HOUSE OF REPRESENTATIVES—*Wednesday, February 17, 1993*

The House met at 2 p.m. and was called to order by the Speaker pro tempore [Mr. MONTGOMERY].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
February 17, 1993.

I hereby designate the Honorable G.V. (SONNY) MONTGOMERY to act as Speaker pro tempore on this day.

THOMAS S. FOLEY,
Speaker of the House of Representatives.

PRAYER

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

O gracious God, you have been our foundation and strength, our providence for all the years. Our Nation has been blessed in good season and in bad and Your grace is ever available to us. We pray that Your spirit will remind us of Your direction in the past and our hope for tomorrow that in all things justice will flow down as waters and righteousness like an everflowing stream. Amen.

THE JOURNAL

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

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

Mr. MCNULTY. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Chair's approval of the Journal.

Mr. SPEAKER pro tempore. The question is on the Chair's approval of the Journal.

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

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

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

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 264, nays 136, not voting 30, as follows:

[Roll No. 32]

YEAS—264

Abercrombie
Andrews (ME)
Andrews (TX)
Applegate
Archer
Bacchus (FL)
Baesler
Barcia
Barlow
Barrett (WI)
Bateman
Becerra
Beilenson
Berman
Bevill
Bilbray
Bishop
Blackwell
Boehlert
Borski
Boucher
Brewster
Brooks
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Buyer
Byrne
Cantwell
Cardin
Carr
Chapman
Clayton
Clement
Clinger
Clyburn
Coleman
Collins (IL)
Collins (MI)
Combest
Condit
Cooper
Coppersmith
Costello
Coyne
Cramer
Danner
Darden
de la Garza
Deal
DeFazio
DeLauro
Derrick
Deutsch
Dickey
Dicks
Dingell
Dixon
Dooley
Dunn
Durbin
Edwards (CA)
Edwards (TX)
Engel
English (AZ)
English (OK)
Eshoo
Evans
Fazio
Fields (LA)
Filner
Fingerhut
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Furse
Gejdenson
Geren
Gibbons
Gillmor
Gilman
Glickman
Gonzalez
Gordon
Green
Greenwood
Gunderson
Gutierrez
Hall (TX)
Hamburg
Hamilton
Harman
Hastings
Hayes
Hefner
Hilliard
Hinchey
Hoagland
Hochbrueckner
Holden
Houghton
Hughes
Hunter
Hutto
Hyde
Inglis
Inslee
Jefferson
Johnson (GA)
Johnson (SD)
Johnson, E.B.
Johnston
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kingston
Kleczka
Klein
Klink
Kopetski
Kreidler
LaFalce
Lambert
Lancaster
Lantos
LaRocco
Laughlin
Levin
Lewis (GA)
Lipinski
Livingston
Long
Lowey
Maloney
Mann
Manton
Margolies-Mezvinsky
Markey
Martinez
Matsui
Mazzoli
McCloskey
McCollum
McCurdy
McDermott
McHale
McMillan
McNulty
Meehan
Meek
Menendez
Mfume
Miller (CA)
Mineta
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Murtha
Myers
Nadler
Natcher
Neal (MA)
Neal (NC)
Oberstar
Olver
Ortiz
Orton
Owens
Packard
Pallone
Parker
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Penny
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Pombo
Pomeroy
Poshard
Price (NC)
Rahall
Rangel
Ravenel
Reed
Reynolds
Richardson
Roemer
Rose
Rostenkowski
Rowland
Roybal-Allard
Rush
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Sawyer
Schenk
Schumer
Scott
Sharp
Shaw
Shepherd
Sisisky
Skaggs
Slattery
Slaughter
Smith (IA)
Smith (NJ)
Snowe
Spence
Spratt
Stark
Stenholm
Stokes
Strickland
Studds
Stupak
Swett
Swift
Synar
Tanner
Tauzin
Tejeda
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Tucker
Unsoeld
Velazquez
Vento
Visclosky
Volkmer
Waters
Watt
Waxman
Wheat
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates

NAYS—136

Allard
Bachus (AL)
Baker (CA)
Baker (LA)
Ballenger
Barrett (NE)
Bartlett
Bentley
Bereuter
Bilirakis
Bliley
Blute
Boehner
Bonilla
Bunning
Burton
Callahan
Calvert
Camp
Canady
Castle
Clay
Coble
Collins (GA)
Cox
Crane
Crapo
Cunningham
DeLay
Doolittle
Dreier
Duncan
Emerson
Everett
Ewing
Fawell
Fowler
Franks (CT)
Franks (NJ)
Gallegly
Gallo
Gekas
Gilchrest
Goodlatte
Goodling
Goss
Grams
Grandy
Hancock
Hansen
Hastert
Hefley
Herger
Hobson
Hoekstra
Hoke
Horn
Huffington
Hutchinson
Inhofe
Istook
Jacobs
Johnson (CT)
Kim
King
Klug
Knollenberg
Kolbe
Kyl
Lazio
Leach
Levy
Lewis (CA)
Lewis (FL)
Lightfoot
Linder
Machtley
Manzullo
McCandless
McCrery
McHugh
McInnis
McKeon
Meyers
Mica
Miller (FL)
Molinari
Moorhead
Morella
Murphy
Nussle
Oxley
Paxon
Petri
Quillen
Quinn
Ramstad
Regula
Ridge
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Saxton
Schaefer
Schiff
Schroeder
Sensenbrenner
Shays
Shuster
Skeen
Smith (MI)
Smith (OR)
Smith (TX)
Solomon
Stearns
Stump
Sundquist
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (WY)
Torkildsen
Upton
Vucanovich
Walker
Walsh
Weldon
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—30

Ackerman
Andrews (NJ)
Armey
Barton
Bonior
Conyers
Dellums
Diaz-Balart
Dornan
Fields (TX)
Gephardt
Gingrich
Hall (OH)
Henry
Hoyer
Johnson, Sam
Lehman
Lloyd
McDade
McKinney
Michel
Obey
Porter
Pryce (OH)
Serrano
Skelton
Talent
Valentine
Washington
Whitten

□ 1424

Mr. GRAMS changed his vote from "yea" to "nay."

Ms. SHEPHERD changed her vote from "nay" to yea."

So the Journal was approved.

The result of the vote was announced as above recorded.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore (Mr. MONTGOMERY). The Chair will ask the

□This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

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gentleman from California [Mr. TORRES] if he would kindly come forward and lead the membership in the Pledge of Allegiance.

Mr. TORRES led the Pledge of Allegiance as follows:

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

PARLIAMENTARY INQUIRY

Mr. SOLOMON. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. SOLOMON. Mr. Speaker, I am trying to ascertain what is taking place. Is there a resolution pending dealing with the joint session tonight, or is that going to be delayed until after the 1-minutes?

The SPEAKER pro tempore. That will be offered sometime later today, and the Chair will now recognize Members for the 1-minutes.

Mr. SOLOMON. Mr. Speaker, I thank the Chair very much.

A GOOD DEAL

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

Mr. DERRICK. Mr. Speaker, President Bill Clinton will ask all Americans to make their contribution for a better future when he addresses the Nation tonight.

With the support of the Congress and every citizen, the Clinton blueprint to restore the economy and to slice the deficit will succeed.

The Clinton plan asks the American people to link hands and to stride into the future. The previous two administrations mortgaged the future to prop up the present. The Reagan-Bush legacy is: A health care system few Americans can afford. College for only the wealthy. U.S. jobs swept away by overseas competition.

President Clinton will ask all Americans to join him by making a contribution to the restoration of the economy and our future.

In exchange, we will have affordable health care, college for our children, new jobs and real cuts in spending leading to deficit reduction.

Mr. Speaker, the Clinton economic plan. That is a deal the American people cannot afford to pass up.

BE TRUE TO THE MIDDLE CLASS

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

Mr. SAXTON. Mr. Speaker, the spin coming out of the White House over the last 24 hours is how honest the President has been about raising taxes.

I am not surprised he is raising taxes, we all knew he would. In fact, he said he would raise taxes on the Nation's wealthy during his campaign.

What I am concerned about is the President being less than truthful with the middle class in this country, and breaking his campaign pledge not to raise taxes.

Mr. Speaker, I would like to remind the President that it is the middle class and they are not stupid.

Mr. Speaker, in less than 7 hours, the President will issue his State of the Union Address.

As the President puts the final touches on this speech to Congress and the Nation, I hope he feels compelled to keep his promise and eliminate any and all tax increases on hard working, middle class Americans.

THE PRESIDENT WILL SPEAK THE TRUTH

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

Mr. RICHARDSON. Mr. Speaker, tonight the President will speak the truth, no more smoke and mirrors, no more gimmicks. He will propose the biggest deficit reduction package in history.

We all will take a hit, but the rich will be hit hardest. His plan will create 500,000 jobs through a stimulus package. His plan will protect children.

□ 1430

His plan will protect middle- and low-income people, through the earned income tax credit. His plan will focus on education and training. His plan will be a boost to the business sector, especially small business.

Mr. Speaker, we all will have to sacrifice because we have a fiscal deficit crisis in this country. The President will show his leadership qualities tonight.

THE DESPERATE TACTICS START TONIGHT

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

Mr. WELDON. Mr. Speaker, there were many emotional moments during this past fall campaign, but perhaps no statement was as emotional as the one made by then-candidate Clinton on October 1 in response to President George Bush telling us that to implement his plan would tax every American who made more than $36,000.

I quote:

It is a disgrace to the American people that the President of the United States would make a claim that is so baseless, so without foundation, so shameless in its attempt to get votes under false pretenses. It amounts to desperate tactics.

Mr. Speaker, the Philadelphia Inquirer summed it up best today with the headline "Clinton Taxes to Start at $30,000."

Mr. Speaker, the desperate tactics start tonight in this very Chamber, and I am ashamed.

THE KIND OF CHANGE AMERICANS ARE LOOKING FOR

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

Ms. DELAURO. Mr. Speaker, tonight this Congress, and the Nation, will get some straight talk from the other end of Pennsylvania Avenue.

For the first time in many years we will hear an honest assessment of the state of our Union, from a President realistic about our problems, and prepared to confront our economic emergency. And that, Mr. Speaker, is what the American people have been waiting for.

There is nobody who should understand this better than those of us in this body. We who hear daily from angry constituents tired of gridlock and frustrated by inaction.

I believe that the American people are awaiting President Clinton's appearance with anticipation. They are eager for a plan that will put people back to work. They are eager for a blueprint that calls for difficult, but necessary, cuts in government spending and that challenges the special interests. And they are eager for a leader who will demand, for the first time in many years, that the wealthiest Americans pay their fair share. And that is what the President will propose.

Straight talk. A plan to create jobs—to repair our economy. This is the kind of change American's are looking for from Washington.

"IT'S THE SPENDING, STUPID"

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

Mr. BURTON of Indiana. Mr. Speaker, yesterday Congressman SAM JOHNSON of Texas said, "It is spending, stupid, not taxes."

That is what this button says: "It is spending, stupid." The Government spending is out of control in this country. That is the issue, not more taxes.

And yet, like Caesar saying to those in the arena, "Let the games begin," tonight President Clinton will say, "Let the taxes begin."

He is going to give us the largest tax increase in American history. The total, it appears, is going to be around $275 billion. And that will just kill a growing economy.

He is going to raise taxes on everyone, the people making $30,000 or more, and even those less. The energy tax he is talking about is going to hit everybody, not just those in the upper income levels.

There is going to be a so-called millionaires tax; a tax he is going to ask for on people getting social security benefits; he is going to get us all, folks.

Yet, according to the New York Times, that is not the end of it. They say today he is going to raise 18 more taxes, totaling another $190 billion.

Tax, tax, tax, that is not the answer. If we are going to have a strong economy, Mr. Speaker, we are going to have to get the spending under control, not more taxes.

INVESTING TO REBUILD AMERICA

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

Mr. SKAGGS. Mr. Speaker, in 1980, our national debt was $1 trillion. Now, 12 years later, it is over $4 trillion.

What have we gotten for this mountain of debt? Hard working families that cannot afford to send their children to college. Over 34 million Americans, most of whom work full-time jobs, that do not have health insurance. And most middle-income families are working harder today than ever before but for lower real income.

We cannot afford to continue with the stale and failed policies that have led us into this mess. If we stay the course we are on, our national debt will have doubled again by the turn of the century.

Tonight President Clinton will lay out his economic plan to change the direction of our Nation. It is a bold plan—a plan that will put Americans back to work—creating millions of new jobs over 4 years. It is a responsible plan that demands that those who enjoyed the party of the 1980's now pay their fair share of the bill for that excess. No more leaning on middle-income families to pay for the tax breaks of the wealthy.

Clinton's budget addresses the real problems we face as a nation—and it does it head on with honest, even conservative numbers. No more smoke and mirrors; no more budgetary deceit. It combines incentives for businesses to stimulate the economy and investment in our Nation's infrastructure, with strict deficit reduction to achieve economic growth, including over 150 specific cuts in Federal programs.

To those who would dismember the President's plan before it has even seen the light of day—we cannot afford to continue with it your way. Except for the chosen few who prospered under the past regime, the American people are struggling—trying to keep afloat.

I pray we have learned the lesson of these past 12 years: The policies of pay for it later, instant gratification not only do not work, but undermine the very discipline of the economy. Responsible investment now is the only way to reap—somewhat later—the benefits we all seek: good jobs, economic growth, affordable health care, and a good education system.

For our future, for the future of our children, I urge my colleagues to support the President.

IT'S THE SPENDING, STUPID

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

Mr. GOSS. Mr. Speaker, it seems all the emphasis in the economic discussion has been on who is going to pay the most, how we define the middle class, and where the pain will fall.

I guess it is just understood the Democrats are going to raise taxes, so what is the point of having any debate about that?

But it appears that the President has missed the point. To paraphrase his campaign in the words we have heard today, "It's the spending, stupid."

Since the campaign, from the administration we have heard nothing about a balance budget amendment, we have heard nothing encouraging about a line-item veto, and hardly a whisper about cutting the inordinate amounts of wasteful spending, which the GAO estimates is approaching $200 billion a year, in the Government.

Higher taxes and more taxes spell big-dollar troubles for all Americans. Clearly, the middle-class people, those forgotten Americans, of the Clinton campaign are no longer being forgotten. They have been discovered by the Democrats, at least their pocketbooks have.

Our economy is struggling to its feet, and this new program of tax and spend will simply beat it back down onto its knees.

Remember 1990, with the Budget Deficit Reduction Act, where every dollar raised in $160 billion in new taxes led to an increased spending of $2.27? Well, with the $250 billion new Clinton tax program, will be at $4 for every dollar raised?

News flash: That will not erase the deficit.

TODAY IS THE BEGINNING OF A NEW ERA

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

Ms. CANTWELL. Mr. Speaker, today I rise to recognize the beginning of a new era, one that calls for fiscal responsibility and honesty. Tonight we will hear from President Clinton on a plan that I think will put us on the road to economic recovery, but it is with a budget that has followed a plan of integrity. Earlier this week, the President spoke frankly about American responsibility to the challenges that lie ahead. Tonight we will hear that specifics of that proposal.

Let us not close our ears nor turn our backs to those specifics just because of our partisan politics or our districts. Let us say that it is time to stand up to these tough problems and not stand on the sidelines and complain. I think the President is going to be very specific about the structural changes needed to increase incomes for all American workers, to provide investments, to cut Government spending and reduce the deficit.

Let us be responsible, Americans, and not just throw rhetoric.

PRESIDENT CLINTON IS GOING TO TAX EVERYONE, EVEN THE WORKING POOR

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

Mr. EWING. Mr. Speaker, tonight President Clinton is going to promise to cut spending; that is good news. But in addition, he is going to also promise that he is going to raise taxes $250 billion or more. Three weeks ago he promised $2 in cuts for every dollar of new taxes. That is good news.

But now his aides say they hope the cuts will equal the taxes. But with the rate at which the taxes are increasing, there is no way that the cuts can equal the taxes.

Mr. Speaker, my phone has been ringing off the wall, with angry and betrayed taxpayers who believed that they were going to have in this President somebody who is going to tax the rich but in fact he is going to tax everyone, even the working poor, the unemployed and the elderly.

It is time that he renewed his original promises, or he will face the wrath of the voters in the years to come.

☐ 1440

IMMUNIZATION

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

Mr. BROWN of Ohio. Mr. Speaker, tonight the President will chart a course out of the economic crisis confronting our country.

The President will make the case for investing in America again.

But that investment must include not only the physical infrastructure of roads and bridges but our human infrastructure, boys and girls, and especially infants.

They are our future; we must invest in them.

Today in America, 30 percent of our 2-year-olds do not receive the proper immunizations.

In some cities, up to half the 2-year-olds have not been immunized.

Measles has reached epidemic proportions.

Tuberculosis is on the rise. Other childhood illnesses are killing our kids.

Yet vaccines are safe and effective. What is more, vaccines make good economic sense. Every dollar we invest now, every dollar we spend now on immunizations will save $10 later in health care costs.

I urge all Members to support the President's program to make vaccines available to the youngest and most helpless members of our American community.

ARE YOU A PATRIOT?

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

Mr. HASTERT. Mr. Speaker, in his speech on Monday night, President Clinton invoked patriotism as the badge of honor for those who support his program. Those who question it or disagree are special interests and, at least in the President's mind, not patriots. I question the President's attempt to cloak his tax-and-spend program with the American flag.

This country has many kinds of patriots. Some risked their lives to fight for their country in time of war and they are now facing the prospect of increased taxes on their Social Security. They are no less patriots if they question the need to increase their taxes while providing little in the way of meaningful deficit reduction.

Many now feel misled because of President Clinton's about face on giving the middle class a tax cut. Are those people unpatriotic if they express their anger at being deceived?

Are they unpatriotic if they ask about cutting spending instead? If I remember history correctly, the first American patriots began by asking real questions about taxes.

PRESIDENT CLINTON'S ECONOMIC PACKAGE

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

Mr. RAHALL. Mr. Speaker, tonight President Clinton unveils his economic plan to the Nation.

He will speak of fairness. He will speak of creating 500,000 real jobs, investing in America, investing in education, providing vaccinations and fully funding Head Start for our children, reducing the deficit, and health care for all Americans.

President Clinton will speak from real figures, no smoke, screens and mirrors anymore, but honesty in budgeting.

For 12 years we have been told we must spend billions on bombers—that there are no millions for our bridges.

Tomorrow, Mr. Speaker, the Congress can say to the President, let the dirt fly. Let us rebuild America.

Let us rebuild our water systems, our highways and our bridges of steel.

Let us rebuild our bridges of heart, rather than a heartless recovery, and hope for our children's future. Some say do nothing, that "In the long run we will grow out of this mess."

Well, Mr. Speaker, as a great man once said, "People don't eat in the long run, they eat every day."

MIDDLE CLASS TAX HIKE NOT PATRIOTIC, BUT IDIOTIC

(Mr. BOEHNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks, and to include extraneous material.)

Mr. BOEHNER. Mr. Speaker, Monday, the President offered his reasons for abandoning the middle class and used a lot of fancy charts and figures to make his case.

Well, he left one chart out, this one. Over the last 12 years, Government revenues have increased dramatically.

The problem in not that we do not tax enough, it is that Government spends too much.

The President has reverted to true form, that of a tax and spend, old-time Democrat. He has abandoned tens of millions of middle-class voters that trusted him.

Raising taxes on the middle class is not patriotic, it is idiotic.

Five times in the past 12 years we have told middle-class Americans that we must raise their taxes to balance the budget. Five times, we have told middle class America that we would control spending. Five times, we have betrayed the middle class. Let us not try tax and spend again.

THE PRESIDENT'S MESSAGE OF COMMITMENT TO CHANGE

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

Ms. DANNER. Mr. Speaker, tonight President Clinton will address the American people. At that time he will produce a plan to foster a faster growing economy, a more productive economy, one that will produce more jobs, produce more jobs in order to address the unemployment and underemployment faced by far too many American citizens today.

Tonight, we will hear from President Clinton. He will talk to us about developing a much-needed cooperative link between government and the private sector, where the needs and concerns of the private sector take their well-deserved place in the overall picture of our economic well-being.

Mr. Speaker, tonight from our President we will hear a message of a commitment to change, fairness, economic recovery, and honesty, honesty in his figures. As you have heard my colleagues say, no smoke and mirrors this time.

What that means to the people of my district, the Sixth District of Missouri, is a promise of action from those of us here in Washington. What that means to us is a rededication to change, with a spirit of cooperation and fairness.

REAL CANDOR WOULD HELP IN THE FISCAL DEPARTMENT

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

Mr. HYDE. Mr. Speaker, among the great mysteries of the current time is whatever happened to the middle-class tax cut? It is now a middle-class tax increase.

I recall recently the President saying that the reason for this reversal is the upward revision in the deficit figures that the Bush administration finally provided. The deficit is higher than he had imagined or dreamed, he said, therefore, the notion of a balanced budget, much less a middle-class tax cut had gone aglimmering.

In my ongoing research, I came across Business Week of July 6, 1992, reporting on a June 23 interview with the then-candidate for the Presidency, Mr. Clinton. He was asked:

> Why are you revising your economic strategy now and backing away from the goal of a balanced budget by 1996?

This is last June, Mr. Speaker. Mr. Clinton's answer was:

> A When I began the campaign, the projected deficit was $250 billion. Now, it's up to $400 billion. I've watched the economy pick up very slowly, if at all. I hadn't cut government as much as I wanted to, and I need to put teeth into that idea.

So the President well knew that the deficit was $400 billion last June. It just seems to me a little candor on the part of Mr. Clinton would help us as we debate the tax and spend proposals we will hear about tonight.

THE UNFAIR PROSECUTION OF CONGRESSMAN HAROLD FORD

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

Mr. BLACKWELL. Mr. Speaker, I rise to protest what seems clearly to be a case of unfair prosecution.

Of course, I speak of the retrial of the first and only African-American Congressman from the State of Tennessee, our colleague, HAROLD FORD.

In an unusual and unprecedented move, the prosecution has relocated the trial of Congressman FORD out of the jurisdiction where he lives to a jurisdiction where the potential jury consists of 11 whites and only 1 African-American.

In promoting its position, the prosecution argues that a fair trial cannot be held where Congressman FORD lives, a congressional district that consists of some 400,000 African-Americans.

This incredible position, combined with the fact that the indictment in this case was handed down more than 6 years ago, creates a situation never before heard of in American criminal justice history.

Congressman FORD now faces this unfair prosecution. Mr. Speaker, this is a serious and dangerous situation. The whole notion of justice is at risk.

If this can be done to Congressman FORD in the light of day, imagine what is done under the cloak of darkness.

Those who believe in our Constitution; those who defend civil liberties; those who support blind justice, must stand up now for Congressman FORD.

The prosecution in this case does not seem to be interested in justice. They have sought to impose a system on Congressman FORD that they would not tolerate if imposed on them.

Mr. Speaker, in the case of HAROLD FORD, we need to open our eyes, because a purported system of blind justice is causing far too many not to see at all.

□ 1450

WE MUST FIGHT A TAX INCREASE

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

Mr. KIM. Mr. Speaker, according to President Clinton, Americans have been working harder for less. Well, if this package of sacrifice passes through this Chamber, Americans would be working even harder for much less.

I remember the last tax increase led us into double digit inflation and a misery index higher than the Empire State Building. The budget deficit also doubled. Do we really think another tax increase would be the solution?

Mr. Speaker, the answer is resoundingly "No." Raising taxes may seem like an easy solution, but in reality tax increases only compound the problem.

The sham of this whole program is that it assumes that our citizens are undertaxed. This simply is not the case. Taxes as a share of GDP are historically at the highest level right now.

It is ultimately unpatriotic if we do not fight this tax increase program if the President's proposal is nothing more than another tax and spend plan. Then this Congress must vote "no."

NCLR CELEBRATES ITS 25TH ANNIVERSARY

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

Mr. TORRES. Mr. Speaker, some time ago—in fact, longer ago than I care to admit—I was honored to serve as the executive director of the East Los Angeles Community Union. TELACU, as it is more commonly known, is a significant organization in its own right.

It is significant in another way, for TELACU was one of the first local affiliates of the organization that is now known as the National Council of La Raza. NCLR was a small institution struggling to survive. But even then, it was fervently committed to the proposition that Hispanics deserve an equal opportunity to succeed in all aspects of American life.

Now, more than two decades later, we have yet to fully realize our goals: too many Hispanic Americans must overcome poverty and discrimination in their lives. Too many Americans still fail to appreciate the condition and contributions of the Hispanic community. Too few of our public or private institutions are responsive to the interests and needs of Hispanics.

But we have made much progress as a community and a nation, and we have done so in large part because of the contributions of the National Council of La Raza. This year, NCLR celebrates its 25th anniversary. I have watched with great pride over the years as NCLR has become not just the principal national Hispanic organization, but an important American institution.

The National Council of La Raza has emerged from its humble beginnings to become "the leading Hispanic think tank in the country," according to the Albuquerque Tribune; the Nation's "principal" Latino group, according to the Baltimore Sun; and "by all accounts the most effective" Hispanic organization, according to Hispanic Business magazine.

The inside-the-beltway reviews are equally glowing. A senior Brookings Institution official found that NCLR is perhaps the most respected Hispanic organization. A Fortune 500 chief executive describes NCLR as "the single most important Hispanic organization." Our colleague Howard Berman has said that it is "unexcelled in the legislative arena"; while our former colleague Steve Bartlett has cited NCLR's work as "invaluable."

As proud as I am of this praise, I am even prouder of the record of accomplishment of NCLR and its affiliate network. Its affiliates have built thousands of affordable housing units and created thousands of jobs. They have fed, clothed, or educated hundreds of thousands of needy families, helped thousands of immigrants obtain legal status and learn English, and delivered health and social services to hundreds of thousands more. All together, NCLR's 150 local affiliates comprise the largest network in the Hispanic community, serving over 2 million persons per year.

The National Council of La Raza network has also served as a crucial training ground for our community's leaders. Our colleague, Ed Pastor, chaired NCLR's board of directors during its crucial, formative years. The late Willie Velasquez conceived, developed, and later spun off the southwest voter registration project while a member of the NCLR staff. Cabinet members Henry Cisneros and Federico Pena, Texas State Senator Carlos Truan, former Colorado State Senators Polly Baca and Don Sandoval, and a whole new cadre of emerging leaders like Texas County Judge Alicia Chacon, California State Assemblywoman Martha Escutia, and dozens of others are all part of the NCLR family.

And, speaking of leadership, NCLR's enormous success is, obviously, due in great part to its own leadership. Raul Yzaguirre, NCLR's president, has led the organization for 18 years. In 1980, he was the first Hispanic to receive the Rockefeller Award for Public Service by the trustees of Princeton University. In 1985, he received the Common Cause Award for Public Service. In 1989, he became one of the first Latino Fellows at the Institute of Politics at Harvard University's Kennedy School of Government. In 1992, he received Hispanic magazine's Community Service Award and was named the recipient of the Aguila Award, the Government of Mexico's highest honor. And this year, he was awarded the Martin Luther King Medallion by the trustees of George Washington University. Little wonder that Yzaguirre is, according to Hispanic magazine, "at the center of the Hispanic leadership stage."

In this, the National Council of La Raza's silver anniversary year, I think it's appropriate to recognize this important, unique American institution. I'm proud to have been associated with NCLR at the very beginning, and I look forward to its continuing growth and development as it seeks to meet the many challenges that still face the Hispanic community.

Tomorrow night, many of us will be attending the National Council of La Raza's congressional recognition reception and dinner. I invite my colleagues to join me at the event.

WHAT HAPPENED TO SPENDING CUTS?

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

Mr. BACHUS of Alabama. Mr. Speaker, what happened to spending cuts?

At his confirmation hearings, President Clinton's Budget Director, Leon Panetta, promised that the Clinton program would provide at least $2 of spending cuts for every $1 of tax increases. Mr. Panetta also promised the American people "truth in budgeting" from the Clinton administration. Well, let us say goodbye to another couple of good intentions.

By President Clinton's own estimate, spending cuts will be about half the package, not two-thirds. And, the President gets to the one-half for spending cuts only by labeling a major tax increase on Social Security recipients as a spending cut. With that kind of creative accounting I am surprised that the President has not managed to claim that his entire package is one of spending cuts.

For those of my colleagues who are looking for a simple test to distinguished spending cuts from tax increases, I have one: If the amount you pay on your form 1040 goes up, it's a tax increase.

SINCE WHEN DID POPULARITY BECOME A CRIME?

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

Mr. TRAFICANT. Mr. Speaker, the Department of Justice says that Congressman HAROLD FORD is too popular. He is too popular to be tried by a jury of his peers in Memphis, so thay are busing in an almost all-white jury.

Now this does not seem like busing to me. This sounds like railroading.

My colleagues, since when did popularity become a crime, and what has happened to the Constitution in America? This case is ridiculous. Eighteen jurors and alternates, and only one black juror. Since when did busing get to be so damn fashionable in America?

Mr. Speaker, HAROLD FORD is not being prosecuted. HAROLD FORD is being persecuted, and Congress should be calling for an investigation into the damn Justice Department.

THE CLINTON ANTHEM

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

Mr. HOKE. Well, President Clinton has finally done it. Has made wanting to pay more taxes the new litmus test for patriotism. So, with apologies from me to a very good friend, Lee Greenwood, the country singer, let me say:

I'm proud to be an American, so can I please pay more tax? For I'm honored to contribute to a President who plays the sax. And I'm proud to sacrifice my hard-earned dough and salute you when I say I'm going to send you a great big check with my Form 1040-A.

SHADES OF RODNEY KING

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

Mr. WYNN. Mr. Speaker, I rise this afternoon to take exception to the treatment of one of our colleagues, the distinguished Congressman from Tennessee, HAROLD FORD. He served the State of Tennessee honorably for 20 years. Now he is being retired on a 6-year-old charge of bank fraud and conspiracy.

Mr. Speaker, in the first trial 2 years ago held in Memphis the jury consisted of eight blacks and four whites, and the trial ended in a hung jury. Citing Mr. FORD's popularity in Memphis the prosecution persuaded the judge to order the selection of a jury from Jackson 100 miles away, apparently in order to find jurors with no racial or political bias.

Now Memphis is majority black, and Jackson is majority white. It comes as no surprise then that the Jackson jury consists of 17 whites and only 1 black.

Shades of Rodney King. Why, when we have a high profile case, do we have to exclude the entire black community in order to find a fair and impartial jury?

Today, Mr. Speaker, HAROLD FORD is not asking for a perfect trial. He is only asking for a fair trial.

CHANGE! (OF THE DICTIONARY)

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

Mr. BONILLA. Mr. Speaker, President Clinton, elected on a mandate of change, now wants to change the dictionary.

Here are some examples: "Contribution," means taxes. "Sacrifice," means taxes. And now, even "patriotism" means taxes.

At this rate, Webster will have to update the dictionary every time the President proposes a new tax.

I do not know about all the other Members of this body, but I give my contribution to my church, a "sacrifice" is a play in baseball and "patriotism" is love of country.

I wish President Clinton would keep to the basics, tell the truth to the working people of this country and call a tax just what it is: a tax.

THE RIGHT TO A FAIR TRIAL IS BEING VIOLATED

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

Mr. TOWNS. Mr. Speaker, I stand before my colleagues because an injustice is being done to my colleague, HAROLD FORD. Our Constitution with its Bill of Rights is designed to promote fairness and protect individuals from abuse by their Government. In this case the Government did not, and I say did not, prove guilt to the satisfaction of 12 jurors, so it moved and started all over. The prosecutor believes in the old saying, "If at first you do not succeed, you try, you try, and you try again."

Mr. Speaker, it bothers me that the right to a fair trial by your peers is being violated. The prosecutor has moved 100 miles outside of Memphis precisely because the jury in Memphis, where Mr. FORD lives, after hearing the evidence, refused to convict. By moving the trial the prosecutor is shopping for a jury that would prefer him, his witnesses, and his version of events.

Mr. Speaker, it is precisely this type of governmental abuse that the Constitution sought to prevent. But maybe this court will not allow it.

The late Thurgood Marshall's words apply here as well as to the Supreme Court.

"Power, not reason, has become the currency of this court." Reason would not allow this gross injustice.

I think that the people who represent law and justice must speak out because our Constitution is being attacked.

□ 1500

CUT SPENDING, DON'T PILE ON TAXES

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

Mr. SMITH of Texas. Mr. Speaker, the American people know that the deficit is bad for the country. The American people also know we can reduce the deficit by cutting what the Government spends or by increasing what the Government collects through taxes.

Let me show you a chart that you will not see the President use when he talks about the deficit. It shows that Government spending was $230 billion in 1972 and is $1.4 trillion today. That means that Government spending has increased almost 500 percent over the last 20 years.

Here's another chart you will not see the President use. It shows that Federal revenues during the last 20 years have increased over 400 percent.

The implication is clear. We have not been able to tax our way out of deficits over 20 years and we will not be able to do so now.

The American people today stagger under the heaviest tax burden ever. Americans work, on the average, 126 days of the year, until May 5, to pay their taxes. After that, they finally get to keep what they earn.

The way to reduce the deficit and strengthen our economy is to cut excessive Government spending, not pile on more taxes.

LET PRESIDENT STICK TO HIS PLAN

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

Mr. HOEKSTRA. "Read my plan." I have here a direct quote from President Clinton from October 20 in the New York Times:

> Now I will tell you this: I will not raise taxes on the middle class to pay for these programs. I am not going to raise taxes on the middle class to pay for these programs. I am not going to tell you read my lips, but I can tell you this: I am not going to raise taxes on the middle class Americans to pay for the programs I have recommended.
>
> Read my plan.

Mr. Speaker, I will keep an open mind as I listen to the President tonight, but the American people and I have heard his plan. So what is the question and what is all the excitement about? The only question is, let us see if the President does stick to his plan.

A HEALTHIER AMERICA BACK AT WORK

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

Mr. MAZZOLI. Mr. Speaker, just as if he were a doctor administering a treatment to a sick patient, tonight, a few feet from where I stand, the President will come to deliver to us what could be called bitter economic medicine. But it must be remembered that that bitter economic medicine has a payoff—a payoff in a stronger economy, a payoff in a healthier population, a payoff in lower interest rates, and a payoff in more jobs—both in human infrastructure programs, education and training, and in physical infrastructure such as bridges and highways.

In that setting, this Friday Secretary Peña, Secretary of Transportation, will be in Louisville, KY, to talk with local leaders there about our $100 million of ready-to-go infrastructure programs which we have in Louisville, airport construction, sewer construction, transit construction, and also light rail.

So I would emphasize and hope that our colleagues would recognize that the President's message of pain carries with it a message of payoff in the form of a healthier America, an America which is back at work.

AMERICA NEEDS A RESPONSIBLE PRESIDENT

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

Mr. MANZULLO. Mr. Speaker, the approval rate of Congress has fallen to an all-time low of 16 percent. I can understand that because yesterday while the stock market fell by 85 points, we were voting on the issue of the preservation of whales. It goes to show the irony that has taken place with regard to the President's plan. He is trying to bring the economy under control while at the same time increasing the breadth and scope and jurisdiction of the Federal Government.

You cannot insist on motor-voter registration, you cannot insist on mandated family care, without more regulations, more rules, and more laws. In fact, Mr. Clinton's idea of cutting out fat is to lay off ladies who are opening letters in the basement of the White House and to hire 50 lawyers on his staff in order to help him with regulations.

What Mr. Clinton is doing, Mr. Speaker, is cruel to the farmer, it is cruel to those on fixed incomes, and it is cruel to the poor. We do not need more taxes, we need a responsible President.

DO WHAT IS BEST FOR AMERICA

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

Mr. HOAGLAND. Mr. Speaker, tonight we are going to witness from this lectern right here over my shoulder an historical event. It is going to be an historic event because we are going to have a President who is going to present an honest budget based on honest figures telling us what we have to do in this Nation to put our economy back on the right track.

Now, why is it so important to reduce the deficit? It is because only by reducing the deficit can we foster growth, can we create a more productive economy, and can we have an economy that will lead to more high paying jobs for all Americans.

One thing we know: We simply cannot afford to continue going down the same track, because there is going to be a major train wreck at the end if we do not act responsibly in this Chamber and in the other Chamber this year.

This is a critical fork in the road for the future of the economy of our country, and I call on my colleagues from both sides of the aisle to set partisanship considerations aside and do what is best for the country, because this is our time, in order to put the economy back on the right track.

Mr. Speaker, let me give a fact: 98.5 percent of all Americans will pay no new income taxes under this plan.

A DEFINITION OF THE RICH

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

Mr. HUNTER. Mr. Speaker, for over a year President Clinton, then candidate Clinton, and now President Clinton, has been saying that he is going to tax the rich. He now tells us who the rich are: The rich include anyone who heats their home or drives a car in America.

A TIME FOR A PROUD AMERICA

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

Mr. BARLOW. Mr. Speaker, this is a time for a proud America. This is a time for a disciplined America.

□ 1510

Our forefathers, our families, have sacrificed through the ages to build our Nation. We stand at a historic crossroads. We can make sacrifices and continue the building of a strong, proud America. I call on all of us, without regard to party, to come behind a program of strength for the future of our Nation, for our children, our grandchildren. This shall be the home of the free.

END POLICIES WHICH PENALIZE SUCCESS AND REWARD FAILURE

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

Mr. DREIER. Mr. Speaker, more than a few of us in this Chamber are aficionados of a television program known as Saturday Night Live. My friend, the gentleman from California [Mr. HUNTER] even tells me that he has seen it one time, and it seems to me that as we look at a number of the characters there, a very appropriate one has come forward, a guy called Kevin Nyland. When he does the news at midnight, he fulfills the role of a guy called Subliminal Man.

As I listened to some of the terminology that has come forward over the past several days, I cannot help but think of how Subliminal Man would deal with this. I could hear him say, "Has a job: rich; shared sacrifice: tax; contribution: tax; patriotism: tax; and investment: spend."

It seems to me that we will finally, in a little less than 6 hours, Mr. Speaker, have the opportunity to give President Clinton a chance to realize that we have got to bring an end to policies which penalize success and reward failure.

THE EQUAL ACCESS RESOLUTION

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

Mr. STRICKLAND. Mr. Speaker, I rise today in support of the equal access resolution, which will be introduced tomorrow by my colleague, Mr. KOPETSKI. This resolution expresses the sense of Congress that adequate mental health care benefits must be included in any legislation designed to address the ongoing and unmet health care needs of the American people.

This resolution is an invaluable tool in communicating that we in Congress know that mental health insurance is not the icing on the national health care cake, but an essential ingredient in the mix. I commend my colleague, a long-time advocate for individuals with mental health needs, for introducing the measure.

Mr. Speaker, as a psychologist by profession, I recognize all too well, the price we have already paid for not having an adequate system of mental health coverage. As a clinician for more than a decade, I have seen first hand how mental health services have saved lives, by allowing people to keep their jobs, stay with their families, and contribute to their communities. I have also seen the costs—in both human and economic terms—of neglecting treatment: Drug and alcohol abuse, divorce, child and spousal abuse, suicide, worker absenteeism and lost productivity, crime, institutionalization, and the pain of suffering alone.

Providing adequate coverage for treatment of mental health disorders and substance abuse is both humane and cost effective. Congress must lead the way in removing the age-old stigmas associated with mental health problems, and recognize, once and for all, that mental illness does not always have to be a chronic, debilitating condition—it can be diagnosable, treatable, and often curable. And studies have shown that for every $1 spent on treatment, society spends nearly $4 on the consequences of not providing treatment.

For these reasons, Mr. Speaker, America cannot afford to be without an adequate system of mental health care coverage any longer. Passing this resolution will be an important step on the road to national health care reform.

TAX INCREASES ON SOCIAL SECURITY: AN ORWELLIAN CHANGE

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

Mr. WALKER. Mr. Speaker, we have heard a lot of talk on the floor today about truth and honesty. What I have in front of me here are the revenue provisions from tonight's plan, and they are a very interesting collection of tax increases, and they add up to $244 billion; that is, if we can believe the figures. However, they left off one tax, the $31 billion that they are going to charge Social Security recipients over and above what they now pay on their Social Security, so that adds up to $275 billion in new taxes.

Why is that $31 billion not in here? They are going to call that tax increase a spending cut. There is change for us, an Orwellian change; Don't call them spending cuts. That may be a change, but it is not honest, it is not candid, and it is not the truth.

INTRODUCING THE IMMUNIZATION NOW ACT

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

Mrs. BYRNE. Mr. Speaker, it is evident that this Congress has a rare opportunity to end America's disgraceful legacy of 8.3 million children at risk from preventable, life-threatening disease.

I rise today to introduce the Immunization Now Act of 1993. This bill offers us a truly cost-effective means to immunize children against measles, pertussis, diptheria, and tetanus without government monopoly and without undermining other economic concerns.

The Immunization Now Act leaves this vital component of preventive health care in the hands of families and their personal physicians. Vouchers for the necessary immunizations will be dispensed at hospitals before newborns are discharged, or can be obtained at community health centers. The vouchers can be redeemed wherever holders seek medical care. For $130 we prevent diseases that cost many thousands, perhaps death.

I urge Members to consider this bill on its merits.

BACK TO THE FUTURE

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

Mr. BAKER of California. Mr. Speaker, more sacrifice, more contributions, more taxes. Does that sound familiar? It ought to, because it was Jimmy Carter's Democratic prescription for economic malaise.

As we see the stock market plummet in reaction to Bill Clinton's economic plan, we should ponder how history seems to endlessly repeat itself. Another President, Abe Lincoln, whose birthday we just celebrated, had this to say about tax fairness: "You cannot help the wage earner by pulling down the wage payer; you cannot help the poor by destroying the rich."

Bill Clinton, ignoring the pleas of President Lincoln, will rob the private economy of capital needed to create jobs and stall the economic recovery. He calls for more sacrifice, more contributions, and more taxes, and the stock market reacts as we all thought it would.

President Clinton, by waving the soak the rich banner, fooled us until today when we learned that rich is a $30,000 income.

The problem is not that Americans are not paying enough taxes, it is that their Government is spending too much.

TEXAS SCHOOL FUNDING

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

Mr. GREEN of Texas. Mr. Speaker, I was planning to rise to talk about what is happening in Texas and the State house and the State senate, but for a part of a minute, after sitting here and seeing the graphs that were pointed our earlier by the colleagues on the other side of the aisle, I want to talk about a graph that showed that for the last 12 years our expenditures or our money that the U.S. Government is taking is doubled, and that is true, but in the last 12 years our debt has tripled, and tonight we are going to put an end to that.

Mr. Speaker, I would like to take this opportunity to comment on the state of education in our Nation as well as in my home State of Texas.

Over half of the States have experienced court battles over the constitutionality of their public school system and Texas is one of them. My tenure in the Texas legislature spanned two decades and the most persistent problem was education funding.

Monday, I stood in the hall of the Texas Senate as the historic vote took place that could end 45 years of conflict over the ways Texas funds its public schools. I am proud of all those State senators and House members who put their differences aside and did what was best for the schoolchildren of Texas. On May 1, the voters of Texas will have the opportunity to affirm their belief in fairness for all children and I encourage them to cast a vote in favor of their children's future.

In Texas they have decided that it is time to get out of the courts and back to the business of education and I urge my colleagues to listen to their message. If we want to be No. 1 in the world in job creation and providing for our citizens, we must first create an education system that is second to none. Many States, including Texas, have made great strides in education reform such as 22 to 1 teacher to student ratios, and a 4-year-old program when Head Start was hindered in the early 1980's.

As we begin the budget process this year, I ask that we put education first and give our children the chance they deserve.

□ 1520

ECONOMIC REFORM

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

Mr. CUNNINGHAM. Mr. Speaker, I would like to laud President Clinton. He cut 100,000 Federal workers, and we ought to say good when he does the things that we would like to see on both sides of the aisle.

But when we allow HIV and AIDS patients into the United States, I wonder where the Delta is going to go. And you will pass a tax package. We do not have the votes to stop it, nor have we had for the last 38 years. I would ask the freshmen who came in for change to think about this. Do not cut Defense below an area where the damage to our national security is unrecoverable.

I would also like to balance the budget with a balanced budget amendment. If we are going to increase taxes on the American people, let us cut the spending and really balance the budget. I do not think the American public has really seen any tax increase that has gone to balance the budget.

I would also like to see a line-item veto, and I know Members on our side of the aisle would support that same issue.

I am a Republican, but I would like to also go on record to say that I do not like the way that Congressman HAROLD FORD is being treated.

CONGRESS MUST ALSO SACRIFICE

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

Mr. GUTIERREZ. Mr. Speaker, in this body, we all know that change can be difficult. That making sacrifices can be difficult.

Tonight, our President is going to come to this Chamber to ask every American to make a change. To ask every American to make a small sacrifice today, to help ensure larger rewards for tomorrow.

I rise today to say to my colleagues, the phrase, "every American" includes us.

And that means that we better be ready to make some real sacrifices, not cosmetic sacrifices, in this institution.

Mr. Speaker, we were elected to lead. If the American people—people who have been hit hard by 12 years of economic neglect—are going to be asked to tighten their belts a notch or two, then the U.S. Congress better be ready to tighten its belt five or six notches.

That means we need to take a long look at what we can do to cut down on committee staff and expenditures, a long look at what it costs to frank our mail, a long look at reforming campaign laws.

And yes, perhaps it means taking a look at a cost-of-living increase that alone is more money than most Americans make in 2 months.

The President is asking Americans to sacrifice—he is saying the free ride is over. Well, my friends, our free ride needs to be over as well. We should take the lead in demonstrating what shared sacrifice really means.

PRESIDENT CLINTON SHOULD RECONSIDER HIS ECONOMIC PROPOSAL

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

Mr. TORKILDSEN. Mr. Speaker, I too rise to speak about the President's State of the Union Address tonight, and I guess the early reviews have not been positive. One headline reads: "Get Out Your Wallet." I think it is a warning many working people in our country are taking quite seriously.

I also point to one provision in the little revenue provision sheet that some of us have, trying to explain where that money might theoretically come from. One item calls for reducing the deductibility of business expenses from 80 percent down to 50 percent. I just point out to the Members that the last time something like that was tried it was when we had what we called the luxury tax. The luxury tax really did not raise any money, but it put the working men and women who worked on boats and cars out of business, because people just stopped buying them. If we take away this deduction or cut it back, we are going to have the safe effect. We are going to put waiters, waitresses, and other people who make their living from this type of business out of work.

I would also ask President Clinton to please reconsider his proposal. He still has several hours. Come back with some spending cuts, help us get the deficit under control, but by reducing spending.

STUDENT LOAN AFFORDABILITY ACT

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

Mr. PRICE of North Carolina. Mr. Speaker, today, MARTIN LANCASTER and I, and 65 of our colleagues, are introducing the Student Loan Affordability Act, a bill which would restore the tax deduction for student loan interest and the full tax exemption for scholarships and fellowships.

In the last decade, the number of American students borrowing money for student loans has doubled. The average debt today for a public college graduate is over $6,000 and more than $10,000 for private college graduates. Many of this Nation's talented young people—young people who are the future of this country—are opting not to attend college at all because of the financial hardship.

To ease this burden, a bipartisan commission—the National Commission on Responsibilities for Financing Postsecondary Education—this week recommended to President Clinton that the tax deduction for student loan interest and the full tax exemption for scholarships and fellowships be restored. Today, 67 Members are once again championing a bill to do just that. Our bill, the Student Loan Affordability Act, will restore the tax deduction for student loan interest and restore the full tax exemption for scholarships and fellowships—both of which were eliminated by the Tax Reform Act of 1986.

Last year, a version of our bill was included in the economic growth package, passed by this Congress but vetoed for reasons other than the inclusion of these education tax incentives.

Accessible and affordable higher education is essential to this Nation's ability to compete in the global market. Passage of this bill would be an investment in the future of our young people and our country. I urge colleagues to join us by cosponsoring the Student Loan Affordability Act.

AMERICANS WILL RISE TO PRESIDENT CLINTON'S CHALLENGE

(Ms. E.B. JOHNSON of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. E.B. JOHNSON of Texas. Mr. Speaker, tonight, in this Chamber, President Clinton will reach out across America, and across the world, in setting out his comprehensive plan for economic recovery and stability. Surely the sacrifices required to repair the damage done by 12 years of Republican trickle-down economic policies will be difficult, and sometimes contentious. But I am confident that just as the American people have united against common enemies in the past, we will once again rise to the challenge. Realistically, we are in a war—a war against spiralling debt, against unemployment, against a dying health-care system, against hopelessness and despair. And as with all wars, our response must be aggressive and united—our citizens can't afford for us to waste their time responding to every special interest group's criticism—we need to support the President and work with him in fashioning a swift economic stimulus program, along with long-term investment programs.

I am pleased to say that my home State of Texas has taken the kind of initiative needed to assist the Federal Government in its herculean task. The Smart Jobs Fund Program, funded by one-tenth of 1 percent of the State's unemployment insurance tax, will help businesses in Texas by training, and retraining, their employees. With the estimated $50 million in yearly revenue, matching grants will go to businesses for the training of new workers, or the improvement of existing workers' skills, which directly helps keep our work force competitive in today's global markets. Another important feature of the program is the special assistance for production innovation at those companies losing defense industry contracts—a Federal budget cut which has hit Texas particularly hard.

I look forward to listening to President Clinton's economic plan, and urge my colleagues to lend their full support to the administration in the coming days. Without consensus, we will be unable to generate an economic revival—Together, we can create a blueprint for long-term prosperity and international triumph.

AMERICA REACHING A TURNING POINT

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

Mrs. MEEK. Mr. Speaker, there are people in this House who feel that tonight we are at a turning point, and let me tell you what, they are right. We are at a turning point tonight. We have a courageous President who is willing to come before this country to say fish or cut bait. Now it is time to cut bait, right now, and fish.

First I want to say to the Republicans, many of you have labeled Clinton's plan as being more liberal tax and spend. What they do not bother to say is that we need this money to pay for the deficit that the Republicans have brought on for the past 12 years.

For 12 years the Republicans have had tax giveaways to the rich, 12 years of star wars boondoggles, 12 years of decay from decreased investment on roads, infrastructure, education, and housing, 12 years of greed, corporate takeovers financed with Republican tax giveaways.

If Republicans really want to help, I know where they can begin. Go help the workers from Pan Am in my district who because of deregulation are out of work. Go help the old people whose money you took from the Social Security trust fund to conceal the true size of the deficit. Go help the homeless who once were working families but who now are out on the streets because of the cuts you made in subsidized housing.

The last time the Republicans saved us from big government, they gave away our tax revenues to the rich. I like what Bill Clinton has offered. He is up front with both good news and bad news. That is better than voodoo economics, and it is better than "Read my lips."

Let us get on with it, and let us support our President.

GIVE CONGRESSMAN HAROLD FORD A FAIR TRIAL

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

Mr. OWENS. Mr. Speaker, I was born in Memphis, TN. I spent most of my life in the district now represented by Congressman HAROLD FORD. I went to Hamilton High School. Of course I still have many relatives and friends in Memphis, TN.

I want to assure everyone that the people of Memphis are as American as people anywhere else in the United States. The people of Memphis know how to make the jury system work. Our courts in Memphis today, day in day out, use juries. They make the system work. Why should it be any different with HAROLD FORD? The jury system can work in Memphis without the interference of the Justice Department, without the railroading that is going on in terms of trying to get a jury that will give a verdict that the prosecution wants.

□ 1530

Never before in the history of this country: There is no precedent in law for what the Justice Department has done in the case of HAROLD FORD.

All HAROLD FORD wants is a fair trial. All HAROLD FORD wants is what every other American wants. It is our duty to uphold the Constitution and to see to it that HAROLD FORD gets a fair trial.

ALL PAIN AND NO GAIN

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

Mr. GRAMS. Mr. Speaker, all pain, and no gain.

That is what the Clinton tax and spend offers middle-class Americans.

Mr. Speaker, if President Clinton had spent as much time reading the history of the last 12 years as he has rewriting it, he would know that tax increases are not the way to balance the budget.

In the early 1980's President Reagan made an agreement with Congress to accept tax increases in exchange for spending cuts.

The President delivered the taxes, but Congress spent the money. As a result, Americans got higher taxes, higher spending, and bigger budget deficits.

In 1990, President Bush made the same bargain with Congress. Again, Congress spent the money. And once more, the American people got higher taxes, higher spending, bigger deficits, and a recession to boot.

All pain, and no gain.

Mr. Speaker, I have one piece of advice for our new President.

Keep your no new taxes promise for the middle class. Before, raising one dime in new taxes, makes Congress deliver on the spending cuts.

This is not patriotism, it is pay and pay-triotism.

DO NOT PREJUDGE PRESIDENT'S PLAN

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

Mr. TUCKER. Mr. Speaker, tonight we will all receive the long-awaited news of the economic plan forecasted by our President, President Clinton.

And, yes, there are tough decisions to be made tonight, but we can make these times even tougher by judging the President's plan before it is unveiled or by picking apart merely one aspect of the plan such as the taxation aspect just to make political brownie points.

Mr. Speaker, on the other hand, it is easy to judge the past. Hindsight, for that matter, is 20/20, past neglect in public infrastructure, past neglect in human infrastructure, past neglect in dealing with the deficit.

President Clinton's plan is committed to fairness for all America and economic recovery, not only shared sacrifice but shared investment and shared opportunity. At a time when our country needs all of us to be sober and all of us to unite, we can ill afford partisan politics.

Mr. Speaker, we all, Republicans and Democrats alike, must be quick to hear, slow to speak, and quick to roll up our sleeves to help and not to hinder the progress of America.

TIME TO PUT JUSTICE INTO CRIMINAL JUSTICE SYSTEM

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

Ms. McKINNEY. Mr. Speaker, it is time to put justice into our criminal justice system.

HAROLD FORD is being unfairly targeted. There is no way that we can justify the gross dismantling of Mr. FORD's right to a fair trial, to be tried by a jury of his peers.

Regardless of the underlying charges against Mr. FORD, the law says he is innocent until proven guilty, and that he is entitled to fairness.

When did it become a crime to have a good reputation in a district which he represents? When did it become just to empanel only those jurors who have openly confessed their prejudice against the defendant?

Mr. Speaker, the wheels of justice are said to turn slowly. However, in the case of HAROLD FORD the wheels are running over him, and it is time to slam on the brakes of justice.

OPPORTUNITY TO FOLLOW REAL LEADERSHIP

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

Mr. SARPALIUS. Mr. Speaker, as a young boy, my two brothers and I lived in Houston, TX, in a home where we had no running water, no electricity, no utilities at all. The only food and clothes we got were what churches would bring to us.

At the age of 12, we went to Cal Farley's Boys' Ranch. At that time I had nothing going for me in my life, but today I stand before you as a Member of the U.S. Congress.

The reason I am here today is because of sacrifices of past generations. They gave me a country that was full of opportunities, a country where you could dream any dream and make that dream come true.

But what is my generation giving the next generation? I have a 19-year-old son. We are not giving him a country that is full of opportunities but a country that is full of responsibilities.

Tonight we have an opportunity to follow some real leadership and make some real changes and give back to our children the same country where they can dream any dream and make those dreams come true.

KEEP AMERICAN JOBS IN AMERICA

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

Mr. APPLEGATE. Mr. Speaker, I guess what all this is about is balancing the budget. It is the most important thing that we can do right now.

But we cannot do it with minimum wage jobs and we are losing all of our good jobs to Mexico, to China, to Japan. We cannot compete as long as we allow them to pay cheap labor, no benefits, no health, no health and safety.

I hope that President Clinton addresses this issue tonight on renegotiating NAFTA and a better trade policy.

To add to that problem, our colleague, the gentlewoman from Ohio [Ms. KAPTUR], said earlier about the National Bank of Mexico, through an investment-fund scheme, is going to buy American companies and move them south of the border and steal American jobs, and they are going to do it if we let them get away with it. It is up to us to stop them.

Do you want to balance the budget? Keep American jobs in America.

ASSURE JUSTICE FOR REPRESENTATIVE HAROLD FORD

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

Mr. WATT. Mr. Speaker, I would like to be using my time today to speak in support of the economic package the President will be submitting to Congress today. It is a package I heartily endorse and one which represents the first semblance, in a long time, of leveling with the American public about the serious jeopardy the last 12 years of careless administration has left the country in.

I would really like to talk about my support for the economic package and the more global concerns of our country. But the system has me caught here again today talking about survival and the constitutional rights most people, including politicians, take for granted.

My comments today are not about the guilt or innocence of my colleague HAROLD FORD. I have no knowledge of whether he is guilty or innocent. I do have knowledge of the constitutional right that he and all criminal defendants have to a trial by a jury of peers. I do have knowledge of the need for justice in this country.

So today I ask for the Department of Justice to assure justice by guaranteeing Congressman FORD a trial by his peers, instead of by folks bused from afar. Then I can go on to talk about the kind of economic justice the President's plan will offer tonight.

PRESIDENT IS PRESENTING A COMPREHENSIVE PROPOSAL

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

Mr. LEVIN. Mr. Speaker, once again, we have seen in the words from the minority that it is so much easier to throw bricks than to build, and it is easier to be courageous when you are in the minority than when you are in the majority.

Tonight President Clinton will break the spell of dodge and duck in Washington. The public is saying, "do not think of taxing me until you cut wasteful programs." The public is right.

Tonight the President will present a comprehensive proposal, including 150 cuts in programs, and there would be an increase in income taxes for any family earning over $140,000 a year.

The benefits would go for two purposes: deficit reduction and economic growth. These are supremely important, and they deserve more than brickbats and finger pointing from the minority.

□ 1540

THE GAG RULE—AGAIN

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

Mr. SOLOMON. Mr. Speaker, excuse me if I speak from this side of the aisle, but I want to talk to you folks over here for a minute.

You know, in a few minutes this House is going to take up a bill called the Family Planning Act. It is a bill that amends chapter 10 of the public health law, that repeals the so-called gag rule. Yet the ironic part, and perhaps the hypocritical part, Mr. Speaker, is that this rule that is coming on this floor is a gag rule. It means that 434 Members are being shut out of the debating process here today, including this Member.

I have an amendment which is terribly important to the American people. It would require that the ban on aliens infected with HIV virus, AIDS, be prohibited from coming into this country on a permanent basis.

Last year we turned down 600. There are 274 Haitians waiting in Guantanamo Bay right now. The minute President Clinton lifts the ban, in they come, at a cost of $100 million added to the medical costs already saddling the American people today.

That is a shame, Mr. Speaker. You cannot keep gagging Members on this side of the floor or mine, because if you do, all hell is going to break loose.

Think about it, Mr. Speaker.

PRESIDENT CLINTON KNEW THE SIZE OF THE BUDGET DEFICIT IN 1992

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

Mr. INGLIS. Mr. Speaker, I think that all Americans had hoped for the best, but I am afraid that our worst fears have come true about Bill Clinton. I am afraid that he has not been honest with us. I think that Bill Clinton knew all along the size of the deficit.

In fact, Business Week, on July 6, 1992, indicated that he knew the budget deficit was $400 billion. I am very disappointed.

He says he has worked harder than he has ever worked in his life to balance the budget without raising taxes. Well, he has only been President for 29 days. That may be hard work for him, but he surely has not worked very long.

I would suggest that the President go back and work longer and harder to find a way to cut the size of this Government; that this week the Bureau of Labor Statistics reported we now have more people hired by the Federal, State, and local governments than we do in the manufacturing sector of our economy.

That is too big of a Government.

PROVIDING FOR A JOINT SESSION OF CONGRESS TO RECEIVE A MESSAGE FROM THE PRESIDENT

Mr. DERRICK. Mr. Speaker, I offer a privileged concurrent resolution (H. Con. Res. 39) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 39

Resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress assemble in the Hall of the House of Representatives today, Wednesday, February 17, 1993, at 9 o'clock post meridiem, for the purpose of receiving such communication as the President of the United States shall be pleased to make to them.

The SPEAKER pro tempore (Mr. MFUME). The question is on the concurrent resolution.

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

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

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

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 415, nays 0, not voting 15, as follows:

[Roll No. 33]

YEAS—415

Abercrombie	Clay	Fish
Ackerman	Clayton	Flake
Allard	Clement	Foglietta
Andrews (ME)	Clinger	Ford (MI)
Andrews (NJ)	Clyburn	Ford (TN)
Andrews (TX)	Coble	Fowler
Archer	Coleman	Frank (MA)
Armey	Collins (GA)	Franks (CT)
Bacchus (FL)	Collins (MI)	Franks (NJ)
Bachus (AL)	Combest	Frost
Baesler	Condit	Furse
Baker (CA)	Conyers	Gallegly
Baker (LA)	Cooper	Gallo
Ballenger	Coppersmith	Gejdenson
Barcia	Costello	Gekas
Barlow	Cox	Gephardt
Barrett (NE)	Coyne	Geren
Barrett (WI)	Cramer	Gibbons
Bartlett	Crane	Gilchrest
Bateman	Crapo	Gillmor
Becerra	Cunningham	Gilman
Beilenson	Danner	Gingrich
Bentley	Darden	Glickman
Bereuter	de la Garza	Gonzalez
Berman	Deal	Goodlatte
Bevill	DeFazio	Goodling
Bilbray	DeLauro	Gordon
Bilirakis	DeLay	Goss
Bishop	Dellums	Grams
Blackwell	Derrick	Grandy
Bliley	Deutsch	Green
Blute	Diaz-Balart	Greenwood
Boehlert	Dickey	Gunderson
Boehner	Dicks	Gutierrez
Bonilla	Dingell	Hall (OH)
Bonior	Dixon	Hall (TX)
Borski	Dooley	Hamburg
Boucher	Doolittle	Hamilton
Brewster	Dornan	Hancock
Brooks	Dreier	Hansen
Browder	Duncan	Harman
Brown (CA)	Dunn	Hastert
Brown (FL)	Durbin	Hastings
Brown (OH)	Edwards (CA)	Hayes
Bryant	Edwards (TX)	Hefley
Bunning	Emerson	Hefner
Burton	Engel	Hilliard
Buyer	English (AZ)	Hinchey
Byrne	English (OK)	Hoagland
Callahan	Eshoo	Hobson
Calvert	Evans	Hochbrueckner
Camp	Everett	Hoekstra
Canady	Ewing	Hoke
Cantwell	Fawell	Holden
Cardin	Fazio	Horn
Carr	Fields (LA)	Houghton
Castle	Filner	Hoyer
Chapman	Fingerhut	Huffington
Hughes	Meyers	Schiff
Hunter	Mfume	Schroeder
Hutchinson	Mica	Schumer
Hutto	Michel	Scott
Hyde	Miller (FL)	Sensenbrenner
Inglis	Mineta	Serrano
Inhofe	Minge	Sharp
Inslee	Mink	Shaw
Istook	Moakley	Shays
Jacobs	Molinari	Shepherd
Jefferson	Mollohan	Shuster
Johnson (CT)	Montgomery	Sisisky
Johnson (GA)	Moorhead	Skaggs
Johnson (SD)	Moran	Skeen
Johnson, E.B.	Morella	Slattery
Johnson, Sam	Murphy	Slaughter
Johnston	Murtha	Smith (IA)
Kanjorski	Myers	Smith (MI)
Kaptur	Nadler	Smith (NJ)
Kasich	Natcher	Smith (OR)
Kennedy	Neal (MA)	Smith (TX)
Kennelly	Neal (NC)	Snowe
Kildee	Nussle	Solomon
Kim	Oberstar	Spence
King	Obey	Spratt
Kingston	Olver	Stark
Kleczka	Ortiz	Stearns
Klink	Orton	Stenholm
Klug	Owens	Stokes
Knollenberg	Oxley	Strickland
Kolbe	Packard	Studds
Kopetski	Pallone	Stump
Kreidler	Parker	Stupak
Kyl	Pastor	Sundquist
LaFalce	Paxon	Swett
Lambert	Payne (NJ)	Swift
Lancaster	Payne (VA)	Synar
Lantos	Pelosi	Talent
LaRocco	Penny	Tanner
Laughlin	Peterson (FL)	Tauzin
Lazio	Peterson (MN)	Taylor (MS)
Leach	Petri	Taylor (NC)
Lehman	Pickett	Tejeda
Levin	Pickle	Thomas (CA)
Levy	Pombo	Thomas (WY)
Lewis (CA)	Pomeroy	Thornton
Lewis (FL)	Porter	Thurman
Lewis (GA)	Poshard	Torkildsen
Lightfoot	Price (NC)	Torres
Linder	Pryce (OH)	Torricelli
Lipinski	Quillen	Towns
Livingston	Quinn	Traficant
Long	Rahall	Tucker
Lowey	Ramstad	Unsoeld
Machtley	Rangel	Upton
Maloney	Ravenel	Valentine
Mann	Reed	Velazquez
Manton	Regula	Vento
Manzullo	Reynolds	Visclosky
Margolies-Mezvinsky	Richardson	Volkmer
Markey	Ridge	Vucanovich
Martinez	Roberts	Walker
Matsui	Roemer	Walsh
Mazzoli	Rogers	Washington
McCandless	Rohrabacher	Waters
McCloskey	Ros-Lehtinen	Watt
McCollum	Rose	Waxman
McCrery	Rostenkowski	Weldon
McCurdy	Roth	Wheat
McDermott	Rowland	Wilson
McHale	Roybal-Allard	Wise
McHugh	Royce	Wolf
McInnis	Rush	Woolsey
McKeon	Sabo	Wyden
McKinney	Sanders	Wynn
McMillan	Sangmeister	Yates
McNulty	Santorum	Young (AK)
Meehan	Sarpalius	Young (FL)
Meek	Sawyer	Zeliff
Menendez	Saxton	Zimmer
	Schaefer	

NAYS—0

NOT VOTING—15

Applegate	Herger	Roukema
Barton	Klein	Schenk
Collins (IL)	Lloyd	Skelton
Fields (TX)	McDade	Whitten
Henry	Miller (CA)	Williams

□ 1600

Messrs. POMBO, WATT, VALENTINE, and SMITH of Michigan changed their vote from "nay" to "yea."

So the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. MFUME). Without objection, a motion to reconsider is laid on the table.

□ 1601

Mr. SOLOMON. Mr. Speaker, reserving the right to object, may I be heard?

The SPEAKER pro tempore (Mr. MFUME). The gentleman from New York [Mr. SOLOMON] may proceed.

Mr. SOLOMON. Mr. Speaker, I really hate to take up the time of the body here at 4 o'clock this afternoon, but it is absolutely important that we call to the attention of the House that this is the third consecutive bill, and there have only been three that have come before this body during this 103d Congress, and all three of those bills were brought here under a restricted rule. I just have to call to the attention of the body that, when we debated the Family Medical Leave Act, the Committee on Rules only saw fit to make in order amendments by one Member of Congress, and I believe there were about 37 amendments pending before our Committee on Rules. Later on we took up the motor-voter bill, and there were 18 amendments filed duly and timely, and only one amendment was allowed to be brought to this floor.

Now, Mr. Speaker, here we are today, about to take up a family planning bill.

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

Mr. SOLOMON. I yield to the gentleman from South Carolina.

Mr. DERRICK. Mr. Speaker, I would remind the Chair that I do not think the remarks of the gentleman from New York [Mr. SOLOMON] are relevant to the matter before us.

Mr. SOLOMON. Mr. Speaker, may I continue to be heard?

The SPEAKER pro tempore. The gentleman from New York [Mr. SOLOMON] has reserved the right to object and may proceed until otherwise notified by the Chair.

Mr. SOLOMON. Mr. Speaker, I say to the gentleman that I was just pointing out that in a few minutes we are going to be taking up the so-called family planning act which is an act to amend the public health law, chapter 10, which would repeal the so-called gag rule, and yet hypocritically here we are today being asked to take up that bill when all of our amendments were disallowed except for one.

□ 1610

Mr. Speaker, that is wrong. We are also taking up this bill without any Member in this body here right now, and I would venture to say that maybe 250 Members are here, and not one Member has read the report that was only filed as of noon time yesterday. Yet we have 110 new Members, 63 on your side and 47 on ours, that do not have any idea what is in the family planning bill.

Mr. Speaker, I raise this point because we just are not going to roll over and play dead. If this continues, and I understand it is about to continue next week again with the unemployment insurance bill that is coming before this body, again we will be asking to let that bill come on the floor with no amendments and without any one of these Members having read that report.

Mr. Speaker, this is undemocratic. It is not the way that President Clinton was elected and these new Members were elected to come to Washington for change. We need to change this system and not allow these restrictive rules so that 434 Members are denied their right to debate and offer amendments on this floor.

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

Mr. SOLOMON. I yield to the gentleman from Pennsylvania, the distinguished deputy whip.

Mr. WALKER. Mr. Speaker, could the gentleman tell me what the excuse was for using a closed rule on this bill which we are about to consider? Why did the Committee on Rules say this was necessary?

Mr. DERRICK. Mr. Speaker, I object to this procedure. This debate is properly framed to be taken up on the rule itself. It has absolutely nothing to do with what we were on before.

The SPEAKER pro tempore (Mr. MFUME). Does the gentleman request regular order?

Mr. DERRICK. Mr. Speaker, I request regular order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina [Mr. DERRICK]?

Mr. SOLOMON. Mr. Speaker, I continue my reservation. I was in a colloquy yielding to the gentleman from Pennsylvania [Mr. WALKER]. I certainly do not want to object to what my reservation is about. If the gentleman wants to force me to, I would be glad to do it.

The SPEAKER pro tempore. The Chair recognizes the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Speaker, we are talking about fairness around here.

Mr. WALKER. Mr. Speaker, if the gentleman will yield further, the question I had was: What was the excuse that was given at the Committee on Rules for a closed rule? It is not as though there is any time constraint in this case. Tomorrow we have a full legislative day. It is the only order of business. It is the only order of business for today. There are no time constraints with regard to this bill, and I wonder what the excuse that the Democrats used this time for closing down the process is and not allowing Members to have a chance to work their will on the legislation?

Mr. DERRICK. Mr. Speaker, if the gentleman will yield, I believe the gentleman from Pennsylvania [Mr. WALKER] was probably directing the question to me.

Mr. SOLOMON. Mr. Speaker, reclaiming my time, I will answer, and then I will be glad to yield to the gentleman from South Carolina [Mr. DERRICK] out of respect, and I have great respect for the gentleman.

Mr. Speaker, I would say to the gentleman no reason was given. The rule was written behind closed doors and was then laid on our desk after we had eight Members of this House, duly elected from across this country, who came to the Committee on Rules in order to ask that their amendments be made in order. None of those amendments were frivolous; none of those amendments were dilatory. They all deal with very important issues that are of concern to all Americans across this Nation.

Mr. Speaker, unfortunately, I do not know whether it was from arrogance from the Speaker's office, arrogance from the Democratic caucus, or just arrogance from my colleagues on the Democrat side of the Committee on Rules. I hope it was not that, because I have great respect for that group. But no excuse was given.

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

Mr. SOLOMON. I am pleased to yield to the gentleman from South Carolina.

Mr. DERRICK. Mr. Speaker, let me point out to the gentleman from New York [Mr. SOLOMON] and the gentleman from Pennsylvania [Mr. WALKER] and the body as a whole that, No. 1, this is not a closed rule. There was an amendment made in order. The Bliley amendment was made in order.

Second, this was not done behind closed doors. We had an open discussion in the Committee on Rules. There was debate. The gentlemen all offered their amendments and there was open debate.

As the gentleman from New York [Mr. SOLOMON] well knows, the amendment that the gentleman is so perturbed about, the gentleman's amendment, is not germane to this issue and should not be on here. If it had been germane to this issue we may have considered it otherwise.

Mr. Speaker, this is a very fair rule. The majority on the Committee on Rules is not arrogant, as suggested, and the gentleman knows that very well. The gentleman had an opportunity in full open committee to give his arguments, to offer his amendment, and to have a vote. So to say that the majority is arrogant is just not the case.

Mr. SOLOMON. Mr. Speaker, reserving my reservation, let me repeat to the gentleman what I said about my colleagues on the Committee on Rules on the Democrat side. I said I hoped that they were not the arrogant ones which demanded that this closed rule with one amendment being made in order to be brought before this House. But honestly, and I will say this to my good friend, it either had to be them or it had to be the Democrat caucus represented by my good friend from Michigan [Mr. BONIOR] and the whip on your side of the aisle, or it had to be the Speaker. It does not make much difference which one of them was arrogant. The truth of the matter is they were afraid to allow those seven amendments, all seven of those amendments, to come to this floor for legitimate, honest debate.

Mr. WALKER. Mr. Speaker, if the gentleman will yield further, that explanation is not one which I think the House can accept, largely because——

Mr. DERRICK. Mr. Speaker, I did not expect the gentleman from Pennsylvania [Mr. WALKER] to be able to accept it.

Mr. WALKER. Mr. Speaker, let me say to the gentleman that I know of a number of amendments that were offered that were entirely germane. The gentleman from Texas [Mr. DELAY] had a number of amendments that were entirely germane to the matter before us. The only reason for not having the amendments of the gentleman from Texas [Mr. DELAY] accepted for consideration here was that you do not want to debate them on the floor. They are not the issues that you want to vote on. So therefore you have decided to shut down the privileges of the Members of the House to legitimately raise issues, have them debated, and have them voted on.

Mr. Speaker, this is not a proper reason for the Committee on Rules to bring closed rules to the floor. To suggest that this is not a closed rule because you made one amendment in order is just nonsense. Any rule which does not permit free and open debate on the floor is in fact a closed rule. In this case it is a very closed rule because several very germane amendments were not made in order.

Mr. SOLOMON. Mr. Speaker, continuing my reservation, let me point out to my good friend, the gentleman from South Carolina [Mr. DERRICK], and to answer the question of the gentleman from Pennsylvania [Mr. WALKER] that six of the seven amendments that were not made in order were germane. They were checked with those parliamentarians sitting over there. They were told to us to be germane. Yet they were still denied.

The gentleman makes a point that my own personal amendment was not germane. That amendment was an amendment which would have continued to codify into law the ban that President Clinton is trying to lift now on alien immigrants infected with the AIDS virus coming into this country.

We all know that 600 of them were turned down last year. If that ban had been lifted, all 600 would be somewhere in this country continuing their lifestyle that helped them get the AIDS virus, in whatever way that was.

Mr. Speaker, there are 274 Haitian refugees waiting in Guantanamo Bay in a U.S. naval base that are infected with the AIDS virus. If President Clinton is allowed to lift that ban, that means that automatically they are going to receive entry into this country. We cannot allow that to happen.

Mr. Speaker, the gentleman from South Carolina [Mr. DERRICK] says that he could not allow my amendment because it was nongermane. I would point out to my good friend from South Carolina that last year the gentleman voted for 24 nongermane amendments to be made in order and brought to this floor, all 24 by Democrats. Yet when a Republican wants a nongermane amendment, it is not allowed.

In 98 other cases during the 102d Congress we waived all points of order against germaneness and everything else and those bills were allowed to come to this floor and those amendments.

Mr. DERRICK. Mr. Speaker, if the gentleman will yield, I did not suggest that was the only reason.

Mr. SOLOMON. Mr. Speaker, I thank the gentleman. I am glad to get some kind of a concession from my good friend.

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. Mr. Speaker, continuing my reservation, I yield to the gentleman from Indiana.

□ 1620

Mr. BURTON of Indiana. Mr. Speaker, I just want to make two real quick points to the majority. The Solomon amendment, if adopted, would have probably saved about $87 million, because if all of those people who will be allowed into this country that have HIV get active AIDS—and they will—it is going to cost an average of $100,000 apiece on our health care delivery system, and that amounts to $87.4 million, and that is just the tip of the iceberg.

I want to talk about one other issue, and that is that I had an amendment that dealt with the AIDS virus that was germane, and the family planning groups around the country thought my amendment was worthwhile, and still the Committee on Rules did not make it in order. I do not understand why, and I would like to know.

Mr. SOLOMON. Mr. Speaker, continuing my reservation of objection, I yield to the gentleman from New Jersey [Mr. SMITH], another one of the Members that came before our committee. He has been a leader in this Congress ever since he came here about 12 years ago, and he had a very, very important amendment that deserved debate on the floor of this House.

Mr. SMITH of New Jersey. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, I just want to say to the Members that the process we are operating under is extremely unfair, not just to the minority but to any Member who hoped to change any aspect of this particular legislation. This is an authorizing bill. This is not an appropriations bill, it is an authorizing bill, within which we set parameters as to what a ceiling ought to be in terms of spending, in terms of what the actual parameters of the policy ought to be.

It seems to me that to preclude amendments means that a select few—the privileged Members who happen to serve on Energy and Commerce—get it their way, the rest of us can go pound salt. If we want to reform the program—or at least suggest reforms—the rule says tough luck. The rule is profoundly undemocratic.

If the gentleman will continue yielding, I had planned to offer an amendment that was very simple. On January 22 of this year the abortion President, Mr. Clinton, issued a Presidential order that reversed several pro-life, pro-child policies. One Clinton pro-abortion initiative authorized federally subsidized abortion counseling and referral. Obviously, this will lead to more children destroyed by abortionists. Largely overlooked, was Clinton's reversal of a policy that proscribed the colocation of abortion mills with title X projects. I think it is an outrage that in many of our cities and States, including my own State of New Jersey, there are Planned Parenthood and other recipients of title X funds who have colocated abortion mills with family planning projects.

It seems clear to me that a compelling conflict of interest exists here. I would respectfully submit that we need to take corrective action, separate abortion from family planning and stop this shameful colocation. But regrettably my amendment was not made in order. I ask Members to vote no on the previous question today so that my amendment and other meaningful proposals can have their day in court.

A "no" vote on the previous question gives us the opportunity to vote on this and thus let the Members work their will.

I thank my friend from New York, Mr. SOLOMON for his leadership, moral courage, and tenacity in demanding fundamental fairness in what is clearly a rigged process.

Mr. DERRICK. Mr. Speaker, will the gentleman from New York [Mr. SOLOMON] yield for just one question?

Mr. SOLOMON. Mr. Speaker, I was about to continue my reservation of objection and yield to the gentleman from Texas, but as a distinguished member of the Committee on Rules, I yield to the gentleman from South Carolina [Mr. DERRICK], and continue to reserve my right to object.

Mr. DERRICK. Mr. Speaker, I would ask the gentleman if he plans on insisting on his point of order.

Mr. SOLOMON. Not at this point, I would say to the gentleman.

Mr. DERRICK. Mr. Speaker I would ask further, how about at some other point?

Mr. SOLOMON. It depends on the arrogance around here, I will say to the gentleman.

Mr. DERRICK. If the gentleman will continue to yield, I would mention that we are bumping up against 6 o'clock here. If we are going to have a vote, let us go ahead and have it.

Mr. SOLOMON. Mr. Speaker, continuing my reservation of objection, I would say to the gentleman that I voted to allow President Clinton to come here and address us, and I am going to see that he gets here.

Mr. Speaker, I yield to the distinguished gentleman from Texas [Mr. DELAY], who had two very germane amendments approved by the Parliamentarian.

Mr. DERRICK. Mr. Speaker, I ask for regular order.

The SPEAKER pro tempore (Mr. MFUME). The gentleman from South Carolina requests regular order.

Is there objection to the request of the gentleman from South Carolina?

Mr. SOLOMON. Mr. Speaker, further reserving the right to object——

Mr. DERRICK. Mr. Speaker, I insist on regular order.

The SPEAKER pro tempore. Does the gentleman from South Carolina wish to put the question?

Mr. DERRICK. Mr. Speaker, I do wish to put the question.

Mr. SOLOMON. Mr. Speaker, I object. I do not want to, but I object.

MOTION OFFERED BY MS. SLAUGHTER

Ms. SLAUGHTER. Mr. Speaker, I move to reconsider the vote by which the House passed House Concurrent Resolution No. 39.

MOTION OFFERED BY MR. DERRICK

Mr. DERRICK. Mr. Speaker, I move to lay the motion to reconsider on the table.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from South Carolina [Mr. DERRICK] to lay on the table the motion offered by the gentlewoman from New York [Ms. SLAUGHTER].

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

Mr. SOLOMON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 246, nays 170, not voting 14, as follows:

[Roll No. 34]

YEAS—246

Abercrombie	Baesler	Bevill
Ackerman	Barcia	Bilbray
Andrews (ME)	Barlow	Bishop
Andrews (NJ)	Barrett (WI)	Blackwell
Andrews (TX)	Becerra	Bonior
Applegate	Beilenson	Borski
Bacchus (FL)	Berman	Boucher

Brewster
Brooks
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Byrne
Cantwell
Cardin
Carr
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (MI)
Condit
Conyers
Cooper
Coppersmith
Costello
Coyne
Cramer
Danner
Darden
de la Garza
Deal
DeFazio
DeLauro
Dellums
Derrick
Deutsch
Dicks
Dingell
Dixon
Dooley
Durbin
Edwards (CA)
Edwards (TX)
Engel
English (AZ)
English (OK)
Eshoo
Evans
Fazio
Fields (LA)
Filner
Fingerhut
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Glickman
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hall (TX)
Hamburg
Hamilton
Harman
Hastings
Hayes
Hefner
Hilliard
Hinchey
Hoagland
Hochbrueckner
Holden
Hoyer
Hughes
Hutto
Inslee
Jacobs
Jefferson
Johnson (GA)
Johnson (SD)
Johnson, E.B.
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Klein
Klink
Kopetski
Kreidler
LaFalce
Lambert
Lancaster
Lantos
LaRocco
Laughlin
Lehman
Levin
Lewis (GA)
Lipinski
Long
Lowey
Maloney
Mann
Manton
Margolies-Mezvinsky
Markey
Martinez
Matsui
Mazzoli
McCloskey
McCurdy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Mfume
Miller (CA)
Mineta
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Murtha
Nadler
Natcher
Neal (MA)
Neal (NC)
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Parker
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Penny
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Pomeroy
Poshard
Price (NC)
Rahall
Rangel
Reed
Reynolds
Richardson
Roemer
Rose
Rostenkowski
Rowland
Roybal-Allard
Rush
Sabo
Sanders
Sangmeister
Sarpalius
Sawyer
Schenk
Schroeder
Schumer
Serrano
Sharp
Shepherd
Sisisky
Skaggs
Slattery
Slaughter
Smith (IA)
Spratt
Stark
Stenholm
Stokes
Strickland
Studds
Stupak
Swett
Swift
Synar
Tanner
Tauzin
Taylor (MS)
Tejeda
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Unsoeld
Valentine
Velazquez
Vento
Visclosky
Volkmer
Waters
Watt
Waxman
Wheat
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates

NAYS—170

Allard
Archer
Armey
Bachus (AL)
Baker (CA)
Baker (LA)
Ballenger
Barrett (NE)
Bartlett
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bunning
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Clinger
Coble
Collins (GA)
Combest
Cox
Crane
Crapo
Cunningham
DeLay
Diaz-Balart
Dickey
Dornan
Dreier
Duncan
Dunn
Emerson
Everett
Ewing
Fawell
Fish
Fowler
Franks (CT)
Franks (NJ)
Gallegly
Gallo
Gekas
Gilchrest
Gillmor
Gilman
Gingrich
Goodlatte
Goodling
Goss
Grams
Grandy
Greenwood
Gunderson
Hancock
Hansen
Hastert
Hefley
Herger
Hobson
Hoekstra
Hoke
Horn
Houghton
Huffington
Hunter
Hutchinson
Hyde
Inglis
Inhofe
Istook
Johnson (CT)
Johnson, Sam
Kasich
Kim
King
Kingston
Klug
Knollenberg
Kolbe
Kyl
Lazio
Leach
Levy
Lewis (CA)
Lewis (FL)
Lightfoot
Linder
Livingston
Machtley
Manzullo
McCandless
McCollum
McCrery
McHugh
McInnis
McKeon
McMillan
Meyers
Mica
Michel
Miller (FL)
Molinari
Moorhead
Morella
Myers
Nussle
Oxley
Packard
Paxon
Petri
Pombo
Porter
Pryce (OH)
Quillen
Quinn
Ramstad
Ravenel
Regula
Ridge
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Santorum
Saxton
Schaefer
Schiff
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stump
Sundquist
Talent
Taylor (NC)
Thomas (CA)
Thomas (WY)
Torkildsen
Upton
Vucanovich
Walker
Walsh
Weldon
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—14

Barton
Collins (IL)
Doolittle
Fields (TX)
Henry
Johnston
Lloyd
McDade
Murphy
Scott
Skelton
Tucker
Washington
Whitten

□ 1646

Mr. EDWARDS of Texas changed his vote from "nay" to "yea."

So the motion to table was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mrs. COLLINS of Illinois. Mr. Speaker, because of illness, I was unable to vote. If I had been present I would have voted "yea" on House Concurrent Resolution 39 and "yea" on the motion to lay the motion to reconsider on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MFUME). The Chair will entertain requests for special orders up until 6 p.m.

LEGISLATIVE PROGRAM

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

Mr. SOLOMON. Mr. Speaker, I see some Members from the majority Committee on Rules, and I ask for this time in order that they might enlighten us as to what is going to take place the rest of the day.

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

Mr. SOLOMON. I am happy to yield to the gentleman from Missouri to tell us what is going to happen for the rest of the evening so the members could be informed.

Mr. GEPHARDT. Mr. Speaker, it is our intent to stop now, and at about 6 o'clock the room will be cleared and swept for the speech this evening.

We will make a decision later today on whether we will return to this bill tomorrow, and what part of it will be considered tomorrow.

Mr. SOLOMON. There will be nothing further that will take place on the floor as far as the House of Representatives is concerned?

Mr. GEPHARDT. The gentleman is correct.

Mr. SOLOMON. If the majority leader would inform the President, we anxiously await his appearance here.

I thank the gentleman.

Mr. GEPHARDT. I thank the gentleman.

CLOSELY SCRUTINIZE PROPOSED TRADE AGREEMENT WITH MEXICO

(Ms. KAPTUR asked and was given permission to address the House for 1 minute and to revise and extend her remarks, and include extraneous matter.)

Ms. KAPTUR. Mr. Speaker, we have all been told over and over again that the proposed trade agreement with Mexico will not cost us jobs in the United States. But an article on the front page of the New York Times' business section today tells us a different story.

The article uncovers a scheme by wealthy investors in New York and Mexico to set up a development fund by American companies and move them to Mexico where wages are cheap and workers are easily exploited. This is going to be the new LBO scheme of the 1990's.

Mexico is a nation that is run by a super elite, in a one-party system that has been exploiting its own workers for decades. Mexico's secretary of treasury of the State of Yucatan, with close ties to Mexico's President Salinas, is one of the top investors in the AmeriMex Maquiladora fund. And the largest state-owned industrial bank in Mexico, Nafinsa, is in the driver's seat in this deal.

Certain powerful interests are going to benefit from this agreement. But you can bet it is not going to be the glass factory worker in Toledo or the Mexican who toils 12 hours a day for $1 an hour.

This is just one more cruel reminder of what is really at stake in our agreement with Mexico, and that means the movement of our companies and our jobs south of the border.

Mr. Speaker, for the RECORD I include the article from the February 17, 1993, New York Times.

FUND TO MOVE COMPANIES TO MEXICO

(By Keith Bradsher)

WASHINGTON, Feb. 16.—In a development that has inflamed opposition to the North

American Free Trade Agreement, entrepreneurs in New York and Mexico have established an investment fund whose announced purpose is to buy small American manufacturing companies and move them to Mexico to take advantage of lower wages there.

The Mexican Government's largest industrial development bank is a "significant investor" in the venture, according to a prospectus distributed today by Richard A. Gephardt, the House Majority leader, a leading opponent of the trade pact.

"Funds such as this should not be allowed to operate," Mr. Gephardt said in a letter to President Carlos Salinas de Gortari of Mexico. "But even more objectionable is the official participation of entities controlled by your Government in stealing American jobs."

POWERFUL OBSTACLE

Likely job losses to Mexico are already the most potent political obstacle to Congressional approval of the trade agreement, which would eliminate most barriers to trade and investment among Canada, Mexico and the United States. President Clinton has endorsed the agreement, pending negotiation of side agreements on labor, the environment and surges in imports as tariffs are reduced.

A senior American trade official said this evening that Mickey Kantor, the United States trade representative, would discuss the fund on Wednesday morning at his first meeting with Jaime Serra Puche, Mexico's trade minister. "Any Government-subsidized program to steal American jobs would not be tolerated by this Administration," the official said.

The Mexican Embassy had no comment on the prospectus last night.

Even without the Nafta, Mexicans may already buy American companies in many industries and legally move them to Mexico, while Americans can buy Mexican companies in some industries and move them here.

The Mexican Government's involvement in the fund, known as the AmeriMex Maquiladora Fund L.P., is particularly awkward for the Clinton Administration. In his election campaign, President Clinton strongly criticized a foreign aid program that provided financial incentives for American companies to move to Central America.

The prospectus said the fund's organizers are trying to rise $50 million they would use to buy 9 to 13 companies. But critics of the free trade pact cited the prospectus as evidence for their contention that many American companies would move south if the trade pact is approved.

Pat Choate, the director of the Manufacturing Policy Project, a Washington group that is seeking more protection from imports for ailing manufacturing industries, said that the fund could be the first in a wave of cross-border financial transactions to rival the leveraged-buyout boom during the 1980's, and that "hundreds of thousands" of American jobs would be lost.

The Mexican Government's involvement in the fund, "couldn't possibly be a worse move," said Representative Charles E. Schumer, a Brooklyn Democrat. "I hope the Mexican Government is better at economics than they are at American politics."

The fund "is wonderfully revealing of the attitudes behind the enthusiasm for the Nafta," said Tom Donohue, the secretary-treasurer of the AFL-CIO, which opposes the pact.

But most academic studies have predicted that the pact would create more American jobs than it would destroy or send to Mexico because jobs added in Mexico would ultimately mean more demand for American goods. More than two thirds of Mexico's imports come from the United States.

Lynn Martin, who was then the Labor Secretary, testified before the Senate Finance Committee in September that the pact could cost 150,000 America jobs, but she predicted that these losses would be more than offset by additional jobs in factories shipping extra goods to Mexico.

The prospectus estimated that manufacturing companies now paying $7 to $10 an hour to their workers in the United States can pay Mexican workers just $1.15 to $1.50 an hour. By moving to Mexico, the companies would save $10,000 to $17,000 per employee each year, excluding relocation costs, the prospectus said.

The fund would buy companies with annual sales of $10 million to $100 million, move them to Mexico within a year and a half, and then resell the company after three to eight years.

□ 1650

WANTED: FAIR PRESCRIPTION DRUG PRICES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. STARK] is recognized for 5 minutes.

Mr. STARK. Mr. Speaker, we must work on all fronts to confront the exploding costs of our Nation's health care system. Today I am introducing legislation that will protect consumers from excessive prescription drug pricing. This bill, the Prescription Drug Prices Review Board Act of 1993, is modeled after a Canadian initiative that has enabled our northern neighbor to pay 32 percent less for prescription drug prices than we pay in the United States.

FUNCTIONS OF THE REVIEW BOARD

This bill creates the Prescription Drug Prices Review Board, a Presidentially-appointed panel of five with three primary functions: Track the pricing of prescription drugs for sale in the United States; disseminate information on drug pricing and prices of therapeutically equivalent alternatives to Federal agencies which buy or reimburse others for drugs purchased, and for drugs found to have excessive prices, recoup benefits provided by the Federal Government in the development of the drug or, as a last resort, contract directly with a manufacturer to produce and distribute the product so that its life-saving features may be made available to the public.

Determining whether a prescription drug is priced excessively will be based upon four factors: First, if the price of the drug increased by more than the rate of inflation plus 2 percent over the past year; second, the average price increases of the drug over the past 5 years; third, the costs of producing and marketing the drug; and fourth, the amount of government funds invested in its development.

If a pharmaceutical company is found guilty of price gouging, the Board will have the authority to shorten the patent life of the drug and/or recapture tax incentives provided by the Federal Government in the development of the product. The Federal tax incentives that may be recouped include tax credits provided for research and development expenditures, Section 936 (of the Internal Revenue Code) tax credits, and benefits provided under the Orphan Drug Act. The Board may also exercise the authority provided in existing Federal patent law wherein the Government may contract directly with a manufacturer to produce and distribute a product that is under patent. Compensation for any losses to the patent holder would be available as provided in the 1948 amendments to the Court of Claims Act. Federal agencies will receive an annual report on those pharmaceutical products found to be excessively priced.

Mr. Speaker, I would like to briefly explain why this legislation's time has come, as well as what arguments we might expect to hear in opposition to gaining control of the horrendous increases in pharmaceutical prices.

WHY GOVERNMENT INVOLVEMENT IS NECESSARY AND SUPPORTABLE FOR PRESCRIPTION DRUGS

Like the rest of the health care sector, a functioning market does not exist with the physician-controlled prescribing of medications. On top of this market shortcoming, prescribed pharmaceutical products are typically under the protection of patents, further distorting the operation of price competition. Add to this findings of a University of Massachusetts and Harvard Medical School study that there is widespread ignorance by doctors about the cost of drugs, and you have the prescription for a disaster. Pharmaceutical companies capitalize on this through a steady stream of price hikes.

The results? The 20 most prescribed drugs for the elderly between 1985–91 increased 70 percent in price while the CPI rose only 21 percent. Pharmaceutical companies' profit margins are four times larger than the average Fortune 500 company. And while the entire Nation suffered from the recession, the pharmaceutical manufacturers' profit margins were unscathed.

Product patents, tax subsidies, and research grants link government to the pharmaceutical industry and the drugs they develop. Empowering a government-appointed board to uncover and rectify price gouging in the sale of these products will save the American people an estimated $60 billion in health care expenditures over the next decade.

Patents, a key ingredient to pharmaceutical research and development, are a privilege, not a right. Considering the nature of the marketplace, the damage that has been done to family budgets, and our national health care crisis, prescription drug price increases must be moderated. If pharmaceutical companies refuse to play fair, they should lose their privileged patent status.

Government subsidies, like the research and development tax credit, have allowed government and industry to work together creating life-saving and life-enhancing drugs. But the pricing of many of these drugs has placed them out of reach of many in dire medical need. And for those who do purchase these drugs, their financial health may ultimately be ruined.

WHAT ARE THE ARGUMENTS IN OPPOSITION TO A PRESCRIPTION DRUG PRICES REVIEW BOARD?

The single most stated reason, which in fact is also the single greatest myth, as to why consideration of pricing should be no concern of government, is that the prices charged for prescription medicine are required to maintain desired levels of research and development. The Pharmaceutical Manufacturers Association [PMA] claims that monitoring prices will eventually decrease R&D, and limit new, therapeutically advanced drugs. This claim is made despite studies which show that there is no direct correlation between profits and R&D investment. Ron Pollack, Executive Director of Families USA, refuted the PMA's claim saying:

The truth is that little of the pharmaceutical manufacturers money goes into research. While profits far more than doubled from 1985 to 1991, fewer than half of the top drug companies increased their research budgets even 10 percent.

Meanwhile, American tax dollars support this industry through $11 billion of government-sponsored research, the R&D tax credit, and section 936 tax incentives.

The PMA states that the tremendous profits of their member corporations are necessary to compensate for the risks in development. The Office of Technology Assessment disagrees. The OTA wrote that the financial returns of drug companies "were higher than was required to reward investors for the time and risks incurred."

The PMA's bookkeepers insist that it costs over $230 million to bring a new drug to the market. But, there is no verification that their record-keeping is accurate. The OTA wrote in a draft of a soon-to-be-released study: "Pharmaceutical companies have demonstrated a willingness to actively resist providing access to congressional agencies to this proprietary data." To add insult to injury, experts believe that of the $230 million in costs claimed, $117 million of this is for a bogus expense of the profit the investor would have earned if the FDA drug approval process had not existed. Like the pricing of some of these products, this argument is ridiculous.

FOR PHARMACEUTICAL MANUFACTURERS, MARKETING DECISIONS OUTWEIGH R&D CONCERNS

While pharmaceutical companies whine about scarce resources for R&D expenditures, they don't mind spending extravagantly on marketing and promotions. The Philadelphia Inquirer said it best when it stated last month that the drug industry woos doctors.

It begins the moment a medical student starts school and receives a free stethoscope * * * [and] doesn't let up until the doctor retires.

Pharmaceutical companies spend over $10 billion a year on promotions. More than $3 billion is spent on a sales force of 45,000 persons. A 1982 study conducted at Harvard Medical School concluded that doctors prescribing patterns were influenced by drug advertising, although doctors believed their intelligence and education kept them immune.

Recently, in a less than subtle shift of priorities, Merck & Co. selected Richard J. Markham, a marketing executive, to succeed the retiring Chair and CEO Dr. P. Roy Vagelos, a reputable researcher. The New York Times reported that "the choice suggests that Merck * * * sees marketing as its toughest challenge in a rapidly changing world."

To top it off, others have noted that pharmaceutical companies are hiding marketing costs in those shady R&D budgets. David Jones, a former executive director of government relations and promotions at CEIBA-GEIGY and a former vice president at Abbott Laboratories, testified before the Senate Labor Committee in 1990 and the Senate Aging Committee in 1991 that large chunks of R&D budgets go toward marketing, promotions, and sales, and are knowingly mislabeled as R&D expenditures.

A PRICE REVIEW BOARD CAN CONTAIN HEALTH CARE EXPENDITURES

The Canadian Parliament created its Patented Medicine Price Review Board in 1987. Through its policy of monitoring new and existing drugs, it has been successful in keeping drug prices in check with inflation. And while my legislation will permit us to contain the abuses in drug pricing, we can also ensure sufficient resources are available to maintain the leadership of the United States in the development of pharmaceutical products.

The U.S. pharmaceutical industry is so concerned about the successful efforts to moderate drug prices in Canada, it has worked with the PMA-Canada and the United States Trade Representative to abolish one of Canada's primary regulatory tools, the compulsory licensing program. This program allows generics to compete with brand name drugs after 10 years of patent life. The Bush administration required the Canadian government to extend pharmaceutical patent life to 20 years before agreeing to NAFTA. This will extend monopoly control of the prescription drug market and lessen the control of the Canadian price review board. The New York Times reported it will cost Canadians at least $400 million per year initially and up to $800 million annually by the late 1990's as a result of patent extensions.

The time for a prescription drug prices review board has come. The public is aware and angry. Congress is focused on limiting the growth of health expenditures. The major prescription drug manufacturers are in retreat, aware that they have forced many elderly Americans to choose between food and drugs. It is time for action, and this is the Congress that can ensure that government support provided to the pharmaceutical industry is ultimately returned to benefit the American people.

HOUSE SHOULD MOVE SWIFTLY ON CAMPAIGN FINANCE REFORM

The SPEAKER. Under a previous order of the House, the gentleman from Ohio [Mr. FINGERHUT] is recognized for 5 minutes.

Mr. FINGERHUT. Mr. Speaker, tonight President Clinton will come to this Chamber to begin a national debate on the economy and on the budget. He has already taken measures in the White House to reduce his staff, to begin to reduce the budget of the Federal Government, and to begin to approach the American people with complete openness and honesty about the future of this country.

In his address on television the other night to the American people, he expressed his concern that the plan will not receive a fair hearing because of the influence of special interests on this body. Mr. Speaker, Mr. President, I share that concern, and I know a lot of Members of this body share that concern as well. That is why I rise this afternoon to ask that this body, and the leadership of this body, and the chairmen of our committees, move as quickly as we can to take up the subject of campaign finance reform.

Mr. Speaker, nothing, nothing would tell the American people more directly that the decisions that we are going to make over the next few months, that the plans that we are going to approve, and the programs that we are going to adopt have been done with only their best interests in mind, than if we were to quickly, forcefully, and dramatically adopt a campaign finance reform bill.

Mr. Speaker, that bill must have as part of its measures at least two provisions: It must place a limit on the amount of money that can be spent in congressional campaigns.

Mr. Speaker, we all know that the spending has gotten out of hand. We understand that when millions of dollars are spent on campaigns to elect Members to this body, that the money must come from somewhere, and where that money comes from calls into question the ultimate integrity of this body.

Mr. Speaker, second, we must do something to reduce the amount of money we spend on campaigns. The fact of the matter is that in this day and age, the way we communicate with our constituents is through television and the radio.

Mr. Speaker, you know that those media are public licenses granted to private corporations, and I believe it is time that as a condition of the public license, we ask those private entities who are profiting from the public airwaves to help us solve the problem of campaign finance reform by permitting us to have time to address our constituents directly.

If we do that, Mr. Speaker, and the American people, we will not need as much money to run our campaigns and we will not need to put ourselves into the process of campaign fundraising that we have done before. We will begin to send a message to the American people that we are going to be making these decisions in an open and honest way.

Mr. Speaker, I yield to the gentleman from Arizona [Mr. COPPERSMITH].

Mr. COPPERSMITH. I thank the gentleman from Ohio for yielding to me.

Mr. Speaker, I wish to join my colleague from Ohio, Mr. FINGERHUT, in favor of campaign finance reform. I wish to add as a personal note, maybe engage in a colloquy with Mr. FINGERHUT: I think, from my personal experience, I ran against an incumbent, his prescription, Mr. FINGERHUT's prescription, is entirely right. I ran against an incumbent who spent more on the frank in that cycle, more on postage out of his congressional office, than I could hope to raise in my entire campaign. I think that the prescription is some form of limiting spending, to allow real political competition in all districts to take place, that that is absolutely necessary. We need to see some form of campaign finance reform. It must be real, it must allow for real competition, and it must somehow end the cycle where challengers, people with new ideas and new approaches, start from so far behind the starting gate.

I know my colleague was in a similar situation. This is not his first race for public office, but it was his first race for the Congress. He was running in an open seat. I know the difficulties he faced. We need some way to make the system fair, so that some people can compete on the basis of ideas rather than simply on the basis of how much money they can raise.

Mr. FINGERHUT. I thank the gentleman from Arizona for his comments. I know he has campaigned for Congress in an area that is not predominantly of his own party. He was successful because of his ability to concentrate on ideas.

The SPEAKER pro tempore (Mr. MINGE). Under a previous order of the House, the gentleman from Georgia [Mr. COLLINS] is recognized for 5 minutes.

Mr. COLLINS of Georgia. Mr. Speaker, I am today introducing legislation to enhance the integrity of airline operations. The bill proposes to establish important criteria to ensure that anyone who operates an airline is financially fit to do so. It would minimize the possibility of financial failure, with its devastating consequences. History has shown that unscrupulous individuals can establish or acquire an airline and use it for their own ends, to the ultimate detriment of the customers, the employees, and their families. We must do everything possible to guard against this type of airline ownership.

Currently, the Department of Transportation must provide certification of financial fitness for airline operations. The bill that I am introducing raises the presumption that any person who has been in control of an airline or airlines placed in bankruptcy more than once is not financially fit to acquire yet another carrier, and cannot be certified to do so by the Department. Financial fitness today is determined on the basis of case history, rather than statutory instruction. Case history, of course, can be fluid. But it is the case history of Eastern and Continental Airlines that is the underlying motivation of this legislation.

There are many former Eastern Airline employees in the Third Congressional District of Georgia who are still suffering from the financial antics of the management of not only Eastern Airlines, but Continental Airlines as well. These airlines, their customers, and hard working employees were victimized by inept management: They were systematically stripped of their assets, millions of dollars were lost by investors and thousands upon thousands of hardworking employees were left without jobs.

One such family I recently spoke with is typical of those impacted by the demise of Eastern. They told me that even though Eastern went out of business years ago, they still drove their same old car, still wore their same old clothes, and had virtually nothing but the barest necessities. This hard-working employee who had once believed in and worked with pride for the company, had to resort to bankruptcy in order to hold the family together. The plight of families such as this is of great concern to me, because there are hundreds and hundreds of families that feel the same effect of mismanagement on this scale, families that are torn apart by the bitterness and greed of a very few. These families do not want Government handouts, they want to work. But for many there is still no work.

In the case of Texas Air Corp., the management headed by Frank Lorenzo is responsible for these abhorrent acts. He broke the backs of Eastern and Continental and then sold off pieces to the highest bidder. He called upon the employees to believe in him and trust his ability to help the ailing carriers and then callously turned his back on them to make a huge fortune at the employees' expense. The damage to these people has been done, but it is our responsibility not to let this happen again. That is the purpose of this legislation.

In October 1989, the House of Representatives passed, by a large margin, an amendment offered by former Representative Bosco of California which is similar to the bill I offer today. The initiative was lost when the other body failed to take up the bill to which this amendment was attached. Because of the keen interest in the current state of the airline industry and its impact on airline employees, I urge my colleagues to provide swift consideration to this measure. I hope you will join me in barring repeat offenders who bring misfortune upon others for their own personal profit. My constituents have suffered and have suffered deeply, and I urge you to take preventive steps and protect all Americans so they will not have to share their plight.

□ 1700

ORDER OF BUSINESS

Mr. DORNAN of California. Mr. Speaker, I ask unanimous consent to vacate my preapproved 60-minute special order and ask for 5 minutes.

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

There was no objection.

ORDER OF BUSINESS

Mr. DURBIN. Mr. Speaker, I make the same request. I ask unanimous consent to vacate my request for a 1-hour special order and instead request 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

ORDER OF BUSINESS

Mr. BURTON of Indiana. Mr. Speaker, I make the same request. I ask unanimous consent to vacate my 60-minute special order and take instead 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

THE CLINTON TAX STRATEGY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DORNAN] is recognized for 5 minutes.

Mr. DORNAN. Mr. Speaker, the White House wants us to believe that they can balance the budget by raising taxes on working Americans, as if our hard-working fellow citizens, and not bloated Government, were the problem.

Well, I hold in my hand evidence that Clinton's plans to sock it to the American people will come to naught and that his revenue estimates will simply not pan out.

Here is a Forbes magazine story on "Tax Strategies for Clintonomics, Your Smart Tax Moves Now."

Here are a couple of Money magazine articles: "How President Clinton Will Change Your Taxes" and another one advising how to "Stop Paying 40 Percent of Your Income in Taxes."

Indeed, Mr. Speaker, I have thoroughly surveyed the financial press and have yet to come across a single article detailing just how we Americans can make it easier for the Government to confiscate more of our money.

Are these Americans unpatriotic, Mr. Speaker, because they believe that they have more of a claim on the fruits of their labor than their fat Government does? Are they "unpatriotic" to believe that they know far better the types of investments that will benefit them, their families, and their children?

By raising taxes to confiscatory levels, the President will simply drive more and more Americans into the underground economy, where they will stay until its safe to come out. I wonder how many IRS 1040 tax returns, joint or single households, that we will see next year with $249,000 in the taxable income bottom line? I wonder what new and imaginative ways lawyers and accountants will come up with to shelter income? And I want to return to that word "shelter" before I close.

I also wonder how much effort will be put into trying to beat the system instead of being productive?

A final note. I noticed that on television Monday night Mr. Clinton said his plan was "nothing less than a call to arms." Given the President's response when his country tried three times to call him to arms in 1969 and 1970, I would advise him to lay off the martial metaphors. Otherwise, we could see boatloads of taxpayers heading off to Oxford to take an academic sabbatical for 3 years and 8 months, rather than work hard under confiscatory tax policies.

Mr. Speaker, I include the following articles referred to in my statement, as follows:

TAX STRATEGIES FOR CLINTONOMICS

(By Laura Saunders)

Income taxes will be going up under President-elect Clinton and the new Congress: That's a foregone conclusion. The hows and the whens are still unclear. However, there are things you can do right now to minimize the blow to your wealth and income.

Decisions you make now, before year-end, could save you thousands of dollars. Still more will be at stake over the next several years as you make critical and sometimes irrevocable choices relating to deferred-pay, stock options, gifts to family members, municipal bonds, mortgage refinancings, thrift-plan investment options and charitable contributions.

None but Clinton's most believing supporters take seriously his promise to limit tax hikes to the "rich"—defined as those making over $200,000. People in this category will be hit, but so will others further down the scale. That's because there aren't enough upper-income taxpayers to provide the revenue needed to cut the deficit or fund big, popular programs, like universal health insurance (Forbes, Oct. 26).

Ironically, political cover on this front could come from Ross Perot.

On the *Today Show* the morning after the election, congressional leaders George Mitchell and Robert Dole praised Perot's commitment to deficit-cutting. Both the Democrat and the Republican agreed that his plan had struck a chord with voters. Translation: Thank goodness Ross Perot has put on the table all those things—such as taxing more Social Security or employer provided health insurance, or cutting mortgage interest deductions—that have been untouchable.

But Clinton can raise taxes on those earning less than $200,000 even without seeming to go back on solemn campaign promises. He has promised, for example, to raise the dreaded and complex alternative minimum tax in tandem with the top marginal rate. It's a good bet that this increase would apply to all taxpayers, not just those making more than $200,000.

Here are the basics of the Clinton tax plan: a new 36% bracket starting at $200,000 and a 10% surtax starting at $1 million; an increase in the alternative minimum tax rate from 24% to perhaps 27%; a 50% exclusion of the capital gain from investments in new small businesses; and cuts in taxes for low-income working people.

But these sketchy plans understate the reality of rate increases. Coupled with various tax-magnifying quirks already in the code, they will put a lot more upper-income people in 40%-plus federal tax brackets. Throw in state and city income taxes, and many Forbes readers could find themselves splitting the incremental income dollar 50-50 with the tax collectors.

Other proposals floating around Capitol Hill, not explicitly endorsed by Clinton, include: a drastic reduction in the $600,000 gift/estate tax exclusion; limits on the present $10,000 per year per donee gift tax exclusion; and an end to the capital gains step-up at death.

It's impossible to say which of these proposals will be enacted, or in which year: Politicians don't like to talk about plans for future tax increases, and legislation is written in the heat of the moment. But some patterns are clear. Often legislators start with a small assault on some form of income or tax benefit, wait for the squawking to die down, and then tighten the screws again until taxpayers' screams become too loud. Thus, the alternative minimum tax started out as a special tax to close up some "loopholes" like oil depletion, but has since been expanded so that the deduction for state and local income taxes now counts as a loophole.

In just this way, it's a good bet that the deduction for interest on various types of mortgages will be trimmed at some point. After all, existing law limits some mortgage interest deductions for taxpayers affected by the alternative minimum tax; expanding these limits is a real possibility.

What will escape? The only fairly safe bet is municipal bonds, Clinton being a former governor with close ties to the labor unions that benefit from state and local spending. But even the much-repeated advice to buy munis is an oversimplification. Did you know that the Clinton tax increases will make it still harder to come out ahead by buying a mutual fund specializing in bonds from your home state? Read the article on page 146 for details.

Here's one certainty: The numbing complexity of the code will only get worse. Expect more phase-ins, phase-outs, ceilings, floors and the like, all of which will make tax planning at once more imperative and harder to do. The 3% disallowance of itemized deductions, for example, could easily be raised to 5%, effectively increasing marginal tax rates for itemizers. Note that this is really not a limitation on deductions; it's just a convoluted way of raising marginal rates while keeping published ones low.

This also is clear: Act quickly to protect yourself. "People don't have as much time as they think they do," warns David Berenson, an expert with Ernst & Young in Washington. Clinton may try to act in the first 100 days. It is highly likely rate increases enacted next year will be retroactive to Jan. 1.

Other types of changes are often made effective the day a congressional committee first votes on them. Occasionally this is pushed forward to the date a bill is enacted, but don't count on a grace period. Grandfather rules exist at the whim of Congress.

Here are 16 tips to help you sort things out. If some of them seem complex and convoluted, that's because politicians love complexity; it confuses the public, making them unaware how hard they are being hit.

ACCELERATE INCOME—BUT ONLY UP TO A POINT

Conventional wisdom says that when tax rates are going up, you should accelerate income and defer deductions. That's why many executives are asking for year-end bonuses in December rather than January. With interest rates low, paying taxes sooner doesn't hurt so much.

But there's a potential trap here. If you shrink next year's income too much or boost next year's deductions too much, you could get caught by the alternative minimum tax. Why is that bad, if ATM rates are only 24% and ordinary rates much higher? Because the ATM is akin to a flat tax, in which a lot of big deductions are wiped out.

Moral: Plan multiple tax years before shuffling income and deductions. Also factor in what you would earn by deferring the income and thus the taxes on it. Says Arthur Andersen expert David Bohl in Milwaukee, "Most people are accelerating what they can't defer at least four years."

Executives who run firms should also consider the real chance that Congress will disallow deductions for compensation over $1 million.

BEWARE THE MINIMUM TAX

The most important thing to understand about the ATM is that it applies only when it delivers more money to the Internal Revenue Service than the regular tax does. So, if you pay the ATM, you are missing a deduction or benefit that might be yours with proper planning.

Some of the items on your tax return that can kick you into ATM territory; charitable donations of appreciated property like stock; incentive stock options handed out by your employer, deductions for state and local income and property taxes. See the box on page 145 for details.

KNOW YOUR TAX BRACKET

And don't think you can figure it out simply by looking at an IRS schedule. The tax code deliberately conceals the full extent of high rates.

Note that we are talking about a tax bracket, or marginal tax rate. This is the percentage of tax you give up out of each additional dollar of income. If you pay $50,000 in tax on an income of $200,000, your average rate is only 25%. But if collecting a $10,000 bonus costs you an additional $3,000 in tax, then your marginal rate is 30%.

It's the marginal rate that matters in tax strategy, because most of your income is given. But if you are pondering whether to take a bonus this year or next, or whether to invest some spare cash in munis or taxable bonds, or whether to cash in a stock option now, you are dealing with tax rates at the margin.

How high will marginal rates go? Take the advertised 36% bracket starting at $200,000. Now allow for the fact that personal exemptions will be phased out starting at about $163,000 for married couples. This can add more than 2 percentage points for a family of four. Tack on another percentage point for the deduction limitation, which kicks in at about $108,000 next year. People who claim "miscellaneous" deductions take a further hit. And don't forget the 1.45% Medicare tax on salaries up to about $134,000.

Bottom line: Top marginal federal rates could easily approach 40%.

DON'T COUNT ON BIG MORTGAGE INTEREST DEDUCTIONS

Currently you can deduct interest on mortgages of up to $1 million. This ceiling could drop to $500,000 or lower. Or Congress could go after equity loans and mortgages on second homes. After all, it has already tipped its hand here, having eliminated the interest deduction for AMT taxpayers whose second home is a fancy boat. Those who pay alternate tax can also be denied some deductions when they refinance a mortgage.

You may want to wait to buy, to see how tax changes affect house prices. But if you are buying anyway, close before the end of the year or as early as possible next year, since there is a chance that new limits would grandfather outstanding mortgages.

WITH REGARD TO STATE AND LOCAL TAXES, THINK ABOUT TIMING

In the days before the current minimum tax, it often made sense to prepay property or state income taxes in December, to speed up the federal deduction for local taxes. But this strategy backfires if you will be subject to the AMT this year but not next year. In that case accelerating payments cause you to lose deductions permanently.

New York CPA Stuart Becker always advises clients subject to the alternate tax to postpone payments into a year when they expect to be AMT-free. They may come out ahead even if they end up paying a late penalty to the local tax collector. "Paying the penalty and getting the deduction can be cheaper than losing the deduction entirely," Becker says.

TIME YOUR INVESTMENT GAINS AND LOSSES

There's a good chance Clinton and the new Congress won't directly raise long-term capital gain taxes, but don't let this give you a false sense of security. What Congress gives with one hand, it can take away with the other.

Thus any capital gains exclusion—say for new small businesses—that lawmakers enact could also be included in calculating AMT income. This is how capital gains were taxed before 1987. Says Ernst & Young's David Berenson, "More than any other provision, it knocked unsuspecting taxpayers into the AMT." Even if the overall gains rate remains 28%, gains could be included in the AMT at effective rates higher than that.

What about short-term capital gains and losses? If you tend to have far more short-term gains in your portfolio than losses, it may make sense to postpone taking losses until next year, in order to maximize your income this year.

But if you are comparatively rich in unrealized losses, a reverse strategy may be better. Capital losses taken this year can absorb any amount of gains plus up to $3,000 of ordinary income (like salary). Net losses beyond the $3,000 limit can be carried forward but not back.

HOLD OFF MAKING CHARITABLE GIFTS OF APPRECIATED PROPERTY

Ordinarily you escape paying regular tax on the appreciated portion of a donation, but you must include it when figuring the minimum tax. That could change, however, if a provision in a bill that Bush vetoed this year passes again next year. So if you have stock worth $100 that you brought at $20, and are planning to give it to your college, hold off for now.

If enacted, the provision would solve another problem. A law exempting donations of tangible personal property from the AMT expired June 30. It was much used by museum donors, and will probably be extended in any event.

CONSIDER EXERCISING "NONQUALIFIED" OPTIONS

These are corporate stock options that do not meet certain criteria for favorable treatment, and create highly taxable ordinary income upon exercise. This income is equal to the difference between the exercise price and the value of the stock at the time. However, any further gains are capital gains.

An example: Say you are holding options granted at $50. If you exercise them now, when the stock price is $60, then you pay tax at ordinary income rates on the $10-per-share gain. If the price rises to $100 and you sell more than a year after exercise, you will have a $40 capital gain taxed at lower rates.

Why would you exercise an option now, rather than wait until nearer its expiration date? Because you expect the stock to rise a lot more and want to be taxed at capital gains rates in the future. If you wait to exercise until the stock is at $100, you will have a $50 gain taxable as ordinary income, probably at high Clinton rates.

DON'T EXERCISE "INCENTIVE STOCK OPTIONS" TOO QUICKLY

Unlike the nonqualified variety, the "incentive" type creates income subject to the minimum tax. When you exercise, the difference between the strike price and the value on the date of exercise becomes AMT income.

Many incentive options were granted before 1986 and run for ten years, so holders have only a few years left to use them. The trick is to exercise your options in a way that doesn't trigger the AMT. That means not exercising too many in one year, or any at all in a year when other tax items put you into AMT territory. Assuming you avoid the AMT, then the options are a nice perk, for none of your paper profits are immediately taxable. Instead, you pay capital gain tax when you sell the stock, which can be many years later.

What if you have so many options you can't avoid triggering the alternate tax? One possibility is to pay the AMT and hope that you get some of it back in a later year in the form of an AMT credit against regular taxes.

The other strategy is to exercise and sell the stock the same year. You pay tax at ordinary rates on the entire profit but create no AMT income. If you go this route, do it this year, when ordinary income tax rates are low. Grant Thornton's Dean Jorgensen adds this advice: Tell your firm what you are doing, because it will get a tax deduction that it wouldn't get otherwise. Some firms, he says, will even share the savings with you.

DON'T BUY TAX-DEFERRED ANNUITIES

These are insurance-flavored mutual funds that promise tax-sheltered compounding to savers who can afford to put money away until they are 59½. Congress may take this deferral away, while perhaps grandfathering outstanding annuities.

But even for investments made now, the advantage to deferring taxes is largely undone by the steep fees and commissions built into most of them. Thus, they are an iffy proposition.

DON'T RUSH TO SELL TAX SHELTERS AT DESPERATION PRICES

These old dogs are causing pain because you can no longer deduct "passive losses" against other income. But if you sell in a hurry, you may be stuck with a surprise bill for "recapture" taxes.

Moreover, a rescue may—repeat, may—be at hand, depending on your livelihood and your spouse's. A partial relief from the passive-loss rules has enormous support in Congress and is likely to resurface next year. The real estate lobby—which writes lots of fat checks for congressional campaigns—wants this badly.

It would allow certain real estate professionals to deduct passive losses on rental property against other income. And who is a professional? The definition is complex, but it could apply to someone who spends as little as 100 hours a year on real estate. So if you have lots of passive losses and the provision passes, it may make sense for you or your spouse to dabble in real estate.

IF YOU HAVE LOTS OF MONEY IN RETIREMENT PLANS, THINK ABOUT A WITHDRAWAL

This is most likely to make sense for someone who is nearing retirement age anyway, and has several million dollars in IRAs, Keoghs and corporate thrift plans.

Your decision depends on many complicated factors, including your age and health, whether you made a certain grandfather election in 1986, your expected payout from traditional pension plans, and your investment plans. "Don't take money out of company plans earning 10%, pay tax, and then park it in CDs earning 4%, which I have seen people do," says Arthur Andersen expert Bohl.

Why might it make sense to take out money and pay tax now? Because the pension rules put the affluent thrifty between a rock and a hard place. The rock is the mandatory withdrawals from retirement plans beginning at age 70½. The hard place is that if the amount you take out of all retirement plans tops about $150,000 (per year, indexed for inflation), you owe a 15% penalty tax on top of ordinary taxes. The surtax also applies to lump sums more than $750,000, and can even hit your estate. So, a 62-year-old might do well to withdraw $140,000 before year-end. Better to get the money out before rates go up.

If, however, you are looking for shelter and have self-employment income, check out a defined-benefit Keogh. According to Arthur Andersen actuary Howard Freidin, a 55-year-old with $200,000 of self-employment income could shelter nearly $90,000 with a defined-benefit Keogh, versus only $30,000 with a defined-contribution Keogh. But the plan must be in place by year-end.

DON'T ASSUME THAT THE ESTATE STEP-UP WILL LAST

Say you own a $1 million building you bought 20 years ago for $100,000. If you die tomorrow, your estate doesn't owe capital gains tax on the $900,000 paper profit, although it does owe estate taxes on the full $1 million. If your heirs inherit the building, their basis is $1 million, too. This peculiarity of the tax code has kept many older taxpayers stuck with assets they don't want.

Chances are Congress won't tackle this loophole for a while. For one thing, it could create tremendous record-keeping problems. But it could be repealed before the decade is out. A first pass might discontinue the step-up-at-death for property that goes to a spouse; other heirs would be targeted later.

Conclusion: If you are healthy, don't hang on to poor investments with past appreciation in them for estate tax reasons. Pay the tax now and invest in something better.

IF YOU ARE THINKING ABOUT ESTATE PLANNING, USE UP YOUR $600,000 EXCLUSION

Preferably before year-end. Current law allows each taxpayer to give away during life or leave at death a total of $600,000 of assets tax-free. Could this exclusion be lowered to $200,000, as one bill has proposed? We'd bet even odds. But it's still a good idea to use up your lifetime exemption if you have wealth well beyond retirement needs.

That's because assets not given away now will appreciate in your name and be taxed in your estate at marginal rates up to 60%. Remember that, using tools such as remainder trusts and family partnerships, you can transfer property worth more than $600,000 that has a value, for tax purposes, of only that amount.

If you are one of the very few taxpayers inclined to make taxable gifts beyond the $600,000 exemption, make them soon. A current peculiarity of the law means that making a cash gift is far less expensive than leaving the same amount in your estate. Congress may level this disparity by raising gift tax rates.

USE THAT $10,000 GIFT FREEBIE

Current law says you might give anyone else $10,000 per year free of tax, without the gift counting against the one-time $600,000 exclusion. Married couples can give away $20,000 to each beneficiary, tax-free. So a couple with three married children and eight grandchildren can easily remove $280,000 from their combined estates every year, tax-free.

Some sort of crackdown is a good bet. One congressional proposal would put a yearly limit of $30,000 on these gifts. They could also be limited to lineal descendants.

If you are inclined to make these gifts, remember that they can be made into trusts if you are worried about spendthrift relatives. And note the benefits of a case called Cristofani v. Commissioner. In effect it allows you to make many $10,000 gifts to a trust that will go to a very few beneficiaries. Congress is guaranteed to overturn this, so use it before you lose it.

WHATEVER YOUR TACK, DON'T PANIC

Don't do something dumb just for tax reasons. Don't, for example, give away all your assets to your children, buy a tax shelter or renounce your citizenship. "After elections people always call me to say they want to leave the country," says New York CPA Stuart Kessler of Goldstein Golub Kessler. "I tell them taxes are low in Antarctica, but be sure to take an overcoat."

ALTERNATIVE MAXIMUM TORTURE

Mention the alternative minimum tax, and even experts with years of experience roll their eyes. "It is counterintuitive," says Kenneth Anderson, a partner with Arthur Andersen. "You can't just look at a return and have any sense of how the AMT will come out."

But more than ever you need to be aware of this trap, for two reasons. The first is that Clinton has promised to raise the AMT rate along with regular tax rates. That means it could go to 27 percent from its current 24 percent level.

Legislators are likely to broaden the AMT. They could, for example, add into the AMT an adjustment that undoes the benefit of reduced rates on capital gains. Or they could tighten the existing restrictions on deducting mortgage interest in figuring AMT income.

"As it is, lots of people just miss paying the alternative tax," says Anderson. "In the future, they probably will get caught."

The second reason for awareness is that the AMT is crucial in determining what you do now, before the new Administration comes in. That's because the very moves that make sense if you are paying regular tax can be disastrous if you owe AMT.

Here, roughly, is how the minimum tax now works. You take the adjusted gross income from your regular return, then add back various items that would be deferred or excluded in the regular tax. From this broader base you are permitted to subtract an extremely niggardly range of deductions, plus $40,000 (for joint returns). However, the $40,000 freebie phases out, beginning at AMT income above $150,000. Result: The AMT rate of 24% can cost you more than regular taxes imposed at higher rates. You calculate both the regular tax and the AMT, and pay the higher.

As you plan, remember that the base-broadeners fall into two categories, with a crucial distinction between them.

The first includes deductions that you lose entirely or income that is fully taxed if you are subject to the AMT. Here are some: state and local income and property taxes, most miscellaneous deductions; the appreciation in intangible charitable gifts such as stock; some medical deductions; some home mortgage interest; and tax-exempt interest from "private purpose" municipal bonds.

The second category consists of "timing differences" that trigger the AMT but also generate a credit usable in the next year you pay regular taxes. It includes the appreciation in incentive stock options and certain types of accelerated depreciation.

When you're planning, worry a lot about the permanent differences like state taxes. Unless you will be stuck in AMT-land for years on end, don't worry too much about the timing differences.

[From Money Magazine, Dec. 1992]

HOW PRESIDENT CLINTON WILL CHANGE YOUR TAXES

(By Teresa Tritch)

Just as soon as he takes office on Jan. 20. President-elect Bill Clinton promises to launch an F.D.R.-style First Hundred Days, marked by a blaze of legislation that will leave no doubt that the Republican era of cut-your-tax tactics has ended with a vengeance. Clinton's four-year plan calls for some $220 billion in spending, including $80 billion for public works and $60 billion for job training and education. Moreover, as he repeatedly declared during the campaign, he intends to slash the deficit—estimated at $327 billion this fiscal year—in half by 1996.

To pay for all this, Clinton has pledged $140 billion in spending cuts, primarily aimed at defense and the federal bureaucracy, as well as $150 billion in tax hikes, mostly on the rich ($90 billion) and U.S. and foreign corporations ($60 billion). But—the big, big BUT—both conservative and liberal analysts say that at least half of his spending cuts are sham wishes and cavalier dreams, to paraphrase Robin Leach. For example, the $45 billion Clinton expects to squeeze from foreign corporations may crunch down to a mere $1 billion, according to calculations by Congress' Joint Tax Committee. Moreover, all that analysts know for sure about Clinton's plan for universal health coverage is that the spending involved could dwarf most of his other programs. The glaring gap between the taxes coming in and the money going out will have to be filled by someone, and guess who'll get hit? Yes, despite Clinton's avowed intentions to tap only the 1% of all taxpayers making $150,000 or more, you're a likely target if you're married and earn $80,000 or more, or single and make above $50,000.

This conclusion is drawn from an extensive analysis of Clinton's economic plan and interviews with 25 economists, tax experts, policy analysis and congressional staffers. Our judgment rests on two assumptions.

First, Clinton is serious about both his spending and deficit-shrinking plans. In the campaign's closing weeks, he promised to "cut other government spending or slow down the phasein of the programs" if the money he expects does not materialize. But he never said he would back off his agenda entirely. And second, he will keep his pledge not to raise taxes on the middle class. However, he left himself wiggle room by never defining "middle class." The closest he came to it was in his proposal for a "middle-class tax cut." Even then he said only that the cut would apply to couples with less than $80,000 in adjusted gross income (AGI). Between that income level and the thresholds for his tax-the-rich hikes ($200,000 for couples and $150,000 for singles) grazes the cash cow that could be milked to feed his ambitions: the upper middle class.

To keep from crippling the crawling economy, the Clinton tax measures will probably take effect in stages. For openers, the new President will undoubtedly make good on his campaign pledge to slap a 10% surcharge on people making $1 million a year in addition to hiking the top federal income tax rate from 31% to 36% on couples with adjusted gross income above $200,000 and individuals making more than $150,000. In all, however, fewer than a million taxpayers out of 114 million earn enough to be affected. Then, once the risk of renewed recession recedes, experts say Clinton will be compelled to extend his tax increases well below those cutoffs. Among his probable means: a rate hike; tightening deductions; and extending taxes on Social Security benefits. Capital gains on assets held at least one year will continue to be taxed at 28%.

At the same time, taxpayers making as much as $80,000 who fit Clinton's definition of middle class will have a long wait for the tax cuts he promised: $300 per child or $200 for childless couples and $150 for singles. That's because those breaks would cost about $60 billion over four years. "There's a good chance he'll say he simply can't afford a tax cut now but will look into it later," says Lawrence Chimerine, a senior economic counselor at DRI/McGraw-Hill in Lexington, Mass.

Barring an economic miracle or an unexpected retreat, the Clinton Presidency will bring a range of specific tax changes. The most important ones are outlined below, along with advice from tax pros on what you can do now to ease the coming bite.

ALTERNATIVE MINIMUM TAX

As the second leg of his tax-the-rich plan, Clinton promised to boost the AMT rate from 24% to 26% or 27%. Watch out! "The AMT is a real sleeper," says David Berenson, national director of tax policy at Ernst & Young in Washington, D.C. "It could catch a lot of taxpayers who make well under $200,000." Congress enacted this whammy in 1979 to force people who were taking big write-offs to pay at least some tax. Since then, however, Congress has twice craftily raised the AMT while dropping the top regular rate. Reason: In general, as the spread narrows between your normal top rate and the AMT rate, you're more likely to be snared by the AMT—for example, if you exercise hefty incentive stock options or if you take disproportionately large write-offs for state and local taxes or for home-equity-loan interest.

What to do. When the AMT rate goes up, consult a tax adviser before you make any major financial moves that might trigger the tax. He or she may be able to suggest steps to eliminate the danger.

DEDUCTIONS

Taxpayers with income in even the low six figures will continue to lose some of their deductions. Currently, the total of most of your itemized write-offs is reduced by $30 for every $1,000 of AGI above $105,250; similarly, your exemptions—$2,300 each for yourself, your spouse and any dependents in 1992—begin to phase out as AGIs exceed $157,900 if married, $105,250 if single. Those provisions, scheduled to expire in 1996 and 1997, respectively, seem likely to be extended permanently and perhaps even augmented.

If you earn less than $100,000 your deductions look safe—unless the deficit balloons further and Clinton feels forced to react. In that case, tax experts think his likeliest target would be your deduction for home mortgage interest. Together with Congress, he would consider these three main options: Reduce the $1 million cap on mortgages for which interest is deductible; eliminate the interest deduction for mortgages on second homes; or lower the $100,000 cap on home-equity debt for which interest is deductible.

What to do. Before you borrow, make sure you could afford your new mortgage or home-equity-loan payments if the interest weren't fully deductible. Also, preserve your deductions by keeping your AGI as low as possible. For example, contribute the maximum to tax-favored plans at work, such as 401(k) retirement accounts.

RETIREMENT PLANS

Chances are excellent that Individual Retirement Accounts will be liberalized next year at the urging of Texas' Lloyd Bentsen, one of the Senate's most powerful Democrats. Bentsen got Congress to include IRA-enhancing measures in the tax bill that President Bush was expected to veto in early November. President Clinton will be inclined to grant Bentsen his wish, in return for support of his own tax proposals.

The most likely 1993-94 IRA reforms would spur spending to help the economy without bloating the deficit immediately. They include allowing penalty-free withdrawals for new-home purchases, college costs, major medical bills and expenses while you're unemployed. You'll probably also be offered a so-called back-end IRA. With these accounts, your contributions won't be deductible, but you can withdraw the earnings tax-free after only five years.

However, you'll probably have to wait until 1995 or '96 for the heart of Bentsen's plan to become law: a fully deductible IRA for couples with AGIs as high as $100,000 and singles making as much as $75,000.

What to do. Lobby your representatives now for the liberalized IRA. "Members of Congress who have supported previous IRA legislation will be inclined to do so again if they're aware of the enormous popular support," says Lynn Dudley, director of retirement policy at the Association of Private Welfare and Pension Plans in Washington, D.C.

SOCIAL SECURITY AND MEDICARE

Like any politician, Clinton will approach these so-called entitlements very carefully. Nonetheless, he'll probably press early for his plan to require retirees who make more than $125,000 to pay higher premiums for coverage of doctors' bills under Medicare: under current law the government will pay $109.80 of the monthly premium in 1993, and a retiree will pay $36.60 regardless of income.

In addition, during the last debate Clinton seemed inclined to raise taxes on well-off Social Security recipients too. "Should people pay more for Medicare if they can?" he asked rhetorically. His answer: "Yes. Should they pay more for Social Security if they get more out of it than they paid in . . . [and] they're upper-income people? Yes." Currently, up to 50% of benefits are taxed for those whose income exceeds $32,000 if married or $25,000 if single. Taxing 85% of such benefits, as Ross Perot proposed, might be the outer limit.

THE SELF-EMPLOYED

Chances are, Congress will agree to Clinton's proposal for an investment tax credit, which might equal about 10% of the purchase price of new business equipment, such as a computer, car or truck. The self-employed also are likely to get a deduction for their health insurance premiums, though no one knows whether Clinton's proposal to allow a 100% write-off will win out over Congress' 25% limit.

What to do. If possible, postpone the purchase of business equipment purchases until it's clear when the ITC will become law—or at least until the new year. "If the ITC is passed in 1993, it could well be retroactive to Jan. 1," says Kevin Roach, a tax partner at Price Waterhouse in New York City.

TAX-FAVORED INVESTING

Clinton aides have pledged that he will not tamper with municipal bonds' tax-free status. He is also expected to favor extending the tax credit for investments in low-income housing for one year.

What to do. Resist plunging blindly into munis. Before you buy any, ask your tax adviser whether you would be better off with taxable bonds. As for low-income housing deals, they are complicated and best suited for investors who can take big risks.

If Clinton and Congress become frustrated in their search for new tax revenue, they could turn draconian down the road. Money magazine sources warn not to count out such disturbing steps as:

Slashing the value of an estate you can leave to your heirs tax-free from $600,000 to, say, $300,000. Approximately 15% of estates would end up owing federal death taxes, up from the scant 2% that pay them today. The take: $5 billion over five years.

Requiring that capital-gains tax be paid on assets you own at your death. The take: $17 billion over five years.

Eliminating the cap on wages subject to the Medicare tax—now 1.45% on amounts up to $130,200. The take: $28 billion over five years.

Taxing a portion of your employer-provided medical benefits. Taxing benefits above, say, $335 a month for families and $135 for individuals would bring in $56 billion over five years.

Hiking the 14.1¢ federal tax on each gallon of gasoline. A 12¢ increase, small compared with Ross Perot's 50¢ proposal, would still bring in $55 billion over five years.

Even those tax shocks might not be enough, however. "We may soon realize that we're incapable of raising the revenue we need for the society we want without either returning to the confiscatory 70% rates of the pre-1980s or adopting a radically new approach to taxes," says Gerald Portney, a principal at KPMG Peat Marwick in Washington, D.C. and former IRS assistant commissioner under Presidents Carter and Reagan. In an influential report sponsored by a bipartisan research organization, Sens. Sam Nunn (D-Ga.) and Pete Domenici (R-N.M.) recently endorsed such a revolutionary approach that is favored by many experts inside and outside of government: a broad consumption tax, which could be a far more prodigious and efficient money raiser than the income tax. The government may need every cent.

[From Money Magazine Jan. 1993]

YOUR TAXES

(By Teresa Tritch)

No, the U.S. economy will not achieve the historic post-recession average of 5% annual growth anytime soon. The best hope is for about half that. And no, you can't count on President Bill Clinton to back off entirely from two of his biggest campaign pledges: to stimulate the economy by spending $220 billion on new programs while cutting the deficit in half—all by 1996. And yes, the Clinton agenda will require broad tax increases over the next four years to close the gap between federal income and outgo. And of course, you're right to suspect that the most attractive target may be you.

Trouble is, Clinton's promised tax hikes on 1 million so-called rich taxpayers, defined in general as couples with an adjusted gross income of $200,000 or more ($150,000 for singles), will bring in only $59 billion by '96, according to the Treasury Department, $24 billion less than the Clinton camp's estimate. Like any new President anxious to win a second term, he'll try his best to shield his biggest constituency, the vast middle class, which he has vaguely identified only as couples making less than $80,000. Yet not even they may be safe from the tax onslaught as the '90s march on.

For now, however, it's the soft underbelly of American wealth—the upper middle class—that is most exposed. Two spouses each earning $40,000 a year qualify, as do singles making above $50,000. And this upper middle sector will be most vulnerable because it has neither the rich's ability to shift and shelter income nor the political clout of the largely Democratic lower middle class. "Since 1981, this group has seen only increases and is likely to experience more hikes as Congress chips away at the few remaining deductions," says Robert Garner, a partner at Ernst & Young in Atlanta.

Don't, however, scan the horizon for signs of a '93 tax-rate increase like the one in store for the rich. Even their coming rate hike from 31% to 36% may be phased in, with a transitional rate of perhaps 33.5% in 1993. Rather, as the Clinton years unfold, expect Congress to enact more indirect tax increases like exemption phaseouts and to trim such deductions as mortgage interest and business meals and entertainment. But along with full recovery could come a genuine gift, a cut in the long-term capital-gains tax rate, maybe to as low as 14% for couples making $36,900 to $89,150. "Democrats are increasingly seeing such a break as a way to spur the economy and thereby create more jobs," says Garner.

Money's subscribers also support cutting the capital-gains rate. Two-thirds of the 309 respondents in our annual tax poll favored the idea. In fact, only one other proposed tax cut was more popular: restoring the fully deductible Individual Retirement Account, which was supported by 85%. But with Sen. Lloyd Bentsen moving in as Treasury Secretary, IRAs will lose their firmest supporter on Capitol Hill. (Other poll results are reported below and on the following pages. The survey, taken by the Gallup Organization in early November, has a six-point margin of error.)

Your real nemesis will be those already enacted covert hikes—the ones that Congress and George Bush began slipping into the tax law back in 1991. In 1993, for example, the total of your write-offs for mortgage interest, state and local taxes, moving and miscellaneous expenses will be reduced by 3% for every dollar that your AGI exceeds $108,450.

Similarly, personal and dependent exemptions, worth $2,350 each in 1993, will be phased out for couples whose AGIs fall between $162,700 and $285,200, and for singles making between $108,450 and $230,950. What will those hidden cuts cost you? Let's say that you and your spouse have an AGI of $150,000 and deductions of $20,000. Your write-offs will be trimmed to $18,754.

Moreover, Social Security (FICA) taxes will continue to claim an ever-increasing chunk of your earnings. In 1993, employees will pay 6.2% of their gross wages up to $57,600 for retirement, disability and survivor benefits and 1.45% of wages up to $135,000 for Medicare hospital benefits. The maximum hit: $5,529, a $200 increase from last year and an astonishing $2,149 more than in 1988.

How can you cope? "You need strategies that combine a commitment to long-term tax-deferred savings with the flexibility to respond to change," says Kaycee Krysty, the director of personal finance at the accounting firm Moss Adams in Seattle. A dozen such strategies follow for employees, the self-employed, retirees and investors.

HOW DOES TAX BURDEN COMPARE WITH LAST YEAR'S?

[In percent]

	Greater				Lower				Same			
	1992	1991	1990	1989	1992	1991	1990	1989	1992	1991	1990	1989
Federal	45	51	52	47	7	7	6	16	45	36	37	29
State	44	48	46	41	7	5	5	7	37	34	36	30
Real estate	60	64	61	58	4	5	4	6	29	24	24	22

EMPLOYEES

Make retirement savings plans a priority. Beyond a doubt, your best single tax-slashing move is to contribute the maximum to a company-sponsored 401(k), up to the estimated legal limit of $9,000 this year. Your contributions, plus their earnings, escape federal and most state and local income taxes until withdrawn. If you can't afford the maximum, aim to put in at least enough to get your employer's full matching funds, typically 50¢ for every dollar that you invest up to 6% of your pretax pay. An extra: You won't owe FICA tax on the money from your employer.

Contribute to flexible spending accounts. Next to 401(k)s, FSAs are an employee's most capacious shelter, enabling you to pay dependent-care costs and unreimbursed medical expenses with money deducted from your paycheck before federal income tax-and FICA tax if you make below the $57,600 and $135,000 wage caps. (Money in FSAs is also free of state and local income taxes, except in New Jersey and Pennsylvania.) You and your spouse can each fund a medical-care FSA up to the limits set by your employers, generally $2,000 to $4,000; the tax law caps a couple's contribution to a dependent-care FSA at $5,000 (although your employer may set a lower limit). The savings: By paying $5,000 of bills from an FSA, you will cut your tax bill by $1,783, assuming that you are in the 28% bracket and your gross wages are under the $57,600 FICA cap.

Coordinate your dependent-care FSA with the childcare credit. If your AGI is more than $24,000, you should use an FSA for dependent-care costs even though you'll lose all or part of your dependent care credit as a result. Reason: The credit scales down as your AGI rises, while an FSA's tax-cutting power increases as your tax rate rises. In some instances, however, you can use the child-care credit and an FSA. Say, for example, your employer limits your FSA to $2,000 but you pay $4,800 to keep two children in day care. You could still claim a credit of $560. In addition, 22 states and the District of Columbia will grant you a dependent-care break if you claim a federal credit. Check your state tax instruction booklet for details.

Turn commuting into a tax break. Beginning Jan. 1, the tax law lets employers give you as much as $720 a year—free of income and FICA tax-for mass transit commuting costs; the previous maximum was a modest $252. If your company offers the benefit, grab it: A $720 payment, made in the form of transportation vouchers or tokens, is equivalent to a before-tax raise of $1,120, assuming you're in the 28% bracket and pay FICA tax. If your company doesn't offer commuting assistance, lobby for it.

THE SELF-EMPLOYED

Maximize your deductions. Being your own boss makes you eligible for a host of truly generous write-offs, such as those for work-related travel and entertainment expenses, dues to professional organizations, subscriptions to business publications and equipment depreciation. Equally important, the write-offs also reduce your self-employment tax (the sole proprietor's version of FICA), because you owe it only on income after deductions.

Fully fund a Keogh. You can contribute and deduct a healthy chunk of your self-employment earnings to a Keogh retirement account, even if you're just a moonlighter and are covered by a pension plan at a full-time job. Burton Young of Newport Beach, Calif., pictured on page 81, is an ideal Keogh candidate. With little tax shelter—not even a house of his own—he paid 41.6% of his AGI in taxes in '92.

Michael Knight, a certified public accountant in Fairfield, Conn., recommends that young entrepreneurs start with a so-called profit-sharing Keogh, which lets them contribute and deduct up to 13.04% of their net self-employment earnings each year. (That's net of allowable business expenses and half of your self-employment tax.) You can vary the contribution as your cash needs dictate or even not contribute anything at all. Once your business profits stabilize, you can add a second type of Keogh known as a money-purchase plan, which requires you to salt away annually a percentage of your income that you designate when you establish the plan. Since the combined percentage you can put in both a profit-sharing and a money-purchase Keogh works out to 20%, your best course is to contribute the 13.04% maximum to the flexible profit-sharing variety and commit 6.96% to the money-purchase plan. However, the total amount sheltered in all your retirement plans can't exceed $30,000 a year.

If you're at least 50 years old and haven't yet established a tax-deferred retirement plan, consider a defined-benefit Keogh. It lets you set aside annually whatever amount it takes to provide a retirement payout of as much as $112,221 a year at age 65 or older. You'll need an actuary's help to calculate the sum you must invest each year to reach your target.

Consider incorporating. By organizing yourself as a so-called C corporation, you can arrange for your business to pay—and deduct—your family's health insurance premiums, deductibles and co-payments as well as premiums for life and disability insurance for you. Moreover, contributions to a qualified corporate profit-sharing plan escape FICA tax. Be aware, however, that C-corp status could be a tax trap, especially if your business makes more money than you pay yourself in salary. One pitfall: Accumulated earnings that exceed $250,000 get hit with a special 28% penalty and then are taxed a second time at your top rate when you eventually take the money as salary or dividends.

ARE YOUR TAXES WELL SPENT?

[In percent]

	Well spent				Not well spent			
	1992	1991	1990	1989	1992	1991	1990	1989
Federal	15	25	28	37	84	74	70	60
State	32	36	46	56	64	59	48	40
Real estate	52	58	60	68	47	39	35	29

INVESTORS

Consider low-income-housing investment. Both Clinton and Congress favor giving juicy tax credits to investors in complex new low-income-housing limited partnerships. (The old law granting such credits expired last June 30.) Clinton wants to make the credit permanent, while congressional leaders are willing at least to extend it year by year. With the top federal tax rate poised to leap to 36%, the timing couldn't be better. "As rates rise, investors look for shelter—and low-income housing is one of the last shelters left," says Michael Marsh, a tax manager at Grant Thornton in Kansas City, Mo. "Unfortunately," he adds, "the tax credits may entice investors who don't understand the risks."

In brief, here's how the deals work: By buying or building housing that is then one-fifth to two-fifths occupied by renters with household incomes 50% to 60% of the area's median, limited-partnership sponsors qualify for tax credits that they in turn parcel out to investors over 10 years. The credit on a minimum investment of $5,000 is typically $700 a year. (You would need to invest about $50,000 to qualify for the maximum credit of $7,750 a year if you're in the 31% bracket or $7,000 in the 28% bracket.) Since 1988, for example, Jan and Cindy Warren of Brighton, Mich., pictured on page 79, have invested $46,146 in two partnerships. Thus far, the couple—he's a commercial builder, and she's a special-education teacher—have reaped credits of $15,637. At that rate, their credits will ultimately total $64,339, giving them the equivalent of a 9.5% after-tax annual return on the first partnership and 11% on the second. Bear in mind, however, that such deals rarely generate income or capital gains. "Stick with deals that project their returns solely on the value of the tax credits," says Marsh.

Attractive as the credits sound, they are substantial risks. Chief among them: If a project fails to meet strict federal rules each year, investors retroactively lose up to a third of the credits they've taken to date. If a deal goes bankrupt, both principal and credits are lost. Moreover, low-income deals are sometimes hyped, with financial planners spinning tales of big gains and rarely mentioning their commissions of as much as 10%. Best advice: Don't invest unless you or a trusted adviser can evaluate a plan sponsor's prospectus and record.

Watch out for the alternative minimum tax (AMT). Congress originally intended the AMT to force wealthy taxpayers with excessive tax breaks to pay more tax. Clinton has promised, however, to raise the AMT rate from 24% to as much as 27%, which would give anyone with substantial capital gains in 1993 and beyond special cause for concern. Reason: In general, the narrower the spread between the AMT rate and your regular top rate, the greater your chances of being snared. Warns David Berenson, national director of tax policy at Ernst & Young in Washington, D.C.: "With only a one- or two-point difference between the maximum 28% rate on long-term capital gains and the coming AMT rate, anyone who realizes a substantial capital gain could easily be caught by the AMT." Before taking a big gain or making any other major moves that could trigger the AMT, such as claiming a large deduction for state taxes, ask a tax adviser to suggest tactics to ease or even eliminate the AMT.

Don't automatically claim your child's investment income on your 1040. As a convenience, many taxpayers report the unearned income of children under 14 on the parents' federal tax returns. The ploy could backfire on your state taxes. Reason: In 36 states[1] and the District of Columbia, your state tax liability is pegged to the income or tax you report on your federal return. By adding your child's income to your own, you boost your reported income or tax, thereby increasing your state tax. Moreover, if you file separately for your son or daughter, the child's standard deduction and exemption could wipe out his or her state tax liability.

[1] Arizona, California, Colorado, Connecticut, Delaware, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nebraska, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Rhode Island, South Carolina, Utah, Vermont, Virginia, West Virginia and Wisconsin.

WHICH TAX IS UP THE MOST?

[In percent]

	1992	1991	1990
Federal	36	38	31
State	15	15	12
Real estate	39	37	37
No increase	5	6	17

OUTLOOK FOR U.S. TAXES

[In percent]

	1993	1992	1991
Higher	62	57	72
Lower	8	13	3
No change	28	28	25
Don't know	2	2	

RETIREES

Shift from taxable investments into municipal bonds. This could be particularly critical, points out Betsy Dow, a vice president at A.G. Edwards in St. Louis, if Congress and the new President agree to increase the federally taxable portion of Social Security benefits. At present, you owe tax when your AGI plus your tax-exempt interest and half your Social Security benefit exceed $32,000 (for joint filers) or $25,000 (for singles). Your challenge is to keep your income below those thresholds. Let's say your $50,000 nest egg is invested in taxable bonds paying 8%. Your annual interest of $4,000 would be included in your AGI, even though you'd pocket only $2,600 after taxes, assuming a combined federal and state tax bracket of 35%. But if you invested that $50,000 in comparable municipal bonds yielding 5.2%, you'd earn a tax-free $2,600, and only that amount would be counted toward the thresholds.

Take a look at series EE bonds. You can shift as much as $15,000 a year into Series EE savings bonds ($30,000 for a married couple), which were recently paying 4.16% for a bond held for six months, vs. 3% on a six-month certificate of deposit. The interest is not taxed until you cash in the bonds—up to 30 years after purchase. And the interest is free from state and local income tax.

If you are a grandparent, you may soon have a new reason to buy the bonds. Last year Congress passed a proposal—vetoed by President Bush—that would make income from EE bonds that are redeemed to pay college tuition tax-free, regardless of your income or relationship to the student. Currently, the interest is fully exempt only if your AGI is below $68,250 (for couples) or $45,500 (for individuals) and if you, your spouse or your dependent is the student.

If the proposal is revived as expected and you were inclined to use the interest to help send your grandchild to college, you would be spreading the tax advantages across generations. That's the ultimate in long-term tax planning.

WHY GREAT TAX PROS ARE SCARCE . . . AND WHAT YOU MUST DO TO FIND ONE

(By Elizabeth M. MacDonald)

U.S. taxpayers demanded $100 million in damages from certified public accountants in malpractice suits last year. That startling statistic comes from the solidest of sources: Crum & Forster, the chief insurance liability underwriter for the accounting industry. The company won't disclose how many C.P.A.s were sued, but one prime reason for the legal activity is clear: Tax pros are making more errors on returns because they haven't stayed abreast of the 12 major changes in tax law since 1980.

"The average practitioner doesn't keep up to date," says Sidney Kess, a veteran attorney and C.P.A. who has taught tax law for more than 30 years. "Preparers just don't read tax law anymore."

In fact, in recent years one out of seven preparers, who haul in average annual fees of $179,000, has canceled subscriptions to tax information services that help accountants keep up with changes in tax law. Instead, according to a 1990 survey of 480 pros by New York City's Research Institute of America, these preparers routinely turn to other accountants on even simple questions or consult outdated tax publications. "It's like doing carpentry without a hammer," says Stephen Banks, a second vice president at Commerce Clearing House, a widely used tax information service. "Most accountants are three to five years behind the laws and regulations."

Why cut corners? Simply to save dollars, Money was told by tax experts and officials at the General Accounting Office, the congressional investigative agency. Commerce Clearing House's Federal Tax Guide, for example, costs $430 a year. Consequently, many tax preparers run a growing risk of committing errors that could leave you exposed to Internal Revenue Service deficiency notices, penalties and perhaps even audits.

To avoid such problems, first make sure to choose the right type of preparer. If your tax records consist only of a W-2 and a couple of 1099 forms, you could be well served at a tax chain, such as H&R Block or Jackson Hewitt. H&R Block keeps its army of preparers up to date with annual 15-week courses; Jackson Hewitt's run 12 weeks. A typical chain customer, with a handful of deductions and an income of $30,000 or $40,000, will pay about $50 for federal and state returns.

If you can't use a chain, picking the right pro becomes more complicated. For example, a typical Money subscriber—annual income of about $72,385 and $21,000 in investments—probably needs the expertise of a C.P.A. or an enrolled agent.

The Money subscriber might pay a C.P.A. anywhere from $350 to $700 for a federal and state return. The 310,000 C.P.A.s enrolled in the American Institute of Certified Public Accountants (AICPA) are required to take 40-hour brushup courses on tax law every year. C.P.A. societies that offer client referral services operate in some 27 states. Call AICPA at 800-862-4272 for local phone numbers.

The 30,000 enrolled agents are as expert on taxes as C.P.A.s but generally charge about a third less because most are self-employed. "They don't have the overhead of a large accounting firm," says Steven DeFilippis, a spokesman for the National Association of Enrolled Agents (NAEA). Agents charge according to the number of forms prepared, their time, or a combination of the two. For a federal 1040 and a state return, the Money subscriber would pay roughly $250. Enrolled agents must meet rigorous requirements—for example, passing grades on tough two-day Treasury exams. The IRS also expects the agents to spend 72 hours over three years on tax refresher courses. You may want to confine your search to the roughly 7,500 agents who belong to NAEA. The organization requires members, who charge no more than other agents, to take an additional 30 hours of classroom work a year. For the name of a local NAEA member, call the group's 24-hour referral service (800-424-4339).

Once you have decided on whether to use a chain, a C.P.A. or an enrolled agent, interview at least three candidates to find one whose personality, experience and accounting philosophy suit you. Then weed out the underinformed by asking to see each prospect's tax library. Jack Porter, national director of tax practice at BDO Seidman in Washington, D.C. says the "rock bottom, bare minimum" library should contain one weekly or monthly tax newsletter, such as the Internal Revenue Service's Bulletin, and either a looseleaf service like Commerce Clearing House's or the Federal Tax Coordinator from the Research Institute of America. Finally, make sure the pro owns 1992 tax-return software.

Request an initial consultation with each of your three finalists—if it isn't free, don't go. At the meeting, review your past years' returns as well as the practitioner's fees. Answers to your questions should be clear and unequivocal. Also ask how many 1040s the practitioner prepares annually. A very big number is bad news. Few can complete more than 800 a year singlehanded. Happy returns!

THE 75TH ANNIVERSARY OF LITHUANIA'S INDEPENDENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. DURBIN] is recognized for 5 minutes.

Mr. DURBIN. Mr. Speaker, I have asked for this special order today because this week marks the 75th anniversary of Lithuanian independence. On February 16, 1918, a Lithuanian national council declared Lithuania's independence from Czarist Russia.

Eleven years later, a German-Soviet pact put Lithuania at the mercy of Stalin and Russia, the so-called Molotov-Ribbentrop pact. For almost 50 years it put this poor country and the other Baltic States of Latvia and Estonia under the brutal control of Soviet Russia, which sought to erase Lithuania's rich cultural tradition, but the Lithuanian spirit proved invincible to the Soviet force.

□ 1710

On March 11, 1990, the Lithuanian Supreme Soviet declared independence from the Soviet Union. Lithuania is, in fact, a David whose simple weapon of peaceful resistance proved to be the stone that brought the Goliath of the Soviet Union to its knees.

On Sunday, February 14, 1993, this past Sunday, the Lithuanians reaffirmed their commitment to democracy. On that day 80 percent of their 2½ million electorate voted in Lithuania's first presidential election. The new president of Lithuania, Mr. Brazauskas, visited Washington last year, and I had a chance to meet him. He is a very popular figure in Lithuania, and he has said some things during the course of this campaign which gives hope that his leadership in Lithuania will move that country further toward democracy, closer to a free market economy and really bring the longlasting independence which many of us have prayed for.

But with independence secured, Lithuania still has many difficult times ahead. First and foremost it is faced with the formidable task of removing the last vestiges of Soviet occupation. It must establish a stable democracy, and it must build a prosperous market economy. By the close of 1992, there were still 15,000 Russian troops remaining in Lithuania, down from an original estimate of as high as 42,000.

Progress has been made. On December 30, 1992, the last Russian forces withdrew from the city of Vilnius, the capital of Lithuania. Russian President Boris Yeltsin has agreed to remove all troops by August 1, 1993. I sincerely hope that the Clinton administration will do everything in its power to hold Mr. Yeltsin to that promise.

Mr. Speaker, so long as there are Russian troops on Lithuanian soil there is, in fact, an army of occupation. They give no notice to the people of Lithuania as to their position, their armaments or their troop movements. Any other country or nation in the world would find it intolerable to have 15,000 armed forces from another nation on its soil without the very basic cooperation which I think is necessary.

Mr. Speaker, I hope the Clinton administration, through Mr. Christopher, our Secretary of State, and others, will continue to put the pressure on Russia to remove its troops from Lithuania.

The Russians make an economic argument that they cannot afford to bring these troops home. They have no place to put them. The Lithuanians have been patient. They have not just waited a few months. They have waited a half a century so that they can reclaim their own country and have the type of control of it which one would expect in a democracy.

Mr. Speaker, after this half century of occupation the removal of Soviet troops is long overdue. The United States must continue to support Lithuanian sovereignty. I have worked towards this end by introducing legislation last year which conditions any aid to Russia on progress towards a withdrawal of these Russian controlled troops. I am going to certainly work to keep Mr. Yeltsin to his promise. The Lithuanian economy has slowed, and there is a general shortage of raw material. The Lithuanian homes lack hot water, and heat is very limited. Inflation is claimed to be over a thousand percent. Industrial production has declined drastically.

Despite these dire situations, Mr. Speaker, none of this comes as a great surprise. This country is really emerging from 50 years of central Communist authority and is trying to establish a basic democracy and a free market economy. There are bound to be difficult times, but we must try, as best we can with our limited resources, to help the Baltic States, including Lithuania, to get on their feet. Their prosperity and their success will inure to the benefit, not only of their people and all the friends of their people around the world, but to the Free World in general.

Mr. Speaker, they face some very serious specific shortages. Medicine is in short supply. There has been an outbreak of tuberculosis, and according to the State Department, our State Department, over nine people have been reported with diphtheria. That, of course, is a problem which can be taken care of through necessary sanitary measures and vaccination, but without the necessary medical supplies the Lithuanians and many living in the Baltic States are at the mercy of these diseases.

For over 50 years the United States refused to recognize Soviet occupation of Lithuania. Now, as this tiny country is laboring toward rebuilding itself, the United States must not falter in its support to the people of free Lithuania from the people of the United States.

Mr. Speaker, we must wish them the very best on the 75th anniversary of Lithuanian independence.

RECIPE FOR ECONOMIC CALAMITY

The SPEAKER pro tempore (Mr. MINGE). Under a previous order of the House, the gentleman from Indiana [Mr. BURDON] is recognized for 60 minutes.

Mr. BURTON of Indiana. Mr. Speaker, today Members of the House of Representatives received from the chairman of the Committee on Ways and Means, the gentleman from Illinois [Mr. ROSTENKOWSKI], a memorandum regarding President Clinton's revenue proposals, and I think everybody in this Chamber and everybody across the country is very interested in this, and what it does is it shows how much revenues; that is, new taxes, that President Clinton is going to be proposing tonight. That would be of great interest to all our colleagues.

Get this, $328 billion—hope everybody get that—$328 billion, $326 million in new taxes.

Two years ago, Mr. Speaker, we had the largest tax increase in history; $182 billion, and this one is going to be $328 billion.

One of the major reasons we had a recession a couple of years ago was because that budget summit agreement raised taxes and put the country into an economic decline.

I say to my colleagues, "When you take $182 billion out of the Americans' collective pockets, that is $182 billion they couldn't spend, and, when they don't spend it, they don't buy products, and when they don't buy products like cars and refrigerators, they quit making the cars, and refrigerators and everything else, and they start laying people off." So, Mr. Speaker, we had higher unemployment, and we had a recession.

Now President Clinton, who said he was not going to tax the middle class, is going to raise taxes on everybody to the tune of $328,326,000,000. This is a recipe for economic disaster. He said he was not going to tax the middle class. He is taxing the middle class. He said there was going to be a tax cut for the middle class. No tax cut. There is going to be an energy tax increase which will hit everybody from the people on welfare all the way up. He said he cannot halve the deficit now.

Mr. Speaker, he is breaking promise, after promise, after promise, and he is hitting this country with this kind of recipe toward economic calamity.

Now just let me read to my colleagues what 17 different economists say. I know I do not have time to read all of these, but I submit for the RECORD what these prominent economists are saying regarding this debate:

[From The Heritage Foundation]

CLINTON'S ECONOMIC PROPOSAL—A PRESCRIPTION FOR SLOWER GROWTH, MORE INFLATION, HIGHER INTEREST RATES

The following senior economists—many with extensive Washington experience—are available for comment in the days to come.

"Far from stimulating the economy, as he intends, President Clinton's economic program will have the opposite effect. Higher tax rates on corporations and our most productive workers will reduce saving, investment, innovation, entrepreneurship, and risk-taking. Higher spending will sap resources from private industry and simply feed an already bloated government. The inevitable result will be slower growth, more inflation, and higher interest rates."—Bruce R. Bartlett, Deputy Assistant Secretary for Economic Policy, U.S. Treasury Department, 1988–1993. Home: (703) 739–1527.

"Clinton plans higher marginal tax rates on the country's most productive citizens. The so-called "rich"—according to Clinton anyone with an income of $100,000 or more—are 2.8 percent of the taxpaying population and already pay 36.2 percent of total income taxes. The rate increases will discourage their efforts and reduce national economic output. The proposed energy taxes will make it more costly to operate every business and household in the country. Manufacturing will be especially hard hit, making a mockery of Clinton's concern over lack of job growth in that sector."—Steve Entin, Resident Scholar, Institute for Research on the Economics of Taxation; Deputy Assistant Secretary for Economic Policy, U.S. Treasury Department, 1981-1988. Work: (202) 347-9570.

"A broad-based energy tax would be extraordinarily complicated and costly to implement, would impose a disproportionate burden on the poor and middle class, would diminish future job and productivity growth, and has the potential of generating enormous new amounts of revenue for the federal government in the future. We must be very, very careful before embarking on this course."—J.D. Foster, Chief Economist and Director, The Tax Foundation; Chief of Staff, Council of Economic Advisors, 1992. Work: (202) 783–2760; Home: (703) 998–7633.

"The economic difficulties this country faces have been caused by runaway federal entitlement, anti-growth tax policy and productivity-damaging federal regulations. Putting the economy on a real growth track will require lower taxes on capital and labor, changing the federal entitlement laws which mandate ever higher spending, regulatory common sense, freer trade, and price level stability."—John Hosemann, Chief Economist, American Farm Bureau Federation. Work: (312) 399–5746.

"The 1990 Budget Agreement, which gave us the largest tax increase ever, demonstrated conclusively that we cannot tax the deficit away. We only succeed in taxing away prosperity. The only way to reduce the deficit is to increase economic growth and reduce government spending. Yet, the Clinton plan offers only token investment incentives to salve punitive tax hikes and misrepresents new federal spending as "investment" while offering up symbolic spending "cuts" as compensation. Federal jobs programs do not create new jobs, they merely redistribute jobs from the private to public sector. And, there is no recorded instance where a tax increase stimulated economic growth and expanded prosperity."—Lawrence A. Hunter, Former Vice President and Chief Economist of the U.S. Chamber of Commerce. Home: (703) 478–8449.

"I strongly disagree with the across-the-board tax increases expected to be proposed by the Clinton administration. Rising income tax rates for businesses and families will reduce saving and investment, retard productivity and discourage work effort. As capital costs are raised and investment returns are lowered, the improving economic growth rate we are now experiencing will falter."—Lawrence A. Kudlow, Senior Managing Director and Chief Economist—Bear, Stearns & Co., Inc.; Associate Director for economics and planning at the Office of Management and Budget, 1982–1986. Work: (212) 272–4217; Home: (212) 722–1558.

"The more we learn about the Clinton administration's programs the more they look like Carter II—tax, spend, and regulate. A serious program to increase productivity would encourage long-term investment in education and capital. This program taxes income to pay for government spending."—Allan H. Meltzer, Professor of Political Economy, Carnegie-Mellon University and Visiting Scholar, American Enterprise Institute. Work: (202) 862–5800.

"President Clinton's budget will be a hard sell. First, he didn't articulate a clear vision of what he wanted during the campaign (and much of his budget is inconsistent with what he promised). Second, while portions of his tax package are politically attractive (soaking the rich), on the whole his proposals threaten the economy's revival. And finally, there is precious little by way of real restraints on spending. The notion that progress will be made on the deficit simply doesn't pass the 'hee-haw test.'"—Jim Miller, Chairman, Citizens for a Sound Economy; Director of the Office of Management and Budget, 1985–1988. Work: (202) 783–3870.

"Higher taxes did not work for Herbert Hoover, Jimmy Carter, and George Bush, and they will not work for Bill Clinton. Clinton's proposed record tax increase will destroy jobs, fuel higher spending, and increase the deficit. Clinton would be wise to instead mimic the policies of John F. Kennedy and Ronald Reagan, both of whom triggered record economic expansions by cutting tax rates and restraining the growth of federal spending."—Daniel J. Mitchell, John M. Olin Senior Fellow in Political Economy, The Heritage Foundation. Work: (202) 546–4400; Home: (703) 641–7968.

"A federal tax increase would reduce economic growth, invite an increase in government spending, and may not reduce the deficit. A tax increase would be appropriate only if the last dollar of federal spending is worth more than about $1.50. Few, if any, federal programs meet this test. The primary focus of federal fiscal policy should be to reduce spending to a level that is broadly supported by the American population."—William A. Niskanen, Chairman, The Cato Institute; Member, The Council of Economic Advisors, 1981–1985. Work: (202) 546–0200.

"The President is right, we do have a deficit problem and it ought to be reduced. But the source of the problem is government spending, which has been growing much faster than national income. Tax increases will not and cannot cure a spending problem. Only when the President and the Congress face the reality of the spending problem will the resulting deficit problem be cured. The miracle of the spending cure is that if you take the medicine you will find you do not need to increase taxes, because our existing tax system already produces a yearly increase in tax revenue that exceeds the growth of national income."—Richard W. Rahn, President, Novecon; former Vice President and Chief Economist, U.S. Chamber of Commerce. Work: (202) 659–3200; Home: (703) 759–0440.

"Higher personal and corporate tax rates will soon yield less revenue, not more. Two-earner families will become one-earner families, executives will take more pay in the form of perks, professionals will play more golf, middle-aged men and women will retire younger, fewer young people will bother to earn advanced degrees or take the risk of starting new businesses, investors will shift into tax shelters and tax-free bonds, corporations will get back into debt to minimize taxable profits. Growth of the economy and employment will suffer, just as they did when Canada, Germany and Japan imposed higher tax rates in 1990, or when Herbert Hoover and Lyndon Johnson did the same in the U.S."—Alan Reynolds, Director of Economic Research, The Hudson Institute. Work: (317) 545–1000.

"The private sector will be asked to raise its "contribution" to the federal government by some $250 billion over the next five years. This represents an average increase of around 5 percent. The marginal effect—particularly on saving and investment—will be much larger, however. The Clinton administration acknowledges that incentives matter by seeking a targeted investment credit of 1 percent. Yet, a 6 percent increase in the corporate tax rate will more than wipe out the credit. On net, investors will again find it in their interest to invest abroad rather than in the U.S. The loss of that investment will ultimately mean lower employment, lower tax revenues and a lower living standard for all Americans."—Gary Robbins, President of Fiscal Associates; Chief of the Applied Econometrics Staff of the U.S. Treasury Department, 1982–1985. Work: (703) 413–4371; Home: (703) 413–4371.

"Clinton is modelling his administration on Herbert Hoover's—Higher taxes and trade protection."—Paul Craig Roberts, William E. Simon Chair in Political Economy at the Center for Strategic and International Studies; Assistant Secretary of the Treasury for Economic Policy, 1981–1982. Work: (202) 887-0200.

"The Clinton Economic plan may undo much of the good in the current recovery he inherited from President Bush and seems highly unlikely to foster what America needs most: more long-term private sector jobs; more long-term private sector savings and investment; higher productivity; and a more economically competitive America. I'm concerned that it's a little like a well-intentioned amateur artist coming in with his paintbrush to touch up a Rembrandt. Hopefully, Congress and the administration will work out a final package that will better serve our goals."—John Robson, Visiting Fellow, The Heritage Foundation; Deputy Secretary of the U.S. Treasury, 1989-1993. Work: (202) 546-4400; Home: (202) 338-2261.

"The last thing the American economy needs now are tax hikes and new federal spending programs. No matter its form or the taxpayers on whom it is imposed, any tax increase will impede the burgeoning economic recovery and slow the growth in jobs, production, and income. New federal spending programs, no matter how small they are to begin with, will quickly grow and become additional drags on the nation's economic growth and vitality. To revitalize the economy, we need real, substantial, and sustained cuts in government spending. If President Clinton wants to remove the road blocks in the way of economic progress, he should recommend fundamental changes in existing spending programs to curb their expansion, not more taxes."—Norman B. Ture, President, Institute for Research on the Economics of Taxation; Undersecretary for Tax and Economic Policy, U.S. Treasury Department, 1981-1982. Work: (202) 347-9570.

"President Clinton has flunked his first economics exam. Forty years of history tells us that every dollar of new taxes has associated with it $1.59 in new spending. We predict continued high deficits and a crowding out of productive private spending—in short a return to the stagnation, and possibly stagflation, of the Carter 1970s if the Clinton plan of taxation and regulation is adopted."—Richard Vedder and Lowell Gallaway, Ohio University and authors of Out of Work: Unemployment and Government in Twentieth Century America (NY: Homes & Meier for the Independent Institute of Oakland, 1993). Work: (614) 593-2036 and (614) 593-2037.

□ 1720

Mr. Speaker, let me end by saying this is a recipe for economic disaster. President Clinton wants the economy to move in the right direction. If this is what his message tonight includes, it is going to move in exactly the opposite direction.

INTRODUCTION OF H.R. 920, THE EMERGENCY UNEMPLOYMENT COMPENSATION AMENDMENTS OF 1993

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ROSTENKOWSKI] is recognized for 60 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, I am pleased to introduce today President Clinton's proposal to extend unemployment benefits in H.R. 920, the Emergency Unemployment Compensation Amendments of 1993.

H.R. 920 extends the authorization for new claims of emergency unemployment compensation benefits from March 6, 1993, through October 2, 1993. Continued claims are authorized during the phase-out period after October 2, 1993, through January 15, 1994. In addition, the bill authorizes the design of automated systems to identify dislocated workers and refer them to reemployment services. Unemployment benefits and related administrative activities in the bill are estimated to cost $5.7 billion over fiscal years 1993 and 1994. The entire bill is designated as an emergency requirement within the meaning of the Balanced Budget and Emergency Deficit Control Act of 1985.

Mr. Speaker, some Members of the House of Representatives might say that this extension is not needed because a bill enacted last year solved the problem. This law permits States to adopt an optional trigger mechanism under the permanent Extended Benefits Program. If States had adopted this trigger, about half of the States would be activated for 13 weeks of benefits in March. No States, however, have adopted the trigger, in part because the recession has depleted their trust funds. Many State officials believe they cannot afford the 50 percent State cost of the program.

Others might ask why we must extend unemployment benefits again at all. The economy is improving, but we are not out of the woods yet. Although the unemployment rate fell from 7.3 percent in December to 7.1 percent in January, long-term unemployment persists. Over 1.9 million workers were unemployed more than half of a year, and 1.5 million of these workers were receiving emergency benefits.

Signs of improvement are showing up in the unemployment insurance system, but these reflect mainly declines in job losses, not long-term unemployment. Fewer workers are losing jobs now, but many of those who are unemployed remain in the system. Initial claims for the first 26 weeks of regular State benefits have dropped to around 350,000 workers from a peak exceeding 500,000 early in 1991. The rate at which workers have been exhausting their regular State benefits recently hit a near record 40 percent, which is substantially above the normal rate of 25 to 30 percent. As a consequence, the number of workers exhausting regular benefits and claiming emergency benefits has continued to run high at around 300,000 workers per month. Even if job growth picks up, it could take at least 6 months for regular benefit exhaustions to return to the normal level of around 200,000 workers per month.

As President Clinton noted earlier this week in his address to the Nation, job growth has been meager. It has been 22 months since the bottom of the recession and we have regained only 498,000 of the 1,734,000 jobs lost. According to the National Bureau of Economic Research, if we had experienced a normal recovery, we not only would have regained all of the jobs lost during the recession, but we also would be 2.2 million jobs ahead of our previous peak. We can and must do better.

Mr. Speaker, there is no doubt that we have a continuing long-term unemployment problem, and there is no doubt that our economy must create more jobs if we are to solve this problem. President Clinton's plan for long-term economic growth and deficit reduction addresses these needs, but in the meantime we need to extend emergency benefits again for those who have borne the brunt of this recession. I urge my colleagues to support this bill. I hope it is our last step in response to the recession, and our first step toward sustained economic expansion.

TRAINING AMERICANS FOR NEEDED JOBS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. OWENS] is recognized for 60 minutes or until 6 o'clock, whichever comes first.

Mr. OWENS. Mr. Speaker, tonight the American people are eagerly awaiting the State of the Union Address by the new President. We have all seen the way the new President has conducted himself since he was elected during the transition period and since he was inaugurated up until now, and we all recognize that we have world-class leadership. It is very important that a nation in a leadership position like the United States of America have leadership that can measure up to the task. Nations rise and fall on the basis of their leadership. It is not the natural resources that they happen to have, it is not their location on the globe. None of those factors are half as important as the kind of leadership they have.

The Soviet Union collapsed not because God willed it, but because the leadership was inadequate. Numerous countries in Africa are suffering not totally because they happened to be accidents of the weather and the drought. In the final analysis, when you analyze the problems of Somalia, of Liberia, of a number of nations, it is the leadership.

So we look forward to a new leadership, a world-class leadership. We await the proposals of the President. We await the proposals of the President. It is time to be bold. It is time to face up to the truth that this President is going to bite the bullet, face the truth, tell the American people exactly what the problems are, exactly what the budget situation is, and then propose some hard choices. We look forward to that, Mr. Speaker.

Mr. Speaker, I look forward to being able to go back to my district and tell the people of my district that finally, after 12 years of suffering, relief has come. We have had good reason to hope. I know as I go back to my district that the macropolicymaking in Washington, the big decisions that we make and the budget process that we go through here, takes a long time to get back to the district. But I want people there to recognize the fact that the situation has been turned around, is being turned around, and any efforts on their part, any efforts on our part, to meet the effort in Washington halfway, will be appreciated. I want people to understand that they have an opportunity to seize the moment and take their fate in their own hands and meet our leaders halfway.

Tonight the President will begin a process of redirecting our economy and our national priorities with a bold, comprehensive program. This national action package will emphasize investments in human beings, as well as investments in the physical infrastructure. Education and training for jobs will be a major component of this comprehensive program.

At some time within the next 100 days the President will also submit a more detailed program for welfare reform and he will initiate that program. We also anxiously await the communication of a national health care program.

Today I would like to call attention to one small little effort that could be made from within my district in Brooklyn, the 11th Congressional District.

I would like to call attention to a model program already in existence which in one effort shows how to accomplish some of our important goals in welfare reform, job training, improved health care, and the provision of child care for working mothers. As we all know, the Zoe Baird case highlighted the fact that there is a perceived shortage of qualified child care workers in this Nation. This model program at the Brooklyn Downstate Medical Center located in my 11th Congressional District trains child care workers for jobs in hospitals, day care centers and, yes, if there were more funds for training, many could provide quality child care services for working mothers. Without exploiting undocumented workers, the child care needs of working women can be met while at the same time we provide decent jobs for women who want to get off welfare and go to work.

Mr. Speaker, I do not know of many women on welfare who do not want to go to work. I do know that there is a lot of talk about putting them to work, but when they go looking for jobs, the jobs are not there.

Here is a situation where jobs do exist. Not only in Brooklyn, not only in New York City, not only in New York State, but anywhere in America there are women who need child care services.

Dr. Joann Bradley, vice provost for allied medical professions at Downstate Medical Center has developed a curriculum and regimen which in 1 year prepares enrollees for the very sensitive task of caring for children. Graduates who complete this program find a long list of jobs waiting. Dr. Bradley insists that adequate training requires no less than 1 year. The pilot program she presently operates may soon be closed for lack of funding. To allow such a program to close would indeed be tragic. Since this initiative is part of the continuing education program within the context of a great medical school, the participants are also exposed to information about career opportunities in the allied medical professions. Two-year training programs for x-ray technicians, medical records specialists, physical therapists, and nursing are among the programs offered.

Dr. Bradley estimates that with the proper funding she could expand her child care worker program to an enrollment of 100, with increases each year until a maximum of 300 per year is reached. Dr. Bradley notes that there are several obstacles to Federal support for this program which guarantees jobs to its graduates. The fact that most Federal training programs do not provide stipends on any support beyond 6 months is one of the major obstacles.

Many of them insist you can train a person for a job in 6 weeks, but they do not go beyond 6 months, and that is one of the major training obstacles, because Joann Bradley insists you cannot properly train a child care provider for the kind of work that we are talking about without spending at least a year doing it.

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Mr. Speaker, to jump start the human investment initiatives of President Clinton while at the same time we begin to fill the great need for child-care workers in America, I propose that the Department of Health and Human Services and/or the Department of Labor, either singley or together, immediately review this existing program at Downstate Medical Center. This existing pilot program should be kept alive and should be expanded. We have here a model which may be replicated any place in the Nation, but especially it can be replicated in the needy urban centers.

The multiple benefits are clear and simple: Welfare mothers may enroll in a 1-year program which guarantees a stable job.

They get off the welfare rolls.

These same qualified child-care workers can be employed later on by families with wage earners in the higher paying professions. The welfare rolls are lowered, the children receive better care, and the Zoe Baird syndrome is avoided. I call on all the middle-class professionals of America, all the families, middle-class families to support this kind of effort where you are relieved of the burden of having to take care of children excessively at the same time you try to maintain a professional career. You are relieved of that burden at the same time you provide a job for somebody at a lower level.

If America is to overcome the competitive edge that some of our competition have, we are going to have to make the people in the professions, the people who are in the competitive arenas, more productive.

One way to make them more productive is to relieve them of some of the burdens they have by giving people at lower levels an opportunity to help the cause by doing other kinds of things. One of the things they can do is take care of children and do it well. American citizens are put to work in decent paying jobs. At the same time, they lessen the burden on professional women in more competitive areas of our economy. It is a win-win situation.

Certain practical innovations could move this set of opportunities further and faster. If we had just a few changes, if welfare recipients in the Downstate Program were allowed to keep their Medicaid benefits after they begin working, it would allow them to work at wages which middle-class families can afford to pay. This is one little change that could be made which would make a big difference.

This subsidy would benefit both the worker and the employer. In view of the fact that the Nation is moving in the direction of universal health care coverage, a waiver for a pilot program like this should not be difficult to justify. And it would show us the kind of benefits that we might realize.

What is most important, Mr. Speaker, is that the human investment components of President Clinton's jump start for the economy could begin and should begin immediately, and it could begin in an area of investment for those who have the greatest need.

Welfare mothers want to work. The need for child-care workers and allied health care professionals is massive. Let us begin by combining these two needs. This is the kind of program within the overall grand design that our President will be proposing. This is the kind of proposal that makes a lot of sense, that does not require a lot of funding and would produce great results for everybody concerned.

It is just one example of where we can go now that we have world-class leadership and the country is being turned in the right direction. This is just one example of the places and the directions that we can move in.

Mr. Speaker, I yield to the gentleman from Washington [Mr. McDERMOTT].

Mr. McDERMOTT. Mr. Speaker, I want to thank the gentleman from New York. The issue, I think, you are to be commended for bringing before the people today is the whole question of whether there is going to be any hope in this society.

This is a night, in about 3 hours, when we are going to have the President of the United States in here giving his State of the Union Message.

Mr. Speaker, I think in my political career of 20-some years, this is the most significant night that we have faced.

There is a famed philosopher named Santayana who once said that those who fail to learn from history are doomed to repeat it. Over the course of the last 12 years, we have spent ourselves into a situation that brought about the election of President Clinton. The American people, by more than two-thirds, rejected the former President. They said, "We don't want any more of the Bush-Reagan kind of economics. It didn't work. It has created enormous problems for us, and we want a change."

Now Mr. Clinton comes here tonight faced with a real choice: "Shall I be bold; shall I do the difficult things, the politically difficult things, the things that may be unpopular for a moment, or should I do something, sort of fiddle around the edges?"

Tonight the American people, Mr. Speaker, are going to see a bold act by the President. The President is coming before us with a speech for recovery for this country that, if one reads the newspapers, is a disaster and, if one listens to some of the folks on the other side of the aisle, is a disaster.

But if we look at it, 98.5 percent of the American people will not pay more income tax. All the things they have read in the paper, all the things they have heard from Members of the opposition is simply not true. The tax structure takes 70 percent of the revenue out of people making over $100,000; 98.2 percent of the people will not pay more income taxes.

Second, there are many people out there, Mr. Speaker, who believe that since they are on Social Security, they are going to get a terrible hit. They have been hearing all these awful things that are going to happen to Social Security. If somebody is out there who has not paid income tax now on Social Security, they will not be paying income tax tomorrow or the next day or any time during the next 4 years. This proposal does not tax senior citizens on their Social Security, and I defy anybody to give any evidence that the President is doing anything but taxing those people who have gotten the benefits of the last 12 years.

Now, the President's plan that he puts before us is really rooted in three basic principles. The first is to generate more jobs. And in this bill, he hopes to create over 8 million jobs over the next 4 years.

He also is intending to increase the incomes of all Americans. And third, most importantly, to provide the structural change to the economy by increasing investments and by reducing the deficits by 150 specific cuts in the Federal budget.

Over the past 12 years, the deficit went up and investments in people went down. And the President's plan tonight is to absolutely reverse that, to begin investing in the economy, investing in the people of this country, and turning around what has been going on economically in this country.

There are three basic principles in the President's plan.

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

Mr. OWENS. Mr. Speaker, I yield to the gentleman from Missouri.

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

I wanted to enter into this debate or discussion. I wanted, before we get to the parts of this program which I think are being misconstrued by some in the media and, perhaps, misunderstood by the people, to return to a different question, which I think needs some exposition tonight before we hear the speech.

That is the question of why we need an economic program. There are even some in the country who are saying we do not need an economic plan. We do not need this kind of deficit reduction. We do not need stimulus, short-term stimulus, or long-term investment, or health care reform, which, of course, are the four big parts of this program.

I want to address that because I think there is a deep misunderstanding, at least in some corridors in the country, about where we are in this economy.

Unemployment is a little bit down, but not much. The truth is, unemployment right now is about as bad as it was in the worst part of this 3-year recession.

The incredible thing about this so-called recovery that has been going on is that as it has been going on, and I think there are some beginning signs of recovery, unemployment has been constant.

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In fact, the truth is that good-paying jobs are still being lost in great numbers across the country. In my town of St. Louis, General Motors just announced a few days ago that a plant that was built in 1983 will be closed at the end of this year; 4,500 workers in that plant are being laid off. These are people that, with fringes, earned $40 and $50 an hour. However, that was just the tip of the iceberg, because all of the plants that supply that plant with glass and steel and plastic and semiconductors and fabrics and a multitude of other items are also being laid off because those parts will no longer be needed.

In fact, if we want to take a bigger look at just the automobile industry, which is 1 of 6 jobs in this country, both direct and indirect, we will notice that we have lost 10 points of market share, primarily General Motors, over the last 6 years, and the closing of these 70 plants across the country and the unemployment of 70,000 workers in automobiles is the direct result of the loss of those 10 points of market share.

There are analysts who believe those jobs have been lost in the American economy forever. That is one industry, perhaps one of the most important industries in our country, but that is just one.

I would say to the gentleman from Washington [Mr. MCDERMOTT], in his part of the country Boeing, which is another big industry—and I have McDonnell Douglas in St. Louis—is laying off thousands of people, as is McDonnell Douglas, because we are in a depression in the aerospace industry. Then there is Sears; there is IBM, which was once believed to be the strongest part of our economy, laying off thousands of people all over the country.

The truth is that our economy is in extreme difficulty, not just yesterday and not just today, but I believe for the foreseeable future. It is a difficulty that comes not only in the form of unemployment but in the form of underemployment. We are losing our standard of living. Incomes are on the downswing, not the upswing.

The phenomenon that was the hallmark of this economy for 40 years, that everybody's standard of living would go up, is now not true. As President Clinton said the other day, if we stay on the course we are on, it will take 100 years to double our standard of living, something that it took 30 years to do after World War II.

This is the set of facts that we are presented with. That is why we need a bold, comprehensive program. That is why it cannot just be deficit reduction alone, as important as that is. It has to be more than that.

As President Clinton has often said to us in meetings in the last couple of weeks, we have a tough assignment. We not only have to do deficit reduction, which is extremely, excruciatingly difficult in and of itself, but we have to do short-term stimulus, a long-term investment strategy in this economy, and health care reform all together this year in order to have a hope of beginning to get this economy back on an upswing with the rising tide, a rising standard of living, good new jobs being created in our society, as they have been over the last years after World War II.

This is a big assignment. This has never been attempted before. We did deficit reduction in 1990, and both the gentleman from New York [Mr. OWENS] and the gentleman from Washington [Mr. MCDERMOTT] were here and participated in that. They well remember, and every Member who was involved in it remembers, how tough it was.

We are doing much more than that in 1993. We are talking about a deficit reduction program which equals what we did in 1990 in terms of deficit reduction, about $500 billion over 4 years, but in addition we are doing short-term stimulus, long-term investment strategy, which means we have got to cut more to get that investment done, and health care reform, which affects everybody and every interest in the country.

The four things work together. They are interactive. They are synergistic. If we just do one we won't get the outcome.

The gentleman from Washington is a physician—I know his former life—and he knows that when doctors treat patients, sometimes they have to give four different remedies. One is not enough. They may have to give some kind of prescription drug. They may have to have some kind of therapy, in addition to it. They might need to do surgery, and then something else in addition. The four therapies working together will bring the patient back to health.

That is what we face here. We need to do four things at once, all hard, but working together they can bring our economy back to health and give people the kind of long-term income increase, enrichment, that our society requires.

We had a riot in Los Angeles not too many months ago, a horrible riot. Hundreds of people died, businesses were destroyed, and there was civil violence the likes of which we have not seen in a long time in this country.

I talked with people who were witnesses of the violence, and they told me that a large part of what was happening was that the people who were the poorest in that society were looking and seeing workers at Boeing and McDonnell Douglas and General Motors and other places being laid off permanently, and these people who had never gotten their foot on the first rung of the economic ladder had decided that they were never going to get their foot on the first rung of the economic ladder, and it was their sense of hopelessness that led them to violence in our society.

If that feeling of hopelessness continues—and it will if our standard of living continues to go down—then we face a very unhappy future in this society. We can turn that around. That is what is at stake, is our standard of living, our hope, our sense of the future. That is what this program is for.

I hope that as Members receive this program and begin to analyze it and look at it and study it and understand it, that they will take the time to see the big picture and not focus down on just one part that they may not like.

I am sure that there will be parts of this that all of us will find not to like, but we cannot fail to see the larger picture of what this is for. I hope that all of us, whether we are Members of Congress or members of the citizenry of this society, will take the time to step back, to study the facts, to analyze what is being suggested, and then slowly but surely make up their minds on whether or not all four parts of this program are not a positive influence for the future of our country.

Mr. OWENS. Mr. Speaker, I thank the gentleman from Missouri [Mr. GEPHARDT], our majority leader, and I yield to the gentleman from California [Mr. TUCKER].

Mr. TUCKER. Mr. Speaker, I thank so much the gentleman from New York [Mr. OWENS] and the gentleman from Missouri [Mr. GEPHARDT], our majority leader.

Mr. Speaker, I could not agree more with the majority leader on this point. As I echoed in the House earlier today, it is so imperative that we do step back and we look at the President's economic plan in total, holistically, and not just pick apart and become very petty about what this means and portends for our country.

We have seen in the last couple of weeks discussion on whether or not there is importance in having an economic stimulus package, otherwise known, as our Republican colleagues say, as spending. But there is a difference between spending and investing. Just cutting spending will not get the job done in terms of the spiraling deficit that we now face in this country. What we need is vision. We have heard the saying that "Where there is no vision, the people perish," and that it truly what is going to happen to this country unless we embrace the vision today for the future of America tomorrow.

We must come together right now and we must recommit if we are truly concerned about family values. If we are truly concerned about American values, we must tonight make an effort to recommit, whether Republican or Democrat, black or white, urban or rural, and we must take a stand to support the President when he talks about investing in our economy, when he talks about growing our economy, growing public infrastructure, growing human infrastructure.

These are the things that Americans have been waiting for. What they have not been waiting for is more gridlock. What they have not been waiting for is more rhetoric. What they have not been waiting for is more talk about who is doing what and not really doing it.

□ 1750

It is interesting, Mr. Speaker, and Mr. Majority Leader, that the same persons who have been on the side of the read-my-lips tax culpability can now come before this House and talk about taxation. Yes, there is taxation in the President's plan, but that is only one part of his plan, and it is not going to serve this country well if we have the nay-sayers to come very quickly and to pick that part out and put it under the microscope.

In effect, Mr. Speaker, this is the time to find out the true mettle of all of us as Americans, not just Democrat Americans or Republican Americans, but as Americans to put aside the partisanism, to put aside the pettyism, and to be fair, to be open-minded, openhearted, and to really give the President an opportunity to present his package.

There will be some criticisms, there will be some tough choices. We will all have to make them. But for the first time in a long time let us do what is right in this country. Let us not talk about taxation for taxation's sake, but let us talk about what has to happen to make this country move in the direction that it must move in.

For example, I have heard all day on the floor bandied around the fact that the middle class is going to have to pay for this new economic package, this new economic stimulus. Let us once again look at the facts and the accuracy of that. I am informed by the White House that 70 percent of all of the revenues that have to be raised will be incurred by the rich.

Once again, let us look at the facts, and let us not just put rhetoric out there to stir up and to place fear in the minds of the American people. We can play games with the American people if we want to, but in the long run, and in the final analysis who will suffer from this? Not Democrats who are trying to work with the President, but Americans, whether they be Democrats or Republicans, who are out there looking for leadership from all of us. They will be looking tonight. They will be looking tonight at this greater than they do the Grammy Awards, greater than they do the American Music Awards, greater than they do the Super Bowl. This is the Super Bowl of all Super Bowls. People are waiting to see not only what the President has to say, but they are going to be waiting, and they are going to be listening to see what we have to say after the President speaks, for in effect, Mr. Speaker, the deafening silence or the cacophony of criticism after the President speaks will be what people will be looking for and listening for. They will be listening to see the tirade of those who are quick to just criticize on the sidelines, or they will be listening to see if those who want to come into the harmony of support and to help put this country back on track, and to create the economic engine and vehicle that will respond to the despair and pain that many Americans are feeling out there.

Yes, there is taxation, but these is also investment. Yes, there are spending cuts, but there is also investment.

Yes, the President is coming tonight with a comprehensive economic package, and we owe it to him, but even more importantly we owe it to this country and to the citizens to listen with fair ears and a watchful heart to make sure that his plan has an opportunity to be burst into reality.

Mr. LEWIS of California. Mr. Speaker, will the gentleman yield?

Mr. OWENS. I am happy to yield to the gentleman from California on the other side of the aisle.

Mr. LEWIS of California. Mr. Speaker, I really appreciate my colleague, MAJOR OWENS, yielding. I have come to the floor to suggest to the majority leader as well as to my colleague from

New York that there is a very, very sizable percentage of the Members of the House on both sides of the aisle who have come to this Congress with hopes that this President will succeed. In a bipartisan way we want to support a program that will turn our ailing economy around. It is my hope that that this program will mean jobs that will overcome the impact of a huge deficit and national debt.

There is little doubt that the people of San Bernardino Inyo counties, a largely rural, conservative district, have said time and time again to straighten out our economy we are willing to share a bit of the pain, as long as it is spread across the board equally.

I must tell you that as a result of the President's preliminary presentation on Monday night, those same people who were willing to share the pain have responded with some serious concerns about what they think they are going to hear. That is, they heard from the President's remarks that those taxpayers earning over $250,000 were going to bear the burden. Now the President has indicated that families earning $100,000 will feel the pain of new taxes. They heard that the initial pain might be felt by the senior citizens who were recipients of Social Security. They are very concerned that maybe the President is redefining where he will raise the revenues necessary to carry forward this investment, and indeed, my constituents, I can tell you, and I think people across this country are waiting tonight to hear specifics from the President. Just how is he planning to go about cutting the rate of growth of government. We are never going to handle the deficit problem unless we can get a handle on the growth of government.

As I stated earlier, I am here in a bipartisan sense, to suggest to our President that maybe his greatest problem has to do with this very House. This House tends to want to spend money. And there is little doubt, that the Presidents of the past 12 years have faced a similar challenge.

Mr. OWENS. I thank the gentleman for his remarks and appreciate his understanding of the complexity of the situation. I look forward to his support as the President and the Congress seek to educate the American people on just how complex our economy is.

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

Mr. OWENS. I yield to the gentleman from Missouri, our majority leader.

Mr. GEPHARDT. I thank the gentleman for yielding. I appreciate my friend from California being here and entering into our discussion tonight.

I do not want to announce the President's plan before he is able to do it. I do again say and hope that all of our people, both in the House and all over the country, will take the time to study and analyze this plan before we pronounce judgment on it. There are a lot of ways to state facts, some of which can be misconstrued. And we are an impatient people. We like to make judgments quickly.

I just hope everyone will stop and study before they decide whether or not the totality of this program is a good one or a bad one.

Middle-income taxes is one area where there probably will be a lot of misunderstanding. As the gentleman from California [Mr. LEWIS] stated, the President the other night said that most of the taxes will be paid by people who earn $100,000 a year or more. One of the things I learned today, and which will be I am sure revealed tonight, is that there will not be an income tax increase for 98.5 percent of the American people. That is another way of stating the facts of this program.

Another fact that will come out tonight is that if people are on Social Security and are being taxed as they already are under Social Security, under this program if they are not paying tax now under Social Security they will not pay tax on their Social Security. So it only affects the people who again are higher income and also getting Social Security.

I say all of this simply again to hope that all of us will take the time to study, read and understand the totality of this package. There will be some who will want to pass judgment tonight, right after the speech, to say that it is a good or a bad program. This is a big change. The President got elected to try to perform change. He has worked hard with his people, Leon Panetta, our former colleague who was the budget chairman here, and Lloyd Bentsen, our former colleague from the Senate, and all of the other members of the administration have worked hard over the past weeks to put this program together. The President deserves and they deserve our willingness to study it and to analyze it, and to think about it, and then to make up our mind.

To my friends on the other side of the aisle, I know we are not likely to get many votes on the other side of the aisle. We have some fundamental differences about many of these budgetary matters. I accept that.

□ 1800

We would be in a gosh-awful mess in this country if everybody saw everything the same way.

Mr. LEWIS of California. Mr. Speaker, will the gentleman yield?

Mr. OWENS. I am happy to yield to the gentleman from California.

Mr. LEWIS of California. Mr. Speaker, I must say that all of us hope the President's program is successful. The pain that will be felt by all of our constituents, if it is not successful, is too much to bear.

But when the emphasis is upon more spending rather than reducing the rate of growth of government, more taxes rather than reducing the rate of growth of government, it strikes me, at least my people, that he may be on the wrong path at the beginning. I hope he will provide us with specific detail as to how he is going to reduce the rate of growth of government tonight.

Mr. GEPHARDT. I can assure the gentleman that will be detailed.

Mr. OWENS. Mr. Speaker, I yield to the gentleman from Washington [Mr. MCDERMOTT] for a closing statement.

Mr. MCDERMOTT. Mr. Speaker, I just wanted to enter an editorial from the Seattle Post-Intelligence which says:

Our job, as responsible citizens, is to listen closely and carefully to what the President has to say, to evaluate his proposals not from the insular, what's-in-it-for-me perspective that was so vogue in the 1980's but from the perspective of what is right and best for the economic health of this Nation in the decade, and century, to come.

CLINTON'S CALL TO PAY THE BILLS

One thing would have been worse than President Clinton breaking his campaign promise of a tax cut for the middle class: keeping it.

Just as we faulted George Bush less for breaking his "read-my-lips" pledge on tax increases than for making it in the first place, we see a larger risk in Clinton trying to cling to a hustings pitch that has been overtaken by the reality of a burgeoning deficit.

So Clinton's mea culpa during his brief Monday night television chat sets the appropriate mood for what he will say to Congress and the rest of us tonight.

What we can expect the president to tell us tonight is that the time has come for shared sacrifice; shared as fairly as possible across the full range of American society.

What we hope the president will say tonight is that it is time for the generation of Americans that has consumed so much of the world's resources and spent so much of its children's and grandchildren's money to pay the piper.

The prosperity of the last decade was largely purchased on credit, and the credit cards are "maxed" out.

Expect the president to call upon all of us to support a federal government that not only spends less money but spends it more efficiently, and to support a system of fair and progressive taxation that can begin to retire the nation's massive debt.

Our job, as responsible citizens, is to listen closely and carefully to what the president has to say, to evaluate his proposals not from the insular, what's-in-it-for-me perspective that was so vogue in the 1980s but from the perspective of what is right and best for the economic health of this nation in the decade, and century, to come.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 39. Concurrent resolution providing for a joint session of

Congress to receive a message from the President.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The Speaker pro tempore (Mr. MINGE). The Chair desires to make an announcement on behalf of the Speaker.

After consultation with the majority and minority leaders, and with their consent and approval, the chair announces that tonight when the two Houses meet in joint session to hear an address by the President of the United States, only the doors immediately opposite the Speaker and those on his left and right will be open.

No one will be allowed on the floor of the House who does not have the privilege of the floor of the House.

Due to the large attendance which is anticipated, the Chair feels that the rule regarding the privilege of the floor must be strictly adhered to.

Children of Members will not be permitted on the floor, and the cooperation of all Members is requested.

RECESS

The SPEAKER pro tempore. The Chair declares the House in recess until approximately 8:40 p.m. for the purpose of receiving in joint session the President of the United States.

Accordingly [at 6 o'clock and 3 minutes p.m.], the House stood in recess until approximately 8:40 p.m.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 8 o'clock and 43 minutes p.m.

JOINT SESSION OF THE HOUSE AND SENATE HELD PURSUANT TO THE PROVISIONS OF HOUSE CONCURRENT RESOLUTION 39 TO HEAR AN ADDRESS BY THE PRESIDENT OF THE UNITED STATES

The SPEAKER of the House presided.

The Doorkeeper, the Honorable James T. Molloy, announced the Vice President and Members of the U.S. Senate, who entered the Hall of the House of Representatives, the Vice President taking the chair at the right of the Speaker, and the Members of the Senate the seats reserved for them.

The SPEAKER. The Chair appoints as members of the committee on the part of the House to escort the President of the United States into the Chamber:

The gentleman from Missouri [Mr. GEPHARDT];

The gentleman from Michigan [Mr. BONIOR];

The gentleman from Maryland [Mr. HOYER];

The gentleman from California [Mr. FAZIO];

The gentleman from Arkansas [Mr. THORNTON];

The gentlewoman from Arkansas [Ms. LAMBERT];

The gentleman from Illinois [Mr. MICHEL];

The gentleman from Georgia [Mr. GINGRICH];

The gentleman from Texas [Mr. ARMEY];

The gentleman from Illinois [Mr. HYDE];

The gentleman from Arkansas [Mr. DICKEY]; and

The gentleman from Arkansas [Mr. HUTCHINSON].

The VICE PRESIDENT. The President of the Senate, at the direction of that body, appoints the following Senators to escort the President of the United States into the House Chamber:

The Senator from West Virginia [Mr. BYRD];

The Senator from Maine [Mr. MITCHELL];

The Senator from Kentucky [Mr. FORD];

The Senator from Arkansas [Mr. PRYOR];

The Senator from Louisiana [Mr. BREAUX];

The Senator from Maryland [Ms. MIKULSKI];

The Senator from South Dakota [Mr. DASCHLE];

The Senator from Florida [Mr. GRAHAM];

The Senator from Vermont [Mr. LEAHY];

The Senator from Texas [Mr. KRUEGER];

The Senator from Kansas [Mr. DOLE];

The Senator from Wyoming [Mr. SIMPSON];

The Senator from Mississippi [Mr. COCHRAN];

The Senator from Oklahoma [Mr. NICKLES];

The Senator from Mississippi [Mr. LOTT];

The Senator from Texas [Mr. GRAMM]; and

The Senator from South Carolina [Mr. THURMOND].

The Doorkeeper announced the ambassadors, ministers, and chargé d'affaires of foreign governments.

The ambassadors, ministers, and chargé d'affaires of foreign governments entered the Hall of the House of Representatives and took the seats reserved for them.

The Doorkeeper announced the Chief Justice of the United States and the Associate Justices of the Supreme Court.

The Chief Justice of the United States and the Associate Justices of the Supreme Court entered the Hall of the House of Representatives and took the seats reserved for them in front of the Speaker's rostrum.

The Doorkeeper announced the Cabinet of the President of the United States.

The members of the Cabinet of the President of the United States entered the Hall of the House of Representatives and took the seats reserved for them in front of the Speaker's rostrum.

At 9 o'clock and 7 minutes p.m., the Doorkeeper announced the President of the United States.

The President of the United States, escorted by the committee of Senators and Representatives, entered the Hall of the House of Representatives, and stood at the Clerk's desk.

[Applause, the Members rising.]

The SPEAKER. Members of the Congress, I have the high privilege and the distinct honor of presenting to you the President of the United States.

[Applause, the Members rising.]

The PRESIDENT. Mr. President, Mr. Speaker, Members of the House and the Senate, distinguished Americans here as visitors in this Chamber, as am I, when Presidents speak to Congress and the Nation from this podium, typically they comment on the full range of challenges and opportunities that face the United States. But this is not an ordinary time, and for all the many tasks that require our attention, I believe tonight that one calls on us to focus, to unite, and to act, and that is our economy. For more than anything else, our task tonight as Americans is to make our economy thrive again.

Let me begin by saying that it has been too long, at least three decades, since a President has come and challenged Americans to join him on a great national journey, not merely to consume the bounty of today, but to invest for a much greater one tomorrow.

Like individuals, nations must ultimately decide how they wish to conduct themselves, how they wish to be thought of by those with whom they live, and, later, how they wish to be judged by history. Like every individual man and woman, nations must decide whether they are prepared to rise to the occasions history presents them.

We have always been a people of youthful energy and daring spirit. And at this historic moment, as communism has fallen, as freedom is spreading around the world, as a global economy is taking shape before our eyes, Americans have called for change. And now it is up to those of us in this room to deliver for them.

Our Nation needs a new direction. Tonight I present to you a comprehensive plan to set our Nation on that new course.

I believe we will find our new direction in the basic old values that brought us here over the last two centuries: a commitment to opportunity, to individual responsibility, to community, to work, to family, and to faith. We must now break the habits of both political parties and say there can be no more something for nothing, and admit, frankly, that we are all in this together.

The conditions which brought us as a Nation to this point are well known. Two decades of low productivity growth and stagnant wages; persistent unemployment and underemployment; years of huge government deficits and declining investment in our future; exploding health care costs and lack of coverage for millions of Americans; legions of poor children; education and job training opportunities inadequate to the demands of this tough global economy. For too long we have drifted without a strong sense of purpose, of responsibility, or of community. And our political system so often has seemed paralyzed by special interest groups, by partisan bickering, and by the sheer complexity of our problems.

I believe we can do better, because we remain the greatest nation of Earth, the world's strongest economy, the world's only military superpower. If we have the vision, the will, and the heart to make the changes we must, we can enter the 21st century with possibilities our parents could not even have imagined, and enter it having secured the American dream for ourselves and for future generations.

I well remember 12 years ago President Reagan stood at this very podium and told you and the American people that if our national debt were stacked in thousand-dollar bills, the stack would reach 67 miles into space. Well, today that stack would reach 267 miles.

I tell you this not to assign blame for this problem. There is plenty of blame to go around, in both branches of the Government and both parties. The time has come for the blame to end. I did not seek this office to place blame. I come here tonight to accept responsibility, and I want you to accept responsibility with me. And if we do right by this country, I do not care who gets the credit for it.

The plan I offer you has four fundamental components:

First, it shifts our emphasis in public and private spending from consumption to investment, initially by jump-starting the economy in the short term and investing in our people, their jobs, and their incomes, over the long run.

Second, it changes the rhetoric of the past into the actions of the present, by honoring work and families in every part of our public decisionmaking.

Third, it substantially reduces the Federal deficit, honestly and credibly, by using in the beginning the most conservative estimates of government revenues, not as the executive branch has done so often in the past, using the most optimistic ones.

Finally, it seeks to earn the trust of the American people by paying for these plans first with cuts in government waste and inefficiency. Second, with cuts, not gimmicks, in Government spending, and by fairness, for a change, in the way the burdens are borne.

Tonight I want to talk with you about what government can do, because I believe government must do more. But let me say first that the real engine of economic growth in this country is the private sector. And, second, that each of us must be an engine of growth and change. The truth is that as government creates more opportunity in this new and different time, we must also demand more responsibility in return.

Our immediate priority must be to create jobs, create jobs now. Some people say, well, we are in a recovery. We don't have to do that. Well, we all hope we are in a recovery, but we sure are not creating new jobs. And there is no recovery worth its salt that doesn't put the American people back to work.

To create jobs and guarantee a strong recovery, I call on Congress to enact an immediate package of jobs investments of over $30 billion to put people to work now, to create a half million jobs: jobs to rebuild our highways and airports, to renovate housing, to bring new life to rural communities, and to spread hope and opportunity among our Nation's youth. Especially I want to emphasize after the events of last year in Los Angeles and the countless stories of despair in our cities and in our poor rural communities, this proposal will create almost 700,000 new summer jobs for displaced unemployed young people alone this summer. And tonight I invite America's business leaders to join us in this effort, so that together we can provide over 1 million summer jobs in cities and poor rural areas for our young people.

Second, our plan looks beyond today's business cycle, because our aspirations extend into the next century. The heart of this plan deals with the long term. It is an investment program designed to increase public and private investment in areas critical to our economic future. And it has a deficit-reduction program that will increase the savings available for the private sector to invest, will lower interest rates, will decrease the percentage of the Federal budget claimed by interest payments, and decrease the risk of financial-market disruption that could adversely affect our economy.

Over the long run, all this will bring us a higher rate of economic growth, improved productivity, more high-quality jobs, and an improved economic competitive position in the world.

In order to accomplish both increased investment and deficit reduction, something no American Government has ever been called upon to do at the same time before, spending must be cut and taxes must be raised. The spending cuts I recommend were carefully thought through in a way to minimize any adverse economic impact, to capture the peace dividend for investment purposes, and to switch the balance in the budget from consumption to more investment. The tax increases and the spending cuts were both designed to assure that the cost of this historic program to face and deal with our problems will be borne by those who could readily afford it the most.

Our plan is designed, furthermore, and perhaps in some ways most importantly, to improve the health of American business through lower interest rates, more incentives to invest, and better-trained workers. Because small business has created such a high percentage of all the new jobs in our Nation over the last 10 or 15 years, our plan includes the boldest targeted incentives for small business in history. We propose a permanent investment tax credit for the smallest firms in this country, with revenues under $5 million. That is about 90 percent of the firms in America, employing about 40 percent of the work force, but creating a big majority of the net new jobs in more than a decade.

We propose new rewards for entrepreneurs to take new risks. We propose to give small business access to all the new technologies of our time, and we propose to attack this credit crunch, which has denied small business the credit they need to flourish and prosper.

With a new network of community development banks, and $1 billion to make the dream of enterprise zones real, we propose to bring new hope and new jobs to storefronts and factories from south Boston to south Texas to south-central Los Angeles.

This plan invests in our roads, our bridges, our transit systems, in high-speed railways, and high-tech information systems, and it provides the most ambitious environmental cleanup in partnership with State and local government of our time, to put people to work and to preserve the environment for our future.

Standing as we are on the edge of a new century, we know that economic growth depends as never before on opening up new markets overseas and expanding the volume of world trade. And so we will insist on fair trade rules in international markets as a part of a national economic strategy to expand trade, including the successful completion of the latest round of world trade talks and the successful completion of a North American Free Trade Agreement with appropriate safeguards for our workers and for the environment. At the same time, and I say this to you in both parties and across America tonight, all the people who are listening, it is not enough to pass a budget or even to have a trade agreement. The world is changing so fast that we must have aggressive targeted attempts to create the high-wage jobs of the future. That is what all our competitors are doing. Special attention to those critical industries that are going to explode in the 21st century, but are in trouble in America today, like aerospace. We must provide special assistance to areas and to workers displaced by cuts in the defense budget and by other unavoidable economic dislocations.

Again I will say that we must do this together. I pledge to you that I will do my best to see that business and labor and government work together for a change.

But all of our efforts to strengthen the economy will fail—let me say this again, I feel so strongly about this—all of our efforts to strengthen the economy will fail unless we also take this year, not next year, not 5 years from now, but this year, bold steps to reform our health care system.

In 1992 we spent 14 percent of our income on health care, more than 30 percent more than any other country in the world, and yet we were the only advanced nation that did not provide a basic package of health care benefits to all of its citizens. Unless we change the present pattern, 50 percent of the growth in the deficit between now and the year 2000 will be in health care costs. By the year 2000 almost 20 percent of our income will be in health care. Our families will never be secure, our businesses will never be strong, and our Government will never again be fully solvent until we tackle the health care crisis. We must do it this year.

The combination of the rising cost of care and the lack of care and the fear of losing care are endangering the security and the very lives of millions of our people, and they are weakening our economy every day. Reducing health care costs can liberate literally hundreds of billions of dollars for new investment in growth and jobs. Bringing health costs in line with inflation would do more for the private sector in this country than any tax cut we could give and any spending program we could promote. Reforming health care over the long run is critically essential to reducing not only our deficit, but to expanding investment in America.

Later this spring, after the First Lady and many good people who are helping her all across the country complete their work, I will deliver to Congress a comprehensive plan for health care reform that finally will bring costs under control and provide security to all of our families, so that no one will be denied the coverage they need, but so that our economic future will not be compromised either. We will have to root out fraud and overcharges and make sure that paperwork no longer chokes your doctor. We will have to maintain the highest American standards, and the right to choose, and a system that is the world's finest for all those who can access it. But first we must make choices. We must choose to give the American people the quality they demand and deserve with a system that will not bankrupt the country or further drive more Americans into agony.

Let me further say that I want to work with all of you on this. I realize this is a complicated issue. But we must address it. And I believe if there is any chance that Democrats or Republicans who disagree on taxes or spending or anything else can agree on one thing, surely we can all look at these numbers and go home and tell our people the truth—we cannot continue these spending patterns in public or private dollars for health care for less and less and less every year. We can do better.

Perhaps the most fundamental change the new direction I propose offers is its focus on the future and its investment which I seek in our children. Each day we delay really making a commitment to our children carries a dear cost. Half of the two-year-olds in this country today don't receive the immunizations they need against deadly diseases. Our plan will provide them for every eligible child, and we know now that we will save $10 later for every $1 we spend by eliminating preventable childhood diseases. That is a good investment no matter how you measure it.

The Women, Infants, and Children nutrition program will be expanded so that every expectant mother who needs the help gets it.

We all know that Head Start, a program that prepares children for school, is a success story. We all know that it saves money. But today it just reaches barely over a third of all the eligible children. Under this plan every eligible child will be able to get a head start. This is not just the right thing to do, it is the smart thing to do. For every dollar we invest today, we will save three tomorrow. We have to start thinking about tomorrow. I've heard that somewhere before.

We have to ask more in our schools, of our students, our teachers, our principals, our parents. Yes, we must give them the resources they need to meet high standards. But we must also use the authority and the influence and the funding of the Education Department to promote strategies that really work in learning. Money alone is not enough. We have to do what really works to increase learning in our schools.

All of our high school graduates need some further education in order to be competitive in this global economy, so we have to establish a partnership between businesses and education and the Government for apprenticeship programs in every State in this country to give our people the skills they need.

Lifelong learning will benefit not just young high school graduates, but workers too throughout their careers. The average 18-year-old today will change jobs seven times in a lifetime. We have done a lot in this country on worker training in the last few years, but the system is too fractured. We must develop a unified, simplified, sensible, streamlined worker training program so that workers receive the training they need, regardless of why they lost their jobs or whether they simply need to learn something new to keep them. We have got to do better than this.

Finally, I propose a program that got a great response from the American people all across this country last year, a program of national service to make college loans available to all Americans, and to challenge them at the same time to give something back to their country—as teachers, or police officers, or as community service workers. To give them the option to pay the loans back, but at tax time, so they can't beat the bill, but to encourage them instead to pay it back by making their country stronger and making their country better, and giving us the benefit of their time.

A generation ago when President Kennedy proposed and the United States Congress embraced the Peace Corps, it defined the character of a whole generation of Americans committed to serving people around the world. In this national service program we will provide more than twice as many slots for people before they go to college to be in national service than ever served in the Peace Corps. This program could do for this generation of Members of Congress what the Land Grant College Act did and what the G.I. Bill did for former Congressmen. In the future historians who got their education through the national service loan will look back on you and thank you for giving America a new lease on life if you meet this challenge.

If we believe in jobs and we believe in learning, we must believe in rewarding work. If we believe in restoring the values that make America special, we must believe that there is dignity in all work, and there must be dignity for all workers. To those who care for our sick, who tend our children, who do our most difficult and tiring jobs, the new direction I propose will make this solemn, simple commitment: by expanding the refundable earned income tax credit, we will make history. We will reward the work of millions of working poor Americans by realizing the principle that if you work 40 hours a week and you have got a child in the house, you will no longer be in poverty.

Later this year we will offer a plan to end welfare as we know it. I have worked on this issue for the better part of a decade, and I know from personal conversations with many people, that no one, no one wants to change the welfare system, as badly as those who are trapped in it.

I want to offer the people on welfare the education, the training, the child care, and the health care they need to get back on their feet. But, say, after 2 years, they must get back to work too, in private business if possible, in public service if necessary. We have to end welfare as a way of life and make it a path to independence and dignity.

Our next great goal should be to strengthen our families. I compliment the Congress for passing the Family and Medical Leave Act as a good first step, but it is time to do more. This plan will give this country the toughest child support enforcement system it has ever had. It is time to demand that people take responsibility for the children they bring into this world.

I ask you to help to protect our families against the violent crime which terrorizes our people and which tears our communities apart. We must pass a tough crime bill. I support not only the bill which did not quite make it to the President's desk last year, but also an initiative to put 100,000 more police officers on the street, to provide boot camps for first-time nonviolent offenders, for more space for the hardened criminals in jail, and I support an initiative to do what we can to keep guns out of the hands of criminals. Let me say this: I will make you this bargain; if you will pass the Brady bill, I will sure sign it.

Let me say now we should move to the harder parts. I think it is clear to every American, including every Member of Congress of both parties, that the confidence of the people who pay our bills in our institutions in Washington is not high. We must restore it. We must begin again to make government work for ordinary taxpayers, not simply for organized interest groups. And that beginning will start with real political reform.

I am asking the United States Congress to pass a real campaign finance reform bill this year. I ask you to increase the participation of the American people by passing the motor-voter bill promptly. I ask you to deal with the undue influence of special interests by passing a bill to end the tax deduction for lobbying and to act quickly to require all the people who lobby you to register as lobbyists by passing the lobbying registration bill.

Believe me, they were cheering that last section at home. I believe lobby reform and campaign finance reform are a sure path to increased popularity for Republicans and Democrats alike, because it says to the voters back home, this is your House, this is your Senate. We are your hired hands, and every penny we draw is your money.

Next to revolutionize government we have to ensure that we live within our means, and that should start at the top and with the White House. In the last few days I have announced a cut in the White House staff of 25 percent, saving approximately $10 million. I have ordered administrative cuts in budgets of agencies and departments. I have cut the Federal bureaucracy, or will over the next 4 years, by approximately 100,000 positions, for a combined savings of $9 billion.

It is time for government to demonstrate in the condition we are in that we can be as frugal as any household in America. And that is why I also want to congratulate the Congress. I noticed in meeting with the leadership today that Congress cut its cost. I think that is important. I think it will send a very clear signal to the American people.

But if we really want to cut spending, we are going to have to do more. And some of it will be difficult. Tonight I call for an across-the-board freeze in Federal Government salaries for 1 year. Thereafter, during this 4-year period, I recommend that salaries rise at one point lower than the cost-of-living allowance normally involved in Federal pay increases.

Next I recommend that we make 150 specific budget cuts, as you know, and that all those who say we should cut more be as specific as I have been.

Finally, let me say to my friends on both sides of the aisle, it is not enough simply to cut government. We have to rethink the whole way it works. When I became President I was amazed at just the way the White House worked in ways that added lots of money to what taxpayers had to pay, outmoded ways that didn't take maximum advantage of technology and did not do things that any business would have done years ago to save taxpayers money. So I want to bring a new spirit of innovation into every government department. I want to push education reform, as I said, not just to spend more money, but to really improve learning. Some things work and some things don't. We ought to be subsidizing the things that work, and discouraging the things that don't.

I would like to use that Superfund to clean up pollution for a change, and not just pay lawyers.

We must use Federal bank regulators to protect the security and safety of our financial institutions, but they should not be used to continue the credit crunch and to stop people from making sensible loans.

I would like for us to not only have welfare reform, but to reexamine the whole focus of all of our programs that help people, to shift them from entitlement programs to empowerment programs. In the end, we want people not to need us any more, and I think that is important.

But in the end, we have to get back to the deficit. For years, there has been a lot of talk about it, but very few credible efforts to deal with it. And now I understand why, having dealt with the real numbers for 4 weeks. But I believe this plan does. It tackles the budget deficit seriously, and over the long term. It puts in place one of the biggest deficit reductions and one of the biggest changes in Federal priorities, from consumption to investment, in the history of this country at the same time over the next four years.

Let me say to all the people watching us tonight who will ask me these questions beginning tomorrow as I go around the country, who have asked it in the past, we are not cutting the deficit just because experts say it is the thing to do or because it has some intrinsic merit. We have to cut the deficit because the more we spend paying off the debt, the less tax dollars we have to invest in jobs, in education, and the future of this country. And the more money we take out of the pool of available savings, the harder it is for people in the private sector to borrow money at affordable interest rates for a college loan for their children, for a home mortgage, or to start a new business. That is why we have got to reduce the debt, because it is crowding out other activities that we ought to be engaged in and that the American people ought to be engaged in.

We cut the deficit so that our children will be able to buy a home, so that our companies can invest in the future, in retraining its workers, and so that our government can make the kinds of investments we need to be a stronger and smarter and safer Nation.

If we don't act now, you and I might not even recognize this government 10 years from now. If we just stay with the same trends of the last 4 years, by the end of the decade the deficit will be $635 billion a year, almost 80 percent of our gross domestic product. And paying the interest on that debt will be the costliest government program of all. We will still be the world's largest debtor. And when Members of Congress come here, they will be devoting over 20 cents on the dollar to interest payments, more than half of the budget to health care and to other entitlements, and you will come here and deliberate and argue over 6 or 7 cents on the dollar, no matter what America's problems are.

We will not be able to have the independence we need to chart the future that we must, and we will be terribly dependent on foreign funds for a large portion of our investment.

This budget plan, by contrast, will by 1997 cut $140 billion in that year alone from the deficit, a real spending cut, a real revenue increase, a real deficit reduction, using the independent numbers of the Congressional Budget Office.

Well, you can laugh, my fellow Republicans, but I will point out that the Congressional Budget Office was normally more conservative about what was going to happen and closer to right than previous Presidents have been. 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 am estimating my way out of this difficulty.

I did this because if we can agree together on the most prudent revenues we are likely to get if the recovery stays and we do right things economically, then it will turn out better for the American people than we say. In the last 12 years, because there were differences over the revenue estimates, you and I know that both parties were given greater elbow room for irresponsibility. This is tightening the rein on the Democrats as well as the Republicans. Let's at least argue about the same set of numbers so the American people will think we are being straight with them.

As I said earlier, my recommendation makes more than 150 difficult reductions to cut the Federal spending by a total of $246 billion. We are eliminating programs that are no longer needed, such as nuclear power research and development. We are slashing subsidies and cancelling wasteful projects. Many of these programs were justified in their time. A lot of them are difficult for me to recommend reduction in. Some really tough ones for me personally. I recommend that we reduce interest subsidies to the Rural Electric Administration. This is a difficult thing for me to recommend. But I think that I cannot exempt the things that exist in my State or in my experience if I ask you to deal with things that are difficult for you to deal with. We are going to have no sacred cows, except the fundamental abiding interests of the American people.

I have to say that we all know our government has been just great at building programs. The time has come to show the American people that we can limit them, too. We cannot only start things, but we can actually stop things. As we restructure our military forces to meet the new threats of the post-Cold War World, it is true that we can responsibly reduce our defense budget. And we may all doubt what that range of reduction is. But let me say that as long as I am President, I will do everything I can to make sure that the men and women who serve under the American Flag will remain the best trained, the best prepared, the best equipped fighting force in the world, and every one of you should make that solemn pledge. We still have responsibilities around the world. We are the world's only superpower. This is still a dangerous and uncertain time. And we owe it to the people in uniform to make sure that we adequately provide for the national defense and for their interests and needs.

Backed by an effective national defense and a stronger economy, our Nation will be prepared to lead a world challenge, as it is everywhere, by ethnic conflicts, by the proliferation of weapons of mass destruction, by the global democratic revolution, and by challenges to the health of our global environment.

I know this economic plan is ambitious, but I honestly believe it is necessary for the continued greatness of the United States. And I think it is paid for fairly, first by cutting government, then by asking the most of those who benefited the most in the past, and by asking more Americans to contribute today so that all of us can prosper tomorrow.

For the wealthiest, those earning more than $180,000 per year, I ask you who are listening tonight to support a raise in the top rate for Federal income taxes from 31 to 36 percent. We recommend a 10 percent surtax on incomes over $250,000 a year. And we recommend closing some loopholes that let some people get away without paying any tax at all.

For businesses with taxable incomes in excess of $10 million, we recommend a raise in the corporate tax rate also to 36 percent, as well as a cut in the deduction for business entertainment expenses.

Our plan seeks to attack tax subsidies that actually reward companies more for shutting their operations down here and moving them overseas than for staying here and reinvesting in America. I say that as someone who believes that American companies should be free to invest around the world and as a former Governor who actively sought investment of foreign companies in my State. But the Tax Code should not express a preference to American companies for moving somewhere else, and it does in particular places today.

We will seek to ensure that through effective tax enforcement, foreign corporations who do make money in America simply pay the same taxes that American companies make on the same income.

To middle-class Americans who have paid a great deal for the last 12 years, and from whom I ask a contribution tonight, I will say again, as I did on Monday night, you are not going alone anymore, you are certainly not going first, and you are not going to pay more for less as you have too often in the past.

I want to emphasize the facts about this plan: 98.8 percent of America's families will have no increase in their income-tax rates, only 1.2 percent at the top.

Let me be clear: There will also be no new cuts in benefits for Medicare. As we move toward the fourth year with the explosion in health care costs, as I said, expected to account for 50 percent of the growth in the deficit between now and the year 2000, there must be planned cuts in payments to providers, to doctors, to hospitals, to labs, as a way of controlling health care costs. But I see these only as a stopgap until we can reform the entire health care system. If you will let me do that, we can be fair to the providers and to the consumers of health care.

Let me repeat this, because I know it matters to a lot of you on both sides of the aisle. This plan does not make a recommendation for new cuts in Medicare benefits for any beneficiary.

Secondly, the only change we are making in Social Security is one that has already been publicized. The plan does ask older Americans with higher incomes who do not rely solely on Social Security to get by to contribute more. This plan will not affect the 80 percent of Social Security recipients who do not pay taxes on Social Security now. Those who do not pay tax on Social Security now will not be affected by this plan.

Our plan does include a broad-based tax on energy. And I want to tell you why I selected this and why I think it is a good idea. I recommend that we adopt a BTU tax on the heat content of energy as the best way to provide us with revenue to lower the deficit, because it also combats pollution, promotes energy efficiency, promotes the independence economically of this country, as well as helping to reduce the debt, and because it does not discriminate against any area. Unlike a carbon tax, it is not too hard on the coal States. Unlike a gas tax, it is not too tough on people who drive a long way to work. Unlike an ad valorem tax, it doesn't increase just when the price of an energy source goes up. And it is environmentally responsible. It will help us in the future, as well as in the present, with the deficit.

Taken together, these measures will cost an American family with an income of about $40,000 a year less than $17 a month. It will cost American families with incomes under $30,000 nothing because of other programs we propose, principally those raising the earned income tax credit.

Because of our publicly stated determination to reduce the deficit, if we do these things we will see the continuation of what has happened just since the election. Just since the election, since the Secretary of the Treasury, the Director of the Office of Management and Budget, and others have begun to speak out publicly in favor of a tough deficit-reduction plan, interest rates have continued to fall long-term. That means that, for the middle class who will pay something more each month, if they have any credit needs or demands, their increased energy costs will be more than offset by lower interests costs for mortgages, consumer loans, and credit cards. This can be a wise investment for them and their country now.

I would also point out what the American people already know, and that is because we are a big vast country, where we drive long distances, we have maintained far lower burdens on energy than any other advanced country. We will still have far lower burdens on energy than any other advanced country, and these will be spread fairly, with real attempts to make sure that no cost is imposed on families with income under $30,000, and that the costs are very modest until you get into the higher income groups where the income taxes trigger in.

Now I ask all of you to consider this. Whatever you think of the tax program, whatever you think of the spending cuts, consider the cost of not changing. Remember the numbers that you all know. If we just keep on doing what we are doing, by the end of the decade we will have a $650 billion a year deficit. If we just keep on doing what we are doing, by the end of the decade 20 percent of our national income will go to health care every year, twice as much as any other country on the face of the globe. If we just keep on doing what we are doing, over 20 cents on the dollar will have to go to service the debt.

Unless we have the courage now to start building our future and stop borrowing from it, we are condemning ourselves to years of stagnation, interrupted by occasional recessions; to slow growth in jobs, to no more growth in incomes, to more debt, to more disappointment.

Worse yet, unless we change, unless we increase investment and reduce the debt, to raise productivity so that we can generate both jobs and incomes, we will be condemning our children and our children's children to a lesser life than we enjoyed.

Once Americans looked forward to doubling their living standards every 25 years. At present productivity rates, it will take 100 years to double living standards, until our grandchildren's grandchildren are born. I say that is too long to wait.

Tonight the American people know we have to change. But they are also likely to ask me tomorrow, and all of you for the weeks and months ahead, whether we have the fortitude to make the changes happen in the right way.

They know that as soon as I leave this Chamber and you go home, various interest groups will be out in force lobbying against this or that piece of this plan, and that the forces of conventional wisdom will offer 1,000 reasons why we well ought to do this, but we just can't do it. Our people will be watching and wondering, not to see whether you disagree with me on a particular issue, but just to see whether this is going to be business as usual, or a real new day. Whether we are all going to conduct ourselves as if we know we are working for them.

We must scale the walls of the people's skepticism. Not with our words, but with our deeds. After so many years of gridlock and indecision, after so many hopeful beginnings and so few promising results, the American people are going to be harsh in their judgments of all of us if we fail to seize this moment.

This economic plan can't please everybody. If the package is picked apart, there will be something that will anger each of us. It won't please anybody. But if it is taken as a whole, it will help all of us.

So I ask you all to begin by resisting the temptation to focus only on a particular spending cut you don't like or some particular investment that wasn't made. And nobody likes the tax increases. But let's just face facts: For 20 years, through administrations of both parties, incomes have stalled and debt has exploded and productivity has not grown as it should. We cannot deny the reality of our condition. We have got to play the hand we were dealt and play it as best we can.

My fellow Americans, the test of this plan cannot be what is in it for me. It has got to be what is in it for us.

If we work hard, and if we work together, if we rededicate ourselves to creating jobs, to rewarding work, to strengthening our families, to reinventing our Government, we can lift our country's fortunes again.

Tonight I ask everyone in this Chamber, every American, to look simply into your own heart, to spark your own hopes, to fire your own imagination. There is so much good, so much possibility, so much excitement in this country now, that if we act boldly and honestly, as leaders should, our legacy will be one of prosperity and progress. This must be America's new direction. Let us summon the courage to seize it.

Thank you. God bless America.

[Applause, the Members rising.]

At 10 o'clock and 13 minutes p.m., the President of the United States, accompanied by the committee of escort, retired from the Hall of the House of Representatives.

The Doorkeeper escorted the invited guests from the Chamber in the following order:

The members of the President's Cabinet.

The Chief Justice of the United States and the Associate Justices of the Supreme Court.

The ambassadors, ministers, and chargé d'affaires of foreign governments.

JOINT SESSION DISSOLVED

The SPEAKER pro tempore (Mr. MONTGOMERY). The Chair declares the joint session of the two Houses now dissolved.

Accordingly, at 10 o'clock and 16 minutes the joint session of the two Houses was dissolved.

The Members of the Senate retired to their Chamber.

MESSAGE OF THE PRESIDENT REFERRED TO THE COMMITTEE OF THE WHOLE HOUSE ON THE STATE OF THE UNION

Mr. GEPHARDT. Mr. Speaker, I move that the message of the President be referred to the Committee of the Whole House on the State of the Union and ordered printed.

The motion was agreed to.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. DOOLITTLE, (at the request of Mr. MICHEL) from 4:30 p.m. today, on account of illness in the family.

Mr. MCDADE, (at the request of Mr. MICHEL) on February 16, 17, and 18, on account of medical reasons.

Mrs. LLOYD, (at the request of Mr. GEPHARDT) for today and the balance of the week, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. CRAPO) to revise and extend their remarks and include extraneous material:)

Mr. DELAY, for 60 minutes each day, today and on February 18.

Mr. BURTON of Indiana, for 60 minutes each day, on March 15, 16, 17, 18, 23, 24, 25, 26, 29, 30, 31, April 1, 2, 14, 15, 16, 19, 20, 21, 22, 23, 26, 27, 28, 29, and 30.

Mr. SOLOMON, for 60 minutes each day, today and on February 23, 24, and 25.

Mr. DORNAN, for 60 minutes each day, on March 17, 23, 24, 25, 26, 29, 30, 31, April 1, 2, 14, 15, 16, 19, 20, 21, 22, 23, 26, 27, 28, 29, and 30.

Mr. COLLINS of Georgia, for 5 minutes, today.

(The following Members (at the request of Mr. FRANK of Massachusetts) to revise and extend their remarks and include extraneous material:)

Mr. STARK, for 5 minutes, today.

Mr. CONYERS, for 15 minutes, today.

Mr. TUCKER, for 60 minutes, today and February 18 and 19.

Mr. KOPETSKI, for 60 minutes, today.

(The following Members (at the request of Mr. DURBIN) to revise and extend their remarks and include extraneous material:)

Mr. ROSTENKOWSKI, for 5 minutes, today.

Mr. OBEY, for 5 minutes each day, on February 18, 23, and 24.

Mr. OBEY, for 60 minutes each day, on February 19, 22, March 1, 2, 3, 4, 5, 8, 9, 10, 11, 12, 18, 19, 23, 24, and 25.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. CRAPO) and to include extraneous matter:)

Mr. BALLENGER.

Mr. PORTER.
Mr. BILIRAKIS.
Mr. CLINGER.
Mr. SMITH of Oregon.
Mr. CRANE.
Mr. SOLOMON in three instances.
Mr. WALSH.
Mr. GEKAS.
Mr. DUNCAN in two instances.
Ms. SNOWE in two instances.
Mr. GINGRICH.

(The following Members (at the request of Mr. FRANK of Massachusetts) and to include extraneous matter:)

Mrs. KENNELLY in two instances.
Mr. JACOBS.
Mr. NEAL of Massachusetts.
Mr. GEJDENSON.
Mr. CONDIT.
Mr. GUTIERREZ.
Mr. BLACKWELL.
Mr. TOWNS.
Mr. JOHNSON of South Dakota.
Mr. DELLUMS.
Mr. DIXON.
Mr. TORRICELLI.
Mr. HAMILTON in two instances.
Mr. BILBRAY.
Mr. KLINK.

ADJOURNMENT

Mr. GEPHARDT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 17 minutes p.m.), the House adjourned until Thursday, February 18, 1993, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

734. A letter from the Appraisal Subcommittee, Federal Financial Institutions Examination Council, transmitting the Council's 1992 annual report of the Appraisal Subcommittee, pursuant to Public Law 101-73, section 1103(a)(4) (103 Stat. 512); to the Committee on Banking, Finance and Urban Affairs.

735. A letter from the Auditor, District of Columbia, transmitting a copy of a report entitled "Review of the Department of Public Work's Water and Sewer Utility Administration's Enterprise Fund Revenue and Expenditures," pursuant to D.C. Code, section 47-117(d); to the Committee on the District of Columbia.

736. A letter from the Director, Agency for International Development, transmitting a report on economic conditions prevailing in Israel that may affect its ability to meet its international debt obligations and to stabilize its economy, pursuant to 22 U.S.C. 2346 note; to the Committee on Foreign Affairs.

737. A letter from the Executive Director, Interstate Commission on the Potomac River Basin, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1992, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

738. A letter from the Secretary, Smithsonian Institution, transmitting a copy of the National Society of the Daughters of the American Revolution's "Annual Proceedings of the One Hundred and First Continental Congress," pursuant to 36 U.S.C. 18(b); to the Committee on the Judiciary.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ROSTENKOWSKI (for himself, Mr. MATSUI, and Mr. GEPHARDT):

H.R. 920. A bill to extend the emergency unemployment compensation program, and for other purposes; to the Committee on Ways and Means.

By Mrs. COLLINS of Illinois:

H.R. 921. A bill to amend the Higher Education Act of 1965 to require institutions of higher education to disclose participation rates, and program support expenditures, in college athletic programs, and for other purposes; to the Committee on Education and Labor.

By Mr. JACOBS:

H.R. 922. A bill to amend the Social Security Act and related provisions of law to make miscellaneous improvements in the old-age, survivors, and disability insurance program; to the Committee on Ways and Means.

By Mr. CALLAHAN:

H.R. 923. A bill to provide Federal recognition of the Mowa Band of Choctaw Indians of Alabama; to the Committee on Natural Resources.

By Mr. BALLENGER:

H.R. 924. A bill to designate certain lands in the State of North Carolina as wilderness, and for other purposes; jointly, to the Committees on Natural Resources and Agriculture.

By Mr. BOEHNER (for himself, Mr. KYL, Mr. ZELIFF, Mr. BALLENGER, Mr. ZIMMER, and Mr. DELAY):

H.R. 925. A bill to provide that any new tax increases shall not apply to individuals with taxable incomes under $200,000; to the Committee on Ways and Means.

By Mr. CLINGER (for himself and Mr. SHUSTER):

H.R. 926. A bill to amend the Federal Aviation Act of 1958 to authorize the Secretary of Transportation to reduce under certain circumstances the percentage of voting interests of air carriers which are required to be owned or controlled by persons who are citizens of the United States; to the Committee on Public Works and Transportation.

By Mr. COYNE:

H.R. 927. A bill to designate the Pittsburgh Aviary in Pittsburgh, PA, as the National Aviary in Pittsburgh; to the Committee on Merchant Marine and Fisheries.

H.R. 928. A bill to amend the Internal Revenue Code of 1986 to provide a full exemption from the volume cap on private activity bonds for bonds used to finance high-speed intercity rail facilities; to the Committee on Ways and Means.

By Mr. GOSS:

H.R. 929. A bill to amend the Internal Revenue Code of 1986 to simplify the application of employment taxes in the case of domestic services; to the Committee on Ways and Means.

By Mr. JACOBS:

H.R. 930. A bill to amend the Internal Revenue Code to allow a deduction for qualified adoption expenses, and for other purposes; to the Committee on Ways and Means.

H.R. 931. A bill to amend title II of the Social Security Act to require the Secretary of the Treasury to issue to the trust funds under the old-age, survivors, and disability insurance program certificates evidencing obligations of the United States held by such trust funds; to the Committee on Ways and Means.

By Mr. MANZULLO:

H.R. 932. A bill to extend until January 1, 1997, the existing suspension of duty on certain monochrome glass envelopes; to the Committee on Ways and Means.

By Mr. MAZZOLI (for himself and Mr. LANTOS):

H.R. 933. A bill to implement for the United States the United Nations Convention Against Torture and Other Cruel Inhumane or Degrading Treatment or Punishment; to the Committee on the Judiciary.

By Mr. MAZZOLI:

H.R. 934. A bill to amend title 28, United States Code, relating to jurisdictional immunities of foreign states, to grant jurisdiction to the courts of the United States in certain cases involving torture or extrajudicial killing occurring in that state; to the Committee on the Judiciary.

By Mrs. MINK:

H.R. 935. A bill to provide for a Federal program of insurance against the risk of catastrophic earthquakes, volcanic eruptions, and hurricanes, and for other purposes; jointly, to the Committees on Banking, Finance and Urban Affairs and Science, Space, and Technology.

By Mr. MOAKLEY:

H.R. 936. A bill to amend the Boston National Historical Park Act of 1974 to authorize a cooperative agreement with the Boston Public Library for the distribution of informational and interpretive materials relating to the park and to the Freedom Trail; to the Committee on Natural Resources.

By Mr. PARKER (for himself, Mr. LEWIS of Georgia, Mr. WHITTEN, Mr. MONTGOMERY, Mr. GORDON, Mr. STOKES, Mr. TOWNS, Mr. SISISKY, Mr. FORD of Tennessee, Ms. PELOSI, Mr. LIPINSKI, Mr. EVANS, Mr. FROST, Mr. GONZALEZ, Mr. CONYERS, Mr. MFUME, Mr. BONIOR, Mr. BROWDER, Mr. OWENS, Mr. WYNN, Mr. DIXON, Miss COLLINS of Michigan, and Ms. NORTON):

H.R. 937. A bill to provide for the establishment of the Margaret Walker Alexander National African-American Research Center; to the Committee on Education and Labor.

By Mr. VOLKMER (for himself, Mr. EMERSON, Mr. HANCOCK, and Mr. SKELTON):

H.R. 938. A bill to designate the Veterans Hospital in Kansas City, MO, the "Omar N. Bradley Veterans Hospital"; to the Committee on Veterans' Affairs.

By Mr. BILBRAY:

H.R. 939. A bill to extend the suspension of duty on three-dimensional cameras; to the Committee on Ways and Means.

By Mrs. BYRNE (for herself, Mr. EVANS, Mr. RAHALL, Mr. JEFFERSON, Mr. WHEAT, Mrs. MORELLA, Mr. PETERSON of Minnesota, and Mr. BROWN of California):

H.R. 940. A bill to establish an entitlement program regarding the immunization of infants against vaccine-preventable diseases; to the Committee on Energy and Commerce.

By Mr. CAMP (for himself, Mr. HENRY, and Mr. HOBSON):

H.R. 941. A bill to encourage soil and water protection and energy conservation among farmers, ranchers, forest industry, and for other purposes; to the Committee on Agriculture.

By Mr. CARDIN:

H.R. 942. A bill to amend title XVIII of the Social Security Act to permit separate payment to be made under part B of the Medicare Program for the interpretation of electrocardiograms performed during an office visit; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. COLLINS of Georgia (for himself, Mr. GINGRICH, Mr. DARDEN, Mr. DEAL, Mr. INHOFE, Mr. BALLENGER, and Mr. DEFAZIO):

H.R. 943. A bill to amend the Federal Aviation Act of 1958 to prohibit the issuance of a certificate of public convenience and necessity to an applicant which is controlled by a person who has controlled one or more air carriers which have filed, in the aggregate, two or more petitions for bankruptcy; to the Committee on Public Works and Transportation.

By Mr. CUNNINGHAM (for himself, Mr. GALLEGLY, Mr. MCCANDLESS, Mr. LIGHTFOOT, Mr. OXLEY, Mr. ZELIFF, Mr. MYERS of Indiana, Mr. BARTLETT, and Mr. STUMP):

H.R. 944. A bill to amend title IV of the Social Security Act to deny aid to families with dependent children to certain individuals for any week in which the individuals work or attend courses at an educational institution for fewer than 30 hours; to the Committee on Ways and Means.

By Mr. DICKS:

H.R. 945. A bill to amend the Public Health Service Act and the Social Security Act to increase the availability of primary and preventive health care, and for other purposes; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. FISH:

H.R. 946. A bill authorizing the President to award posthumously the Medal of Honor or other appropriate military decoration to John Peter Manzi, killed in action on September 7, 1967, in the Republic of Vietnam; to the Committee on Armed Services.

By Mr. LIPINSKI:

H.R. 947. A bill to amend the Internal Revenue Code of 1986 to allow a permanent incremental investment credit; to the Committee on Ways and Means.

By Mr. REGULA:

H.R. 948. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for dividends paid by domestic corporations, to reduce the tax on capital gains from assets held for more than 3 years, and to restore the investment tax credit for certain property; to the Committee on Ways and Means.

By Mr. SANGMEISTER:

H.R. 949. A bill to amend title 38, United States Code, to increase the amount of the loan guaranty for loans for the purchase or construction of homes; to the Committee on Veterans' Affairs.

H.R. 950. A bill to amend title 38, United States Code, to provide mortgage payment assistance to avoid foreclosure of home loans guaranteed under title 38, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 951. A bill to amend title 38, United States Code, to provide for the payment of the cemetery plot allowance for veterans eligible for burial in a national cemetery but interred in a State veterans cemetery, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. SARPALIUS:

H.R. 952. A bill to amend the Internal Revenue Code of 1986 to adjust the $50 threshold for payment of Social Security taxes on wages paid for domestic service in a private home for inflation since the $50 threshold was established, and for other purposes; to the Committee on Ways and Means.

By Mr. SHAW (for himself and Mr. SAXTON):

H.R. 953. A bill to amend title XVIII of the Social Security Act to extend the period during which Medicare-dependent, small rural hospitals receive additional payments under the Medicare Program for the operating costs of inpatient hospital services, to revise the criteria for determining whether hospitals are eligible for such additional payments, and to provide additional payments under the Medicare Program to other Medicare-dependent hospitals; to the Committee on Ways and Means.

By Ms. SNOWE:

H.R. 954. A bill to amend title XVIII of the Social Security Act to provide for coverage of bone mass measurements for certain individuals under part B of the Medicare Program; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. ARCHER:

H.R. 955. A bill to exempt semiconductors from the country of origin marking requirements under the Tariff Act of 1930; to the Committee on Ways and Means.

H.R. 956. A bill to amend the Harmonized Tariff Schedule of the United States to clarify the classification of linear alkylbenzene sulfonates and linear alkylbenzene sulfonic acid; to the Committee on Ways and Means.

By Mr. EDWARDS of California:

H.R. 957. A bill to amend title 18, United States Code, and other provisions of law, to make them consistent with the Sentencing Reform Act of 1984; to the Committee on the Judiciary.

By Mrs. KENNELLY:

H.R. 958. A bill to amend the Internal Revenue Code to simplify the earned income credit; to the Committee on Ways and Means.

By Mr. PRICE of North Carolina (for himself, Mr. LANCASTER, Mr. COX, Mr. FRANK of Massachusetts, Mr. HEFNER, Mr. SCHUMER, Mr. BAKER of Louisiana, Mr. MINETA, Mr. PENNY, Mr. MILLER of California, Mr. RANGEL, Mr. MARTINEZ, Mr. SANDERS, Mr. WALSH, Mr. STUDDS, Mrs. CLAYTON, Mr. SLATTERY, Mr. RICHARDSON, Mr. BOUCHER, Mr. LIVINGSTON, Mr. THOMAS of Wyoming, Mr. WATT, Mr. KANJORSKI, Mr. GONZALEZ, Mr. ACKERMAN, Mrs. MORELLA, Mrs. COLLINS of Illinois, Mr. BRYANT, Mr. HUGHES, Ms. LONG, Mrs. LOWEY, Mr. SKAGGS, Ms. SLAUGHTER, Mr. COLEMAN, Mr. LAROCCO, Mr. FROST, Mr. HOCHBRUECKNER, Mr. DURBIN, Mr. NEAL of North Carolina, Mr. PARKER, Mr. VALENTINE, Mr. WASHINGTON, Mr. STOKES, Mr. ROHRABACHER, Mr. YOUNG of Florida, Mr. ANDREWS of Maine, Ms. PELOSI, Mr. SAWYER, Mr. CLEMENT, Mr. EMERSON, Mr. BACCHUS of Florida, Mr. EVANS, Mr. WYDEN, Mr. ENGEL, Mr. CRAMER, Mr. ABERCROMBIE, Ms. DELAURO, Mr. DEFAZIO, Ms. NORTON, Mr. RAVENEL, Mr. OWENS, Miss COLLINS of Michigan, Mr. FILNER, Mr. LAFALCE, Mr. VENTO, Mr. JOHNSON of South Dakota, Mr. WELDON, Mr. BARTLETT, and Mr. TUCKER):

H.R. 959. A bill to amend the Internal Revenue Code of 1986 to restore the prior law exclusion for scholarships and fellowships and to restore the deduction for interest on educational loans; to the Committee on Ways and Means.

By Mr. VOLKMER:

H.J. Res. 111. Joint resolution designating October 21, 1993, as "National Biomedical Research Day"; to the Committee on Post Office and Civil Service.

By Mr. FISH:

H.J. Res. 112. Joint resolution to designate May 13, 1994, as "Irish Brigade-Marine Day"; to the Committee on Post Office and Civil Service.

By Mr. RAHALL:

H.J. Res. 113. Joint resolution designating November 21, 1993, through November 27, 1993, as "Christian Heritage Week"; to the Committee on Post Office and Civil Service.

By Mr. STARK:

H.J. Res. 114. Joint resolution proposing an amendment to the Constitution of the United States guaranteeing access to medical care to all citizens of the United States; to the Committee on the Judiciary.

By Mr. DERRICK:

H. Con. Res. 39. Concurrent resolution providing for a joint session of Congress to receive a message from the President; considered and agreed to.

By Mr. DELAY:

H. Con. Res. 40. Concurrent resolution expressing the sense of the Congress in opposition to the efforts of certain groups to impose a sexual agenda on the children of the United States; to the Committee on Education and Labor.

By Mr. YATES:

H. Con. Res. 41. Concurrent resolution permitting the use of the rotunda of the Capitol for a ceremony to commemorate the days of remembrance of victims of the Holocaust; to the Committee on House Administration.

By Mrs. KENNELLY:

H. Con. Res. 42. Concurrent resolution expressing the sense of the Congress that the job opportunities and basic skills training program [JOBS] should be fully funded; to the Committee on Education and Labor.

By Ms. SNOWE (for herself, Mr. BOEHLERT, Mr. ROHRABACHER, Mr. MANZULLO, Mrs. JOHNSON of Connecticut, and Mr. BLUTE):

H. Con. Res. 43. Concurrent resolution expressing the sense of the Congress that no new fee or tax should be levied on oil imported into the United States from foreign countries; to the Committee on Ways and Means.

By Mr. BROWN of California:

H. Res. 85. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Science, Space, and Technology in the first session of the 103d Congress; to the Committee on House Administration.

By Mr. BONIOR (for himself, Mr. DINGELL, Mr. DOOLEY, Mr. KENNEDY, Mr. LEHMAN, Mr. LEVIN, Mr. MOORHEAD, Mr. PALLONE, Mr. TORRES, Mr. TOWNS, and Mr. VISCLOSKY):

H. Res. 86. Resolution to express dissatisfaction with the Republic of Azerbaijan's failure to work toward a peaceful and fair settlement to the dispute over Nagorno Karabagh by continuing the devastating blockade and economic boycott of the Republics of Armenia and Nagorno Karabagh; to the Committee on Foreign Affairs.

By Mr. CLAY:

H. Res. 87. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Post Office and Civil Service in the first session of the 103d Congress; to the Committee on House Administration.

By Mr. DE LA GARZA:

H. Res. 88. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Agriculture in the first session of the 103d Congress; to the Committee on House Administration.

By Ms. SNOWE:

H. Res. 89. Resolution to amend the Rules of the House of Representatives to limit the size of committees to 25 members and to prohibit Members from serving on more than one standing committee; to the Committee on Rules.

By Mr. ZIMMER:

H. Res. 90. Resolution amending the Rules of the House of Representatives to limit the availability of appropriations for office salaries and expenses, or for official mailing costs, of the House of Representatives to 1 year; to prevent their obligation for any different purpose; and to require excess amounts appropriated for either of these purposes to be used for open-market purchase of outstanding interest-bearing obligations of the Government; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII.

42. The SPEAKER presented a memorial of the House of Representatives of the State of New Hampshire, relative to the Portsmouth Naval Shipyard; to the Committee on Armed Services.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 4: Mr. EDWARDS of California.

H.R. 18: Mrs. BYRNE, Mr. SWIFT, and Mrs. JOHNSON of Connecticut.

H.R. 21: Mr. BEREUTER, Mr. POSHARD, Mr. MCHUGH, Mr. VALENTINE, Mr. SMITH of Oregon, Mr. WHEAT, Ms. DANNER, and Mr. LAFALCE.

H.R. 24: Mr. GRAMS, Mr. MACHTLEY, and Mr. TORKILDSEN.

H.R. 26: Mr. ANDREWS of New Jersey, Mr. BECERRA, Mr. COLEMAN, Miss COLLINS of Michigan, Mr. DIXON, Mr. FILNER, Ms. FURSE, Mr. KREIDLER, Mr. LEHMAN, and Mr. TORRICELLI.

H.R. 39: Mr. VALENTINE, Mr. EVANS, Ms. SLAUGHTER, Mrs. MORELLA, Mr. CLAY, Ms. PELOSI, Mr. SKAGGS, and Mr. DURBIN.

H.R. 44: Mr. ANDREWS of Texas, Mr. BACCHUS of Florida, Mrs. BENTLEY, Mr. BORSKI, Mr. BUYER, Mr. DEFAZIO, Mr. DIXON, Mr. EMERSON, Mr. GEJDENSON, Mr. GENE GREEN of Texas, Mr. GUTIERREZ, Mr. HALL of Texas, Mr. HINCHEY, Mr. SAM JOHNSON of Texas, Mr. KING, Mr. LAUGHLIN, Mr. MCHUGH, Mr. MATSUI, Mrs. MEEK, Mr. MOORHEAD, Mrs. MORELLA, Mr. PETERSON of Florida, Mr. PICKETT, Mr. REED, Mr. SANTORUM, Mr. SCOTT, Mr. SKAGGS, Mr. SOLOMON, Mr. TAYLOR of North Carolina, Mr. TORRES, Mrs. VUCANOVICH, Mr. WISE, Mr. WYDEN, and Mr. YOUNG of Florida.

H.R. 56: Mr. BARTLETT of Maryland.

H.R. 57: Mr. TAYLOR of Mississippi.

H.R. 58: Mr. FROST.

H.R. 64: Mr. DIAZ-BALART.

H.R. 65: Mr. EVANS, Mr. WYDEN, and Mr. SMITH of New Jersey.

H.R. 66: Mr. SPENCE, Mr. EVANS, and Mr. PORTER.

H.R. 68: Mr. EVANS and Mrs. SCHROEDER.

H.R. 71: Mr. RAHALL.

H.R. 93: Mr. RAMSTAD, Mr. KYL, Mr. OXLEY, Mr. GALLEGLY, Mr. SENSENBRENNER, Mr. CRANE, Mr. QUINN, Mr. INGLIS of South Carolina, Mr. HASTERT, Mr. BAKER of Louisiana, Mr. MCHUGH, Mr. ROYCE, and Mr. PENNY.

H.R. 109: Ms. SNOWE, Ms. MOLINARI, Mr. FINGERHUT, Mr. SANDERS, Mrs. MALONEY, Ms. WOOLSEY, Mr. BRYANT, Mr. BACCHUS of Florida, and Mr. KLECZKA.

H.R. 118: Mr. WASHINGTON, Mrs. COLLINS of Illinois, Mr. RANGEL, and Mr. BRYANT.

H.R. 142: Mr. LIPINSKI, Mr. PARKER, and Mr. DOOLEY.

H.R. 146: Mr. MANZULLO, Mr. STUMP, Mr. HUNTER, Mr. DORNAN, Mr. MCKEON, and Mr. BARTLETT of Maryland.

H.R. 159: Mr. WILSON, Mr. TORKILDSEN, Mr. HOKE, Mr. GUNDERSON, Mr. ROYCE, Mr. MACHTLEY, Mr. GALLEGLY, Mr. MCKEON, and Mr. MCCOLLUM.

H.R. 214: Mr. BUNNING, Mr. RICHARDSON, Mr. ZELIFF, Mr. UPTON, Mr. MCCURDY, Mr. BOEHNER, Mr. BACHUS of Alabama, Ms. SHEPHERD, Mr. SANDERS, and Mr. GOSS.

H.R. 224: Mr. SERRANO, Mr. CLAY, and Mr. GEJDENSON.

H.R. 240: Ms. WOOLSEY.

H.R. 266: Mr. BOUCHER, Mr. WISE, Mr. FRANK of Massachusetts, Mr. TOWNS, Mr. APPLEGATE, Mr. RANGEL, Mr. EVANS, Mr. DURBIN, Mr. BLACKWELL, Mr. HILLIARD, and Mr. SANDERS.

H.R. 291: Mr. KING, Mr. RAMSTAD, Mr. MACHTLEY, Mr. ROMERO-BARCELÓ, Mr. MCNULTY, Mr. FROST, Mr. TAYLOR of Mississippi, Mr. HANCOCK, Mr. TORRES, Mr. BLACKWELL, Mrs. MORELLA, Mr. GENE GREEN of Texas, Mr. HASTERT, Mr. ROEMER, and Mr. LIPINSKI.

H.R. 303: Mr. EVANS, Mr. WYDEN, and Mr. SMITH of New Jersey.

H.R. 325: Ms. PELOSI, Mr. SHAYS, Mr. HASTINGS, Mr. GALLEGLY, Mr. CRAMER, Mr. OXLEY, Mr. SPRATT, Mr. MAZZOLI, Mr. REED, Mr. HOCHBRUECKNER, Mr. COLEMAN, Mr. HENRY, Mr. SKAGGS, Mr. BALLENGER, Mr. BACCHUS of Florida, Mrs. MORELLA, Mr. SWIFT, Ms. NORTON, Mr. CLAY, Ms. KAPTUR, Mr. BLACKWELL, Mr. HILLIARD, Mrs. SCHROEDER, Mr. HINCHEY, Mrs. JOHNSON of Connecticut, Mr. VENTO, Mr. MANTON, Mr. SUNDQUIST, and Mr. SABO.

H.R. 326: Mr. MOAKLEY, Ms. PELOSI, Mr. FRANK of Massachusetts, Mr. HOCHBRUECKNER, Mr. COLEMAN, Mr. CLAY, Mr. LAFALCE, Ms. NORTON, Mr. BLACKWELL, and Mr. SANDERS.

H.R. 396: Mr. COX, Mr. ZELIFF, Mr. SCHIFF, and Mr. DIAZ-BALART.

H.R. 410: Mr. ZIMMER and Mr. BARTLETT of Maryland.

H.R. 411: Mr. WISE.

H.R. 412: Mr. BOEHNER and Mr. BEREUTER.

H.R. 415: Mr. INHOFE.

H.R. 417: Mr. PETERSON of Minnesota, Mr. KYL, Mr. MCMILLAN, Mr. SUNDQUIST, Mr. HENRY, and Mr. BURTON of Indiana.

H.R. 425: Mr. BUNNING, Mr. CLYBURN, Mr. COLEMAN, Miss COLLINS of Michigan, Mrs. COLLINS of Illinois, Mr. DELLUMS, Mr. DIAZ-BALART, Mr. EVANS, Mr. FLAKE, Mr. FROST, Mr. HANSEN, Mr. HOBSON, Mr. HYDE, Mr. JOHNSON of South Dakota, Mr. LEVY, Mr. MAZZOLI, Mr. MEEHAN, Ms. NORTON, Mr. OXLEY, Ms. PELOSI, Mr. ROGERS, Ms. ROS-LEHTINEN, Mr. SANDERS, Mr. TOWNS, and Mr. YATES.

H.R. 427: Mr. BUNNING, Mr. CLYBURN, Mr. COLEMAN, Miss COLLINS of Michigan, Mrs. COLLINS of Illinois, Mr. DELLUMS, Mr. DIAZ-BALART, Mr. EVANS, Mr. FLAKE, Mr. FROST, Mr. HANSEN, Mr. HOBSON, Mr. HYDE, Mr. JOHNSON of South Dakota, Mr. LEVY, Mr. MAZZOLI, Mr. MEEHAN, Ms. NORTON, Mr. OXLEY, Ms. PELOSI, Mr. ROGERS, Ms. ROS-LEHTINEN, Mr. SANDERS, Mr. TOWNS, and Mr. YATES.

H.R. 429: Mr. BLACKWELL, Mr. BUNNING, Mr. BURTON of Indiana, Mr. INGLIS of South Carolina, Mr. KYL, Mr. MANZULLO, Mr. SOLOMON, Mr. TORKILDSEN, Mr. BAKER of California, Mr. GRAMS, Mr. HOEKSTRA, Mr. HORN, Mr. LEVY, Ms. PRYCE of Ohio, and Mr. SMITH of Michigan.

H.R. 436: Mr. TOWNS, Mr. HOBSON, Mr. POMBO, Mr. LINDER, Mr. GRAMS, Mr. MANZULLO, Mr. ISTOOK, Mr. BUYER, Mr. KOLBE, Ms. DUNN, Mr. GUNDERSON, Mr. HINCHEY, Mr. MCKEON, Mr. GALLO, Mr. MCCOLLUM, Mr. TANNER, and Mr. YOUNG of Florida.

H.R. 494: Mr. FINGERHUT, Mr. NEAL of North Carolina, Mr. LANTOS, and Mr. HASTINGS.

H.R. 500: Mr. HOLDEN.

H.R. 513: Mr. SOLOMON, Mr. HOBSON, Mr. PORTER, Mr. TORKILDSEN, Mr. MCINNIS, Mr. LIVINGSTON, Mr. HOLDEN, Mr. GILCHREST, Mr. THOMAS of California, Mr. SWETT, and Mr. YOUNG of Florida.

H.R. 518: Mr. EVANS, Mr. TORRES, Mr. COOPER, Mr. TOWNS, Ms. SLAUGHTER, Mr. BLACKWELL, Mr. FILNER, and Mr. FAZIO.

H.R. 522: Mrs. MEYERS of Kansas, Mr. FRANK of Massachusetts, Ms. PELOSI, Mr. MCDERMOTT, Mr. KILDEE, Mr. BEREUTER, Mr. BAESLER, and Mrs. COLLINS of Illinois.

H.R. 558: Mr. SHAYS, Mr. SCHUMER, Mr. SMITH of Texas, Mr. FRANK of Massachusetts, Mr. ZELIFF, Mr. BONIOR, Mrs. UNSOELD, and Mr. DIAZ-BALART.

H.R. 576. Mr. GILMAN, Mr. SAWYER, Mrs. MORELLA, and Mr. WYNN.

H.R. 591: Mr. CAMP.

H.R. 603: Mr. HOLDEN.

H.R. 608: Mr. SANDERS.

H.R. 611: Mr. HOLDEN.

H.R. 624: Mr. GILCHREST, Mr. GRANDY, Mr. SKELTON, and Mr. ENGLISH of Oklahoma.

H.R. 632: Mr. WALSH.

H.R. 633: Mr. HINCHEY, Mr. DORNAN, Mr. LEWIS of Florida, Mr. HYDE, Mr. FALEOMAVAEGA, and Mr. BARTLETT of Maryland.

H.R. 634: Mr. PARKER, Mr. DOOLEY, Mr. GORDON, Mr. GEJDENSON, Mrs. MEEK, Mr. ROWLAND, and Mr. HINCHEY.

H.R. 643: Mr. KANJORSKI.

H.R. 655: Mr. KILDEE.

H.R. 656: Mr. PETERSON of Minnesota, Mr. PAYNE of New Jersey, Mr. BLACKWELL, and Mrs. MEEK.

H.R. 672: Mr. VENTO, Mr. BORSKI, Mr. JACOBS, Ms. NORTON, Mr. DELLUMS, and Mr. HOCHBRUECKNER.

H.R. 692: Mr. CLAY, Mr. FRANK of Massachusetts, Mr. RANGEL, Ms. WATERS, Ms. WOOLSEY, Mr. BLACKWELL, and Mr. MORAN.

H.R. 737: Ms. WOOLSEY, Mr. CLAY, Mr. RANGEL, Mr. LIPINSKI, Mr. BLACKWELL, and Mr. HINCHEY.

H.R. 742: Mr. GEJDENSON.

H.R. 749: Mr. SAXTON, Mr. BURTON of Indiana, Mr. HILLIARD, Mr. PACKARD, and Mr. SMITH of Oregon.

H.R. 751: Mr. STEARNS, Mr. MCCOLLUM, Mr. DIAZ-BALART, Mr. LEWIS of Florida, and Mrs. FOWLER.

H.R. 752: Mr. STEARNS, Mr. MCCOLLUM, Mr. DIAZ-BALART, Mr. LEWIS of Florida, and Mrs. FOWLER.

H.R. 753: Mr. STEARNS, Mr. MCCOLLUM, Mr. DIAZ-BALART, Mr. LEWIS of Florida, and Mrs. FOWLER.

H.R. 754: Mr. STEARNS, Mr. MCCOLLUM, Mr. DIAZ-BALART, Mr. LEWIS of Florida, and Mrs. FOWLER.

H.R. 755: Mr. STEARNS, Mr. MCCOLLUM, Mr. DIAZ-BALART, Mr. LEWIS of Florida, and Mrs. FOWLER.

H.R. 756: Mr. STEARNS, Mr. MCCOLLUM, Mr. DIAZ-BALART, Mr. LEWIS of Florida, and Mrs. FOWLER.

H.R. 757: Mr. STEARNS, Mr. MCCOLLUM, Mr. DIAZ-BALART, Mr. LEWIS of Florida, and Mrs. FOWLER.

H.R. 760: Mr. MCCLOSKEY, Ms. KAPTUR, and Mr. NEAL of North Carolina.

H.R. 769: Mr. SCHUMER, Mr. HOCHBRUECKNER, Mr. MARKEY, Mr. MCCLOSKEY, Mrs. MALONEY, Mr. WILSON, Mr. STUPAK, Mr. BLUTE, Mrs. COLLINS of Illinois, Mr. LAFALCE, and Mrs. MORELLA.

H.R. 772: Mr. GALLO, Mr. SAXTON, Mr. FRANKS of New Jersey, Mr. HOBSON, Mr. JACOBS, Mr. ZELIFF, Mr. BARTLETT of Maryland, Mr. BEREUTER, and Mr. LAFALCE.

H.R. 796: Mr. NADLER, Ms. NORTON, Mr. FRANK of Massachusetts, Mr. FORD of Michigan, Mr. FILNER, Mr. DERRICK, Mr. DEUTSCH, Mr. KOPETSKI, Mr. BERMAN, Ms. SLAUGHTER, and Mr. WISE.

H.R. 833: Ms. FURSE, Mr. SANDERS, Mr. BLACKWELL, Ms. NORTON, Ms. WOOLSEY, Mr. LAFALCE, Mr. RICHARDSON, and Mr. HASTINGS.

H.R. 887: Mr. HYDE, Mr. FAWELL, and Mr. HEFLEY.

H.J. Res. 10: Mr. HASTERT, Mr. DE LA GARZA, Mr. PALLONE, Mr. BORSKI, Mr. DIAZ-BALART, Mr. STUPAK, Mr. HALL of Ohio, Mr. SAWYER, Mr. HUTCHINSON, Mr. MCINNIS, Mr. KLECZKA, Mr. LEWIS of California, Mr. SPENCE, Mr. REYNOLDS, Mr. OWENS, and Mr. COBLE.

H.J. Res. 22: Mr. HYDE and Mr. STEARNS.

H.J. Res. 28: Mr. MCCANDLESS, Mr. HASTINGS, Mr. GENE GREEN, of Texas Mr. MCNULTY, Mr. PETERSON of Minnesota, Mr. JOHNSON of South Dakota, Mr. HANSEN, Mr. GREENWOOD, Mr. ROMERO-BARCELO, Mr. BONIOR, Mr. DOOLEY, Mr. MCHALE, Mr. MINGE, Mr. BACCHUS of Florida, Mr. CLEMENT, Mr. FRANK of Massachusetts, Mr. STUPAK, Mrs. COLLINS of Illinois, Mr. JACOBS, and Ms. MOLINARI.

H.J. Res. 61: Mr. DREIER, Mr. FAWELL, Mr. HUNTER, Mr. KOLBE, Mr. LIVINGSTON, Mr. TORKILDSEN, Mr. ZIMMER, and Mr. FIELDS of Texas.

H.J. Res. 68: Mrs. BYRNE, Mr. KREIDLER, Mr. YOUNG of Florida, Mr. PARKER, Mr. RAMSTAD, Mr. BLACKWELL, and Mr. HASTINGS.

H.J. Res. 75: Mr. KOPETSKI, Mr. TOWNS, Mr. WOLF, Mr. LIPINSKI, Mr. PARKER, Mr. RANGEL, Mr. EWING, Mr. MARTINEZ, Ms. NORTON, Mr. SABO, and Mr. HASTINGS.

H.J. Res. 78: Mr. BEVILL, Mr. BLACKWELL, Mrs. BYRNE, Mr. CAMP, Mr. DORNAN, Mr. ENGEL, Mr. GENE GREEN, of Texas Mr. GREENWOOD, Mr. HASTINGS, Mr. HOCHBRUECKNER, Mr. HYDE, Mr. KASICH, Mr. LAFALCE, Mr. LEVIN, Mr. LIPINSKI, Mrs LOWEY, Mrs. MALONEY, Mrs. MORELLA, Mr. OWENS, Ms. PELOSI, Mr. POSHARD, Mr. RAHALL, Mr. RANGEL, Mr. RAVENEL, Mrs. ROUKEMA, Mr. SCOTT, Mr. SPENCE, Mr. SPRATT, Mr. TAUZIN, Mr. TOWNS, Mr. WALSH, Mr. WOLF, and Mr. YOUNG of Alaska.

H.J. Res. 83: Mr. SCOTT, Mr. FROST, Mr. FILNER, Mr. FALEOMAVAEGA, Mr. PAYNE of Virginia, Mr. MEEHAN, Mr. MOLLOHAN, Mr. WALSH, and Mr. BALLENGER.

H.J. Res. 90: Mr. GUTIERREZ, Mr. MARTINEZ, Mr. BARTLETT, of Maryland Mr. BLACKWELL, MRS. CLAYTON, Mr. FAZIO, Mr. HOBSON, Mr. KASICH, Mr. MONTGOMERY, Ms. NORTON, Mr. PICKETT, Mr. WOLF, Mr. RANGEL, and Ms. WOOLSEY.

H.J. Res. 94: Mr. EVANS, Mr. TORKILDSEN, Mr. FILNER, Mr. CLYBURN, Mr. CLEMENT, Mr. WYDEN, and Mr. SCHUMER.

H. Con. Res. 5: Mr. SHAYS.

H. Con. Res. 18: Mr. SOLOMON, Mr. BAKER of Louisiana, Mr. COX, Mr. HOBSON, Mr. TORKILDSEN, Mr. DOOLITTLE, Mr. BARTLETT, of Maryland Mr. ZELIFF, Mrs. MEYERS of Kansas, Mrs. MORELLA, Mr. MACHTLEY, Mr. YOUNG of Florida, and Ms. KAPTUR.

H. Con. Res. 19: Mr. BEREUTER and Mr. BARTLETT of Maryland.

H. Con. Res. 20: Mr. ACKERMAN, Mr. FRANK of Massachusetts, Mrs. UNSOELD, Mr. MCDERMOTT, Mr. KILDEE, Mr. HYDE, Mr. LAFALCE, and Mrs. COLLINS of Illinois.

H. Con. Res. 25: Mr. LAFALCE, Mrs. MINK, Mr. GUTIERREZ, Mr. UNDERWOOD, Mr. FILNER, Ms. PELOSI, and Mr. STARK.

H. Res. 16: Mr. SPENCE.

H. Res. 41: Mr. BARTON of Texas.

PETITIONS, ETC.

Under clause 1 of rule XXII.

14. The SPEAKER presented a petition of the Embassy of El Salvador, the Ambassador, relative to El Salvador; which was referred to the Committee on Foreign Affairs.