Amendment No. 160: Retains language inserted by the Senate prohibiting redefinition of the marbled murrelet nesting area or modification to the protocol for surveying marbled murrelets. The House had no similar provision.

Amendment No. 161: Retains language inserted by the Senate authorizing the Secretary of the Interior to exchange land in Washington State with the Boise Cascade Corporation. The House had no similar language.

Amendment No. 162: Includes Senate provision which creates a new Timber Sales Pipeline Restoration Fund at the Departments of the Interior and Agriculture to partially finance the preparation of timber sales from the revenues generated from the section 318 timber sales that are released under section 2001(k) of Public law 104–19. The House included no similar provision.

Amendment No. 163: Deletes language proposed by the Senate which would prohibit use of funds for travel and training expenses for the Bureau of Indian Affairs or the Office of Indian Education for education conferences or training activities.

The managers expect the Bureau of Indian Affairs and the Office of Indian Education to monitor carefully the funds used for travel and training activities. The managers are concerned about the cost of travel and training associated with national conferences attended by school board members or staff of schools funded by the Bureau of Indian Affairs. Because of the funding constraints faced by the Bureau, the managers expect that priority will be given to funding those activities which directly support accreditation of Bureau funded schools and covering costs associated with increased enrollment.

Amendment No. 164: Retains language inserted by the Senate prohibiting the award of grants to individuals by the National Endowment for the Arts except for literature fellowships, National Heritage fellowships and American Jazz Masters fellowships. The House had no similar provisions.

Amendment No. 165: Includes Senate provision which delays implementation or enforcement of the Administration's rangeland reform program until November 21, 1995. The House included no similar provision.

Amendment No. 166: Strikes Senate section 331 pertaining to submission of land acquisition projects by priority ranking. Priorities should continue to be identified in the budget request and justifications.

Amendment No. 167: Includes Senate provision that makes three changes to existing law relating to tree spiking. Costs incurred by Federal agencies, businesses and individuals to detect, prevent and avoid damage and injury from tree spiking, real or threatened, may be included as ''avoidance costs'' in meeting the threshold of $10,000 required for prosecution. The language doubles the discretionary maximum penalties for prison terms to 40 years for incidents resulting in the most severe personal injury. Those injured would have recourse to file civil suits to recover damages under this law. The House had no similar provision.

Amendment No. 168: Modifies Senate language restricting grants that denigrate adherents to a particular religion. The modification specifies that this restriction applies to NEA and incorporates Senate language from Amendment No. 169 restricting NEA Grants for sexually explicit material. The House had no similar provision.

Amendment No. 169: Deletes Senate language restricting NEA grants for sexually explicit material. This issue is addressed in Amendment No. 168.

Amendment No. 170: Deletes language inserted by the Senate extending the scope of the Arts and Artifacts Indemnity Act. The House had no similar provision. The amendment also inserts language providing that former Bureau of Mines activities, which are being transferred to other accounts, are paid for from those accounts for all of fiscal year 1996 and changes a section number.

Amendment No. 171: Deletes language inserted by the Senate mandating energy savings at Federal facilities. The House had no similar provision.

Amendment No. 172: Deletes Senate amendment requiring the Indian Health Service to prepare a report on the distribution of Indian Health Service professionals. The House had no similar provision.

Amendment No. 173: Deletes Senate amendment requiring the Indian Health Service to prepare a report on HIV–AIDS prevention needs among Indian tribes. The House had no similar provision.

APPLICATION OF GENERAL REDUCTIONS

The level at which reductions shall be taken pursuant to the Deficit Reduction Act of 1985, if such reductions are required in fiscal year 1996, is defined by the managers as follows:

As provided for by section 2576(1)(2) of Public Law 99–177, as amended, and for the purposes of a Presidential Order issued pursuant to section 254 of said Act, the term ''program, project, and activity'' for items under the jurisdiction of the Appropriations Subcommittees on the Department of the Interior and Related Agencies of the House of Representatives and the Senate is defined as (1) any item specifically identified in tables or written material set forth in the Interior and Related Agencies Appropriations Act, or accompanying committee reports or the conference report and accompanying joint explanatory statement of the managers of the committee of conference; (2) any Government-owned or Government-operated facility; and (3) management units, such as national parks, national forests, fish hatcheries, wildlife refuges, research units, regional, State and other administrative units and the like, for which funds are provided in fiscal year 1996.

The managers emphasize that any item for which a specific dollar amount is mentioned in an accompanying report, including all changes to the budget estimate approved by the Committees, shall be subject to a percentage reduction no greater or less than the percentage reduction applied to all domestic discretionary accounts.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1996 recommended by the Committee of Conference, with comparisons to the fiscal year 1995 amount, the 1996 budget estimates, and the House and Senate bills for 1996 follow:

New budget (obligational) authority, fiscal year 1995	$13,519,230,000
Budget estimates of new (obligational) authority, fiscal year 1996	13,817,404,000
House bill, fiscal year 1996	11,984,603,000
Senate bill, fiscal year 1996	12,053,099,000
Conference agreement, fiscal year 1996	12,114,636,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1995	−1,404,594,000
Budget estimates of new (obligational) authority, fiscal year 1996	−1,702,768,000
House bill, fiscal year 1996	+130,033,000
Senate bill, fiscal year 1996	+61,537,000

RALPH REGULA,
JOSEPH M. MCDADE,
JIM KOLBE,
JOE SKEEN,
BARBARA F. VUCANOVICH,
CHARLES H. TAYLOR,
GEORGE R. NETHERCUTT, JR.,
JIM BUNN,
BOB LIVINGSTON,
Managers on the Part of the House.

SLADE GORTON,
TED STEVENS,
THAD COCHRAN,
MARK O. HATFIELD,
CONRAD BURNS,
ROBERT F. BENNETT,
CONNIE MACK,
ROBERT C. BYRD,
J. BENNETT JOHNSTON,
PATRICK J. LEAHY,
FRITZ HOLLINGS,
HARRY REID,
Managers on the Part of the Senate.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. DICKEY). Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

□ 1830

MESSAGE TO SPEAKER GINGRICH: AGREE TO RAISE DEBT CEILING

The SPEAKER pro tempore (Ms. PRYCE). Under a previous order of the House, the gentleman from Florida [Mr. GIBBONS] is recognized for 5 minutes.

Mr. GIBBONS. Mr. Speaker, my remarks are addressed to Speaker GINGRICH, and I hope he is listening, or some of his staff is listening, because this is a very serious subject.

Tomorrow, Mr. Speaker, you are going down and visit with the President of the United States in the Oval Office and talk about the debt ceiling. I know, Mr. Speaker, you made some off-the-cuff remarks a couple of months ago saying that you did not care if the Government went into default for a couple of months. At least that is the way I remember it being reported.

I know that those were casual remarks and some that you gave without thinking through the situation, but there is a very serious problem.

Now, it is not a political problem, Mr. Speaker, because let me make it very clear. Every Republican Member of the House and the Senate has voted to increase the debt ceiling on perhaps as many as three times this year and they have agreed to increase the ceiling to $5.500 trillion, so the amount is not in question. The only thing in question is when you are going to take the final step and take the effective date.

Now, I do not know what motivates you, Mr. Speaker, but this could be a very expensive matter, and I hope you will not take it offensively if I say that you could blemish the credit of the United States, a credit that stretches back over 200 years.

We have never defaulted on our debt and we are right at default and tomorrow, tomorrow is a crucial day in the lead time that is necessary in order to extend this debt and prevent a default.

Now, that is not only important for the U.S. Government, but it is important for everybody that lives in the United States, because it means if we increase the uneasiness about the debt and we actually default, there will be a premium added to the cost of money that we borrow.

Not only will there be premium to that money, but there will be a premium to all other borrowing in the United States because the obligation, the debt of the United States always attracts the lowest interest rate and everybody's goes up from there. So if the debt of the United States is sold for more than a reasonable going price because of the uncertainty, then everybody else's debt goes up; the whole economy is destabilized; unemployment can increase. So, this is a very serious matter.

Now, as you have been told as recently as today and five or six times since June, November 15 is the drop-dead. On November 15, the U.S. Government has got to put out a debt that will raise $125 billion. Let me repeat that again: $125 billion. Now, this market is over 200 years old and it is accustomed to operating in certain ways and there are certain rules and regulations that have been imposed upon it.

Those rules begin to toll tomorrow morning at 8 o'clock when the Treasury opens for business. If the rules are followed tomorrow morning, the Treasury must notify the market that they will be offering for purchase debt obligations of the United States in the amount of around $125 billion.

Now, it will take the rest of the week, all of the 24 hours in the day, to sell that debt. The market responds very rapidly, but nobody keeps $125 billion cash in their accounts. The market must operate and go out there and the more orderly that it is done, the lower and the better the interest rate is.

If there is confusion in the market, then the shark folks demand higher interest and that higher interest will ripple through the economy instantaneously.

So, Mr. Speaker, tomorrow is a very important day, and it will take the market until the end of the week to sell that debt. If the Government cannot sell the debt on next Monday, or if it has been hurried because of your actions. Mr. Speaker, in not letting us vote on this question, then it is going to cost us all money, every borrower in the United States. It is going to cost more money, no matter if it is for a car, a home, or anything else.

Mr. Speaker, let us not be reckless. Let us go ahead and let the House vote on setting the effective date. The amount of money has already been agreed to, and trying to use this as some kind of leverage in a bargaining process has never worked in 200 years. It will not work now. It will only cost us money.

Mr. Speaker, I submit for the RECORD at this point a letter from the Secretary of the Treasury dated today directed to Speaker GINGRICH and others.

DEPARTMENT OF THE TREASURY,
Washington, DC, October 31, 1995.

Hon. NEWT GINGRICH,
Speaker of the House, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: In anticipation of our meeting tomorrow I want to provide information that you should have as background for your consideration of our request for a prompt increase in the debt limit.

First, I have set forth in an appendix both our current projections and a history of our projections over the past several months.

Second, I want to make clear that if Congress fails to act by Wednesday, November 1, it will disrupt our normal auction process and could force Treasury to take additional actions that involve the interests of federal retirees, commercial banks, and purchasers of savings bonds.

As you know from my letter of October 24, and as we discussed in detail with your staff yesterday, the Treasury Department's normal quarterly refunding auctions are scheduled to be announced tomorrow, November 1. The auctions themselves are scheduled to be held during the week of November 6, and settlement is scheduled for November 15 and 16.

There may well be significant costs of disrupting our usual Treasury auction schedule. If there has been no increase in the debt limit by tomorrow morning, our announcement must put prospective bidders on notice that the auctions might have to be delayed or even cancelled. After such a contingent announcement, ''when issued'' trading in the securities to be auctioned cannot occur. Dealers may be less able to pre-market securities, and their risk of participation in the auction may thus be increased, raising the costs of the borrowing.

Should Congress fail to take action to raise the debt ceiling by November 6, we will be required once again to depart from our best financial management practices by canceling the scheduled auctions, and may be forced to take further steps to ensure that outstanding debt remains within the limit and that we have cash available to pay the Government's obligations.

As I have indicated in my previous letters, there are a limited number of actions we may be forced to take many of which have legal and practical implications. One such example would include Treasury's action to stop reinvesting the so-called G-Fund (the Federal Employees Retirement System's Government Securities Investment Fund). Securities held in the G-Fund mature and are reinvested on a daily basis, and the governing law provides for an automatic restoration of any lost interest when reinvestment resumes. Because of the inherent volatility of financing flows, such action may be required even prior to the week of November 6th. Furthermore, it will be necessary to call back Treasury cash balances held in our depositary banks. This action will inconvenience those commercial banks with whom the Federal government does business.

Also, should Congress fail to act, Treasury may be forced to suspend the issuance of Savings Bonds—an action that would not only require us to send notices to the 80,000 issuing agents, but also would disrupt millions of Americans' use of a safe and convenient investment for their savings.

While these actions can provide some very limited relief, at the cost of creating significant dislocations and anxieties, it should be clearly understood that they will not be sufficient to substitute fully for the funding that we would ordinarily raise through the regular mid-November refinancings and that should be announced tomorrow. Stated another way, these temporary actions will not satisfy the continuing need for cash to fund the obligations and operations of the Government after November 14. Absent extraordinary steps, Congress must increase the debt limit in order to enable us to raise the funds necessary to pay obligations maturing November 15 and 16.

Finally, you should know that there are various other measures Treasury has been reviewing to avoid default should Congress not increase the debt limit by November 15, including actions involving the Civil Service Retirement Fund, but all such measures present uncertainties involving serious legal and practical issues and have significant costs and other adverse consequences.

Furthermore, the U.S. government's need for financing will not end on November 15 and 16. The financing calendar we distributed last week, and discussed in detail with your staff yesterday, showed four auctions in the last two weeks of November, and additional cash management bills may be needed. Successful completion of those auctions is critical to raising cash to make vital benefit payments on December 1 and during the week of December 4. As we have mentioned before, the months of October, November and the first half of December traditionally have very large seasonal cash deficits due to the absence of any large tax payment dates.

You and other members of the leadership have raised the prospect that Congress might enact a temporary debt limit increase, and we have expressed our total availability to work toward that end. Last Friday, at the President's direction, I proposed that the debt limit be increased by $85 billion, to $4.985 trillion. I would hope to discuss this proposal, and any other approaches you might have, at our meeting tomorrow.

Sincerely,

ROBERT E. RUBIN.

APPENDIX—HISTORY OF TREASURY DEBT LIMIT PROJECTIONS AS OF OCTOBER 31

In a series of communications starting in July we informed the Congressional leadership of our projection that we would reach the debt limit in October. On October 17, we projected that unless we took some special actions, we would go over the limit on October 31. We then took these actions (reducing a bill auction and suspending sales of State and Local Government Series Securities) which enabled us to avoid that result. We also projected on October 17 that, as a consequence of those actions and assuming routine debt and cash management practices, we would reach the limit and exhaust our cash balance in the first few days of November. While daily forecasts vary, our projection today shows that both the debt limit capacity and cash balances remain within very thin margins of error during the week of November 6.

When Treasury staff, led by Under Secretary Hawke, met with your staff yesterday, we described our projections noted above and we also described how changes in government operations and budget decisions can alter these forecasts. For example, since October 24, the lack of legislative progress on certain appropriations bills has shifted some expenditures from late October to late November in our forecasts.

That shift has improved the forecasts only slightly. During the week of November 6, projected room under the debt limit varies but never exceeds $2 billion, and, absent special actions, cash balances will be below our prudent minimum of $5 billion on all but one day of that week. These forecasted thin margins of error show that it will be virtually impossible to have both sufficient debt capacity and cash balances to maintain Treasury's prudent financing and investment practices. I have been informed that the independent projections made by the Federal Reserve are consistent with Treasury's, and I know of no informed source that contradicts these projections. Let me caution again that daily forecasts vary.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1833, PARTIAL-BIRTH ABORTION BAN ACT OF 1995

Mr. SOLOMON, from the Committee on Rules, submitted a privileged report (Rept. No. 104–301) on the resolution (H. Res. 251) providing for the consideration of the bill (H.R. 1833) to amend title 18, United States Code, to ban partial-birth abortions, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2546, DISTRICT OF COLUMBIA APPROPRIATIONS ACT FOR FISCAL YEAR 1996

Mr. SOLOMON, from the Committee on Rules, submitted a privileged report (Rept. No. 104–302) on the resolution (H. Res. 252) providing for the consideration of the bill (H.R. 2546) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1996, and for other purposes, which was referred to the House Calendar and ordered to be printed.

INVESTIGATION INTO IRS INVOLVEMENT IN ''TRAVELGATE'' IS WARRANTED

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

Mr. BURTON of Indiana. Madam Speaker, about a week and a half ago the Committee on Government Reform and Oversight of the House held an investigative hearing into what is known as Travelgate and during that hearing, we went from the top to the bottom of the entire investigation. There were still some unanswered questions, so I would like to try to illuminate the issue for my colleagues and anybody else who may be paying attention.

Madam Speaker, when this administration took office, some people in the administration, including the First Lady, felt like it was imperative that they do away with the people who were in the travel office that made travel arrangements for the press that followed the President around the country and put their people in.

In other words, they wanted to get rid of the people from the previous administration in charge of the travel office and replace them with people from their administration. The problem was that the people in the press liked the people who were already there. So, even though the administration had the ability to make this change, they chose not to do it because they did not want to make the press corps angry. At least that was the gist of what we heard.

So, Madam Speaker, they had some people start digging around to see if there were any improprieties in the travel office and so claim there was chicanery going on and then fire them. They even got the FBI to start investigating alleged violations or disappearances of small amounts of money in the travel office. Nevertheless, this started.

Once it started, it started becoming a quagmire for them. They tried to get the FBI involved and other agencies involved in something that really need not have taken place.

One of the things that happened was there was a contractor in Tennessee called Ultrair. Ultrair was a contractor for the White House and did some travel arrangements for press and other personnel that followed the President around the country when he went on his trips.

Ultrair, in October 1992, because they handled transactions like this, contacted the IRS on their own. They contacted the IRS to find out if excise taxes should have been withheld or charged for these travel arrangements. They did this voluntarily. Then about 5 or 6 months later, the day after the White House fired the travel office employees, it was reported in the newspapers, the Wall Street Journal and others, that there was some possible kickbacks involved and Ultrair was mentioned in a bad light, even though they had not done anything wrong. All they had asked for was a decision or review by the IRS on whether or not they should withhold excise taxes.

The next day after it appeared in the paper, a horde of IRS agents descended on their office and took control of their books and had them for 2 years. Some people believe this may have been an obstruction of justice, because at a cocktail party later on there was a conversation which was recorded and given to us at the committee meeting by John Podesta, the White House staff secretary, the principal author of the White House travel office management review.

At this cocktail party he put in his notes that, ''BK said that PR was on top of it.'' BK was Bill Kennedy, the assistant counsel to the President of the United States at the time, and PR was Peggy Richardson, who was the commissioner of the IRS.

BK said PR was on top of it. She said at the party the IRS is on top of it, and some references that the IRS agents are aware of something like that which would indicate that the head of the IRS, the commissioner for the IRS was working with the White House to keep control of these documents, which we believe may be an obstruction of justice.

When we had the hearing the other day, I asked the IRS people about this and they said they could not respond because of section 6103 of the Tax Code, which prohibits public disclosure of tax information about a specific taxpayer without the taxpayer's consent. The fact of the matter is we already had a release from the taxpayer for the IRS to give us that information and the IRS, nevertheless, would not give it to us. They said they would, if they saw the document and they would come and talk to our leadership at a closed meeting.

Madam Speaker, this smacks of obstruction of justice. It is something that should be investigated. The IRS is suspect by a lot of people in this country and when the head of the IRS starts saying that she is putting a lid on something and using the power of the IRS to constrict information that is vital to an investigation like Travelgate, it smacks of an obstruction of justice.

Madam Speaker, we need a full-fledged investigation of this. We need to have the IRS come before us in a closed hearing to explain why those documents were taken from Ultrair in Tennessee; why they were held for 2 years; why the FBI couldn't have access to them for the investigation, and why the head of the IRS said at a cocktail party she was keeping a lid on it.

VOLATILITY IN THE MEXICAN MARKET EQUALS UNITED STATES JOB LOSSES

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio [Ms. KAPTUR] is recognized for 5 minutes.

Ms. KAPTUR. Madam Speaker, last week, the Wall Street Journal finally got around to printing what we all already knew to be true—that none of the promises made by NAFTA's supporters have come true. The promised 200,000 high-skill, high-wage jobs have not materialized. Real wages in the United States have decreased by 3 percent, and in Mexico they have plummeted by over 50 percent. Even the Wall Street Journal now calls NAFTA ''a terrible disappointment.'' It's about time. The Journal itself made an awful lot of promises in regard to NAFTA.

Yet NAFTA's supporters now incredibly claim that Mexico has ''turned the corner''—but the financial markets tell us something different. Last week, the peso lost 7 percent of its value in one day, and hit a record low of 7.5 pesos to the dollar—a depreciation to less than half what the peso was worth before NAFTA. At the same time, interest rates jumped 9 percent. And the Mexican Bolsa—their stock market—has continued to plummet in value. This