

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

## NAYS—193

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

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

## NOT VOTING—9

Becerra	Fields (LA)	Neumann
Brewster	Harman	Talent
Collins (IL)	McDermott	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 gentleman woman 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 col-

leagues 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 week 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 it "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 expect 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 breaks 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 be 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 prior-

ities. 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 protection 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 minute 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.

□ 1300

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" vote 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 ac-

cess 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 wind-fall 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 the 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 Shinari. 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. Busi-

nesses 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 gen-

tlewoman 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 gentleman 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 rec-

onciliation 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 as 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 medical 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 Medigiant 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 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 bal-

ancing 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-Army 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 gentleman 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 gentleman 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 fu-

ture 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.

□ 1400

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 gentleman 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].



□ 1415

(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].

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 mili-

tary 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	Bum	Collins (MI)
Becerra	Bunning	Combest
Beilenson	Burton	Condit
Bentsen	Buyer	Conyers
Bereuter	Callahan	Cooley
Bevill	Calvert	Costello