good-faith national commitment to protect all needy children. This conference report adds insult to injury by guaranteeing increased suffering for millions of children and families.

The Senate bill cuts food stamps for 14 million children, SSI benefits for 225,000 disabled children and protection for 100,000 abused children. This conference report slashes these essential programs by $82 billion—$17 billion more than the Senate bill. Nutrition programs, disability benefits, and antichild abuse programs will suffer heavily.

If the conference report becomes law, children born to parents on welfare will be punished in every State. Victims of domestic violence will lose their special protection. Food stamps for the unemployed will be further restricted. Family preservation and child abuse programs will be block granted. Family hardship exemptions and State investment requirements will be reduced. All this is above and beyond the Senate bill. Even the modest child care provisions added to the Republican ''home alone'' bill in the Senate have been rolled back.

This bill cuts essential child care funding and eliminates essential protections for children and child care. As a result, many more children will be left home alone, and countless others will find themselves in unsafe conditions. The bill cuts more than a billion dollars from the Senate-passed welfare bill by stretching out the $3 billion in new funds over 7 years and capping the child care development block grant for low-income working families. It eliminates any real requirements for States to ensure adequate health and safety protection for children in child care. It repeals the requirements for States to adopt minimal health and safety provisions for immunizations, building safety, and appropriate health and safety training for anyone receiving Federal funds.

These provisions were negotiated by Senator HATCH and the Bush administration, and they have had broad bipartisan support—until now. In addition, the Republicans have cut more than 50 percent of the funds set aside to improve the quality of child care. Report after report documents the shocking poor quality of child care in far too many child care settings. These funds are making a measurable difference in the development and growth of low-income children.

What is happening is the standards, which were established by Senator HATCH and Senator DODD, signed by President Bush, have been significantly weakened. It is so interesting that we are prepared to give real standards of protection for the child care in the military, and we deny them to the civilian workers of this country. Any man or woman in this body can go out and visit a child care center on any military base, and they will find it is up to standards. There were only six votes in this body against those kind of standards when we did it for the military. But when you are talking about dealing with poor people, you take those standards and safety net away. You know what is going to happen? In another 1 or 2 years, there will be a study and it will talk about how all of these programs have deteriorated and people will say that is what happens when you have a Federal program, and there will be pressure to provide less and less support for those poor children, and more and more tax giveaways for the wealthy in this country. It is wrong.

If this bill passes, the Senate will be turning its back on needy children, on poor mothers struggling to make ends meet—millions of our fellow citizens who need help the most.

The Republican priorities are clear: For millionaires they will move mountains; for poor children, they will not even lift a finger. We all want to balance the budget, but it cannot and should not be done on the backs of America's children. Enough is enough. Enough of the back room deals with high-paid corporate lobbyists. Enough of dismantling commitments to children and families in need.

In the end, this is a battle for the heart and soul of this Nation. It is a simple question of priorities. Are we going to leave millions of low-income children behind in order to give huge tax breaks to the rich?

This bill is legislative child abuse at its worst.

A further outrageous provision in the reconciliation is the hunting license it gives corporations to raid employee pension plans and divert billions of dollars in retirement funds to other purposes.

Despite the overwhelming 94–5 vote by the Senate 3 weeks ago to strip the indefensible pension raid from the Senate bill, the Republican majority persist in their reckless scheme to turn private pension plans into piggy banks for corporate raiders and greedy executives at the expense of the retirement security of millions of Americans.

One other decision by the Republican conferees vividly demonstrates what this debate is about. All year, Democrats have tried to close the so-called billionaires' tax loophole, which lets wealthy Americans renounce their American citizenship to evade their fair share of taxes on the massive wealth they have accumulated in America. Have we heard any Member of that side defend that provision? The silence is deafening. It is difficult to imagine a more obscene loophole. Every time we have raised it in the Senate, no one tries to defend it. Once again, behind closed doors, the Republicans have saved it. The billionaires' loophole is alive and well in this bill. Shame on the Republican Ways and Means Committee. I doubt if they have ever sunk lower.

The Republicans claim that their plan provides a balanced budget, but it is profoundly out of balance. It tilts the scales heavily to the wealthy and the powerful at the expense of ordinary Americans. The Republicans know that President Clinton will never sign this bill. They know that Congress will never override his veto. The question is: How long this shut-down-the-Government tantrum will go on before they realize the American people are not buying what the Republicans are selling and never will.

I yield to the Senator from Maryland.

Mr. SARBANES. I listened very carefully to the Senator from Massachusetts with respect to the impact of this reconciliation bill on children. Is it not the case that if the tax break provisions of this reconciliation were not in this package—in other words, this $250 billion worth of tax breaks for the very wealthy—these drastic cuts with respect to these programs for children would not have to be made, is that not correct?

Mr. KENNEDY. Well, the Senator is absolutely correct. And to further add to the Senator's point, the Senator understands that for every dollar that you cut, both in education and in child care, you increase the cost to society by 3 or 4 more dollars. So if you are looking at this, either from a bottom-line point of view about what the costs are going to be over any period of time, or looking at it—I think all of us would like to think that the way we are looking at it is caring for the child. It makes absolutely no sense, what they have done.

Mr. SARBANES. The costs accumulate. But the fact is—and people must understand this—that in order to give tax breaks to very wealthy people, draconian cuts are being made in these programs to help children. So there is a direct tradeoff that has to be understood. In other words, these cuts are happening to child care, to feeding programs, education programs, and others, in order to accumulate a pot of money with which to give tax breaks to wealthy people. If you did not give the tax breaks, you would not have to make the cuts, is that not correct?

Mr. KENNEDY. The Senator is absolutely correct.

The PRESIDING OFFICER. The time of the Senator has expired.

N O T I C E

Incomplete record of Senate proceedings. Except for concluding business which follows, today's Senate proceedings will be continued in the next issue of the Record.

ORDERS FOR SATURDAY, NOVEMBER 18, 1995

Mr. LOTT. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 9:15 a.m. on Saturday, November 18, 1995; that following the prayer, the Journal of proceedings be deemed approved to date, the time for the two leaders be reserved for their use later in the day, and there then be a period for morning business, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. LOTT. Mr. President, for the information of all Senators, negotiations will continue tomorrow on the continuing resolution and balanced budget language. Therefore, rollcall votes are possible during Saturday's session of the Senate.

ORDER FOR RECESS

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate stand in recess following the remarks of the Senator from Virginia, Senator WARNER.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Since the Senator from Virginia is not here at this moment, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WARNER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATUS OF THE GOVERNMENT SHUTDOWN

Mr. WARNER. Mr. President, throughout the day, I have been in consultation with Members of the House of Representatives representing northern Virginia and other regions, as well as many other of the Senators here, including my distinguished colleague, Senator LOTT.

On behalf of many Senators, I say to our distinguished whip—at the moment, the acting majority leader—there is a strong desire to put the Government back to work, but doing it only once we reach an agreement on this CR. It had been my hope and expectation today that, assuming the President agrees to not more than 7 years for the decision to reach and get a balanced budget—that is the keystone of the architecture on which to build a compromise, given that we can reach a level of expenditures which would enable the Government to function between now and, say, the middle of December. That leaves the middle ground of the important method by which the economic assumptions are made, which assumptions lay out the course to reach a balanced budget by no later than 2002. And I will be a part of the meetings tomorrow on this CR with the distinguished acting majority leader. But I hope that you can provide some encouragement that this area of the economic assumptions will be examined in terms of some measure of compromise.

Mr. LOTT. If the Senator will yield for a response, Mr. President, I do want to take note of the fact that there have been discussions underway today between the majority leadership and the White House representatives. I know the Senator from Virginia has been following that very closely. I know he and the majority leader and the Members of Congress would like to see this matter resolved so that we could get an agreement on the level of the continuing spending resolution; but, more importantly, that we also get a commitment to this 7-year balanced budget; the two are linked together. They are very important, and we believe that an agreement should be reached so that the Federal workers in this area, and around the country, should and can go back to work.

We feel that the President should commit to that 7-year balanced budget by the year 2002. We think there must be honest numbers in how that is achieved. It cannot be done by some of the smoke and mirrors we have seen in the past. But the efforts will continue Saturday morning, as the Senator noted. I know he will be here on duty working to try to achieve that goal. I think it is possible, and I certainly hope it can be done. And if it is done, then we can go forward with serious negotiations to reach an agreement to achieve a balanced budget for all of the people of this country.

Mr. WARNER. Mr. President, I thank the distinguished leader. Just a concluding observation. Assuming that we can get a CR—and I strongly believe if we can reach some form of understanding on the manner in which we establish the economic assumptions, we could have a very strong participation from the Democratic side; and given that bipartisanship, it is this Senator's belief that we could then hope to have an equally strong bipartisan and serious address of this important act we just passed, the balanced budget act of 1995.

Mr. LOTT. To respond, I certainly hope so. Again, I want to emphasize that it is important that it be very carefully worded, carefully crafted. We cannot agree to wording that would not achieve the goals that were voted on just a short time ago here in this body of a balanced budget in 7 years. We faced the tough decisions, we have made them, we voted for it, and it is passed.

But if we can get the agreement along the lines we talked about, I think it would have very strong bipartisan support. As a matter of fact, I know that there is growing support on both sides of the aisle to make this commitment to a balanced budget. We did not get any votes from the other side of the aisle just a few minutes ago, but I know there is a growing discomfort because three-fourths of the American people fully believe we should have a balanced budget. They want that commitment. And what the President has been saying, quite frankly, is he wants more spending, and he does not want a balanced budget. That is beginning to have a negative impact on him. So I think there is movement, and there should be. We should work this out. We should do the people's business. The President vetoed the continuing resolution that provided for more spending. He shut down the Government. But everybody has made their points now, and we need to get serious about reaching an agreement. I think that it is possible.

Mr. WARNER. I thank the distinguished acting majority leader, and particularly for his invaluable service as a liaison with the House on this, in bringing to bear his experience there as whip. I hope tomorrow we can make further progress on this matter. I thank the leader.

Mr. President, I anticipate the order in process will now put the Senate into recess.

RECESS UNTIL 9:15 A.M TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 9:15 a.m. tomorrow.

Thereupon, the Senate, at 10:07 p.m., recessed until Saturday, November 18, 1995, at 9:15 a.m.

Daily Digest

HIGHLIGHT

House passed the conference report on the balanced budget and Bosnia deployment bill.

Senate

Chamber Action

Routine Proceedings, pages S17203–S17245

Measures Introduced: Six bills were introduced, as follows: S. 1418–1423. **(See next issue.)**

Measures Reported: Reports were made as follows:

S. 755, to amend the Atomic Energy Act of 1954 to provide for the privatization of the United States Enrichment Corporation, with an amendment in the nature of a substitute. (S. Rept. No. 104–173)

S. 1341, to provide for the transfer of certain lands to the Salt River Pima-Maricopa Indian Community and the city of Scottsdale, Arizona, with amendments. (S. Rept. No. 104–174)

(See next issue.)

Measures Passed:

Coast Guard Authorizations: Senate passed S. 1004, to authorize appropriations for the United States Coast Guard, after agreeing to a committee amendment in the nature of a substitute, and agreeing to the following amendments proposed thereto: **(See next issue.)**

Adopted:

(1) Lott (for Stevens) Amendment No. 3058, to make technical corrections. **(See next issue.)**

(2) Lott (for Stevens) Amendment No. 3059, to clarify the financial responsibility requirements for offshore facilities. **(See next issue.)**

(3) Lott (for Kerry) Amendment No. 3060, to provide for the deauthorization of a navigation project in Cohasset Harbor, Massachusetts.

(See next issue.)

National Family Week: Committee on the Judiciary was discharged from further consideration of S. Res. 146, designating the week beginning November 19, 1995, and the week beginning on November 24, 1996, as ''National Family Week'', and the resolution was then agreed to. **(See next issue.)**

National Highway System Designation Act—Conference Report: By 80 yeas to 16 nays (Vote No. 582), Senate agreed to the conference report on S. 440, to amend title 23, United States Code, to provide for the designation of the National Highway System. **Pages S17203–27**

Budget Reconciliation—Conference Report: By 52 yeas to 47 nays (Vote No. 584), Senate receded from its amendment to H.R. 2491, to provide for reconciliation pursuant to section 105 of the concurrent resolution on the budget for fiscal year 1996, and concurred therein with a further amendment. (Pursuant to the Budget Act, that amendment is the text of the conference report (H. Rept. No. 104–350), excluding the provisions stricken on the point of order, listed below.) **Pages S17227–44**

(continued next issue)

During consideration of this measure today, Senate also took the following action:

By 54 yeas to 45 nays (Vote No. 583), three-fifths of those Senators duly chosen and sworn, not having voted in the affirmative, Senate failed to waive the Congressional Budget Act with respect to consideration of Section 1853(f) of the Social Security Act as added by Section 8001 of the bill. Subsequently, a point of order that the bill was in violation of section 313(b)(1) (A) and (D) of the Congressional Budget Act was sustained, and the provisions were stricken from the bill. **(See next issue.)**

Securities Litigation Reform Act: Senate insisted on its amendments to H.R. 1058, to amend the Federal securities laws to curb certain abusive practices in private securities litigation, agreed to the request of the House for a conference thereon, and the Chair appointed the following conferees: Senators D'Amato, Gramm, Bond, Grams, Domenici, Sarbanes, Dodd, Kerry, and Bryan. **(See next issue.)**

Messages From the House: **(See next issue.)**

Communications: **(See next issue.)**

Statements on Introduced Bills: **(See next issue.)**

Additional Cosponsors: **(See next issue.)**

Amendments Submitted: **(See next issue.)**

Authority for Committees: **(See next issue.)**

Additional Statements: **(See next issue.)**

Record Votes: Three record votes were taken today. (Total–584) **Page S17227 (continued next issue)**

Recess: Senate convened at 10 a.m., and recessed at 10:07 p.m., until 9:15 a.m., on Saturday, November 18, 1995. (For Senate's program, see the remarks of the Acting Majority Leader in today's RECORD on page S17245.)

Committee Meetings

(Committees not listed did not meet)

PARTIAL-BIRTH ABORTION BAN

Committee on the Judiciary: Committee concluded hearings on H.R. 1833, to ban partial-birth abortions, after receiving testimony from Douglas W. Kmiec, University of Notre Dame, Notre Dame, Indiana, former Assistant Attorney General, Office of Legal Counsel, Department of Justice; Pamela Smith, Mount Sinai Hospital Medical Center, Chicago, Illinois; Mary Campbell, Planned Parenthood of Metropolitan Washington, Helen Alvare, National Conference of Catholic Bishops, and Louis Michael Seidman, Georgetown University Law Center, all of Washington, D.C.; J. Courtland Robinson, Johns Hopkins School of Medicine, Baltimore, Maryland; Norig Ellison, American Society of Anesthesiologists, Philadelphia, Pennsylvania; Nancy G. Romer, Wright State University School of Medicine, Dayton, Ohio; Brenda Shafer, Franklin, Ohio; Coreen Costello, Agoura, California; Viki Wilson, Fresno, California; and Jeannie Wallace French, Oak Park, Illinois.

House of Representatives

Chamber Action

Bills Introduced: 6 public bills, H.R. 2657–2662; 1 private bill, H.R. 2663; and 7 resolutions, H.J. Res. 123–124, H. Con. Res. 114–115, and H. Res. 274, 277–278 were introduced. **Pages H13273–74**

Reports Filed: Reports were filed as follows:

Conference report on H.R. 2491, to provide for reconciliation pursuant to section 105 of the concurrent resolution on the budget for fiscal year 1996 (H. Rept. 104–350);

H. Res. 275, providing for consideration of motions to suspend the rules (H. Rept. 104–351); and

H. Res. 276, waiving a requirement of clause 4(b) of rule XI with respect to consideration of certain resolutions reported from the Committee on Rules (H. Rept. 104–352); and

Conference report on H.R. 2099, making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1996 (H. Rept. 104–353). **Pages H13249–73**

Committee To Sit: The Committee on Commerce and its subcommittees received permission to sit today during the proceedings of the House under the 5-minute rule. **Page H13148**

Balanced Budget Act: By a yea-and-nay vote of 237 yeas to 189 nays, Roll No. 812, the House agreed to the conference report on H.R. 2491, to provide for reconciliation pursuant to section 105 of the concurrent resolution on the budget for fiscal year 1996. **Pages H13157–H13205**

H. Res. 272, the rule which waived certain points of order against the conference report, was agreed to earlier by a yea-and-nay vote of 230 yeas to 193 nays, Roll No. 810. **Pages H13148–57**

Bosnia Deployment: By a recorded vote of 243 ayes to 171 noes, with 2 voting ''present'', Roll No. 814, the House passed H.R. 2606, to prohibit the use of funds appropriated to the Department of Defense from being used for the deployment on the ground of United States Armed Forces in the Republic of Bosnia and Herzegovina as part of any peacekeeping operation, or as part of any implementation force, unless funds for such deployment are specifically appropriated by law. **Pages H13223–48**

H. Res. 273, the rule under which the bill was considered, was agreed to earlier by a yea-and-nay vote of 239 yeas to 181 nays, Roll No. 813. **Pages H13206–22**

Question of Privilege of the House: By a recorded vote of 219 ayes to 177 noes, with 10 voting ''present'', Roll No. 815, the House agreed to the

Armey motion to table H. Res. 277, a privileged resolution. **(See next issue.)**

Meeting Hour: House agreed to meet at 9 a.m. on Saturday, November 18. **(See next issue.)**

Senate Message: Message received from the Senate today appears on page H13206.

Quorum Calls—Votes: One quorum call (Roll No. 811), three yea-and-nay votes, and two recorded votes developed during the proceedings of the House today and appear on pages H13156–57, H13181–82, H13205, H13222, H13248 (continued next issue).

Adjournment: Met at 9:30 a.m. and adjourned at 11:59 p.m.

Committee Meetings

DEPARTMENT OF ENERGY: MISUSE OF FEDERAL FUNDS

Committee on Commerce: Subcommittee on Energy and Power and the Subcommittee on Oversight and Investigations held a joint hearing on the Department of Energy: Misuse of Federal Funds. Testimony was heard from Hazel R. O'Leary, Secretary of Energy.

WAIVERS

Committee on Rules: Granted, by voice vote, a resolution waiving clause 4(b) of rule XI (requiring two-thirds vote to consider a rule on the same day as it is reported from the Committee on Rules) against the same day consideration of resolutions reported from the Committee on or before the legislative day of November 23, 1995. The resolution covers special rules that provides for the consideration or disposition of the bill (H.R. 2491) providing for reconciliation pursuant to sec. 105 of the concurrent resolution on the budget for fiscal year 1996, any amendment, any conference report or any amendment reported in disagreement from a conference report thereon; and to the consideration or disposition of any measure making general appropriations for the fiscal year ending September 30, 1996.

CONFERENCE REPORTS—CORRECTIONS IN ENROLLMENTS

Committee on Rules: Granted, by voice vote, a rule providing for the adoption of a House Concurrent Resolution correcting the enrollment of the Conference Report to accompany H.R. 2020 (Treasury/Postal Service Appropriations for fiscal year 1996) to include the enrolled copy of H.R. 2492 (Legislative Branch Appropriations for fiscal year 1996). Testimony was heard from Representative Hoyer.

MOTION TO SUSPEND THE RULES

Committee on Rules: Granted, by voice vote, a resolution providing that suspensions will be in order on Saturday, November 18, 1995 and that the object of any motion to suspend the rules is announced from the House floor at least 1 hour prior to its consideration. The Speaker or his designee shall consult with the Minority Leader or his designee on any matter designated for consideration under this resolution.

NEW PUBLIC LAWS

(For last listing of Public Laws, see DAILY DIGEST *p. D1352)*

H.R. 1103, entitled, "Amendments to the Perishable Agricultural Commodities Act, 1930." Signed November 15, 1995. (P.L. 104–48)

H.R. 1715, respecting the relationship between workers' compensation benefits and the benefits available under the Migrant and Seasonal Agricultural Worker Protection Act. Signed November 15, 1995. (P.L. 104–49)

H.R. 2002, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1996. Signed November 15, 1995. (P.L. 104–50)

S. 457, to amend the Immigration and Nationality Act to update references in the classification of children for purposes of United States immigration laws. Signed November 15, 1995. (P.L. 104–51)

COMMITTEE MEETINGS FOR SATURDAY, NOVEMBER 18, 1995

Senate

No committee meetings are scheduled.

House

No committee meetings are scheduled.

Next Meeting of the SENATE

9:15 a.m., Saturday, November 18

Senate Chamber

Program for Saturday: Senate may consider further continuing appropriations.

Next Meeting of the HOUSE OF REPRESENTATIVES

9 a.m., Saturday, November 18

House Chamber

Program for Saturday: Consideration of 1 Suspension:

1. H.J. Res. 123, Continuing Resolution; and

Further consideration of the conference report on H.R. 2491, Balanced Budget Act of 1995.

(Senate and House proceedings for today will be continued in the next issue of the Record.)

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