

In a June letter to residents of Robert Sharp Towers, NCSC asked for membership dues (see attached letter). The letter also said benefits of NCSC membership include "the privilege of living in these beautiful buildings . . . free from financial worries of high rent and big raises, which people are forced to pay in privately-owned apartments."

McIntosh said the letter is the worst form of intimidation and prays upon vulnerable senior citizens who depend on NCSC for housing.

"The message to seniors from this thinly veiled threat is clear—either pay NCSC dues or you're out on the street," McIntosh said. "Not only is NCSC using our tax dollars to pay for its lobbyists, but it also is threatening and coercing vulnerable older Americans—and that's an outrage."

"While taking more than \$73 million from taxpayers, NCSC lobbies, operates a PAC to make political contributions and buys advertising against congressional efforts to balance the budget. The activities of NCSC are a scandal and an affront to every taxpayer because we're the ones subsidizing NCSC's lobbying and intimidation—taxpayers are subsidizing welfare for lobbyists."

Each year the government hands out as much as \$160 billion in taxpayer grants to thousands of nonprofit groups. While many of these groups do charitable work that benefits society—feeding the poor, housing the homeless or cleaning the environment—others engage in highly sophisticated lobbying and political advocacy. And some nonprofits even do their lobbying at taxpayers' expense.

During the last six months, the House Government Reform and Oversight Subcommittee on Regulatory Affairs—on which McIntosh serves as chairman—has held four hearings into the money laundering of taxpayer funds for Washington lobbyists. Each hearing has been a window into the world of high-powered Washington lobbying and the lengths to which some lobbyists will go to hide their taxpayer subsidy.

On the NCSC, McIntosh has found that while taking in \$73 million in taxpayer grants NCSC also operates an aggressive political action committee that during the last four years has made \$405,000 in contributions to candidates for the House and Senate. NCSC also is participating in a labor-based coalition—comprised of other lobbyists that also receive taxpayer grants—that is directing a multi-million dollar television advertising campaign against congressional efforts to balance the budget and save Medicare. The ads include attacks against specific lawmakers.

In an investigative series on lobbying by taxpayer-financed groups, the New York Post reported last month that the "first 15 pages of its (NCSC's) 32-page annual report detail NCSC's extensive 'advocacy' activities, including * * * lobbying for Clinton's health care plan and against the balanced budget amendment."

The Post also highlighted the NCSC housing subsidiary and the motivation for its lobbying: "The NCSC successfully fought cuts in a program especially important to its bottom line: the Section 202 federal housing subsidy for seniors, which brings in tens of millions to its subsidiary, NCSC-Housing Management Corp."

Mrs. SCHROEDER. Mr. Speaker, will the gentleman yield?

Mr. MCINTOSH. I yield to the gentleman from Colorado.

Mrs. SCHROEDER. One of the questions I had, Mr. Speaker, to the gentleman, as the gentleman knows, I offered an amendment similar to his, vis-a-vis the military-industrial complex

contractors and other people who, really, 100 percent of their money was coming through the Federal Government through contracts. As you know, they also send out letters to their management saying everyone must give, they must give cheerfully, and they must give to the following people, and so forth. That went down.

Can the gentleman tell me, what is the distinction between the charitable nonprofit side and these for profits?

Mr. MCINTOSH. Mr. Speaker, I ask unanimous consent to continue for 1 additional minute.

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

There was no objection.

Mr. MCINTOSH. Mr. Speaker, the key difference there is that contractors are already covered by Government regulations and have very strict limits on what they can do for lobbying. There has also been a misunderstanding about our bill. It is not only applying to charities and nonprofit groups, but also to for-profit groups, including Government contractors when they receive grants, such as research grants. So the gentleman from Colorado [Mr. SKAGGS], who does not agree with our legislation, pointed out that many businesses would be limited by our bill in how much lobbying that they could in fact do.

Let me, if I might ask the gentleman, if we incorporated her provision into the bill, would she then be able to work with me to try to get this passed?

Mrs. SCHROEDER. Mr. Speaker, if the gentleman will continue to yield, one of the reasons I offered this is because I think it is unbelievable we are going after the Girl Scouts and not after the Lockheeds and the big military people. I am shocked at the people who voted to go after the Girl Scouts, but not to go after that. I think we ought to be evenhanded. I would prefer we go after neither.

Mr. MCINTOSH. Let me say, Mr. Speaker, we are not going after the Girl Scouts.

THE EFFECT ON THE AMERICAN PEOPLE OF THE POTENTIAL CRISIS IN THE BUDGET AND CUTS IN SOCIAL PROGRAMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Ms. JACKSON-LEE] is recognized for 5 minutes.

Ms. JACKSON-LEE. Mr. Speaker, we come to this podium to raise several issues, and so many are before us. I do think in terms of the philanthropic limitations on pressing their points, we do trample on constitutional rights of first amendment speech when we deny the Boy Scouts and Girl Scouts and United Way to press their issues before the U.S. Congress. I hope we will consider that.

What I would hope that we would also consider as we proceed this week

is to not talk about Democrats and Republicans, frankly, but really to talk about the American people and the potential crisis that we are not facing in light of some very argumentative language and mean-spirited language about holding this country hostage, about train wrecks and refusing to lift the debt ceiling, which for many people might sound extremely confusing, but we are not at a point with a budget reconciliation proposal, dominated and proposed by the Republican majority, that cuts \$270 billion from Medicare and \$182 billion from Medicaid, cuts education, training, and cuts the opportunity for research and development, clearly not a direction this country should go in as it relates to the needs for our young people to be educated, cutting and burdening our students in colleges by increasing the amount of student loan payments they have to make by taxing them during the time they are in college.

We find that really, whatever persuasion the American people are, you will find now cited in the Wall Street Journal that 73 percent of Americans prefer smaller Medicare and education cuts over a 10-year budget.

No one is denying that there should be an opportunity to balance this budget. Most of us in our right mind are concerned about the future of this country, and those of us who have come from local government and State government, I have come from local government in the city of Houston, have balanced budgets. But it is patently unfair as the American people, these are not Democrats and Republicans, who have said 73 percent prefer a 10-year budget plan and much smaller cuts, because they know what they will face as working Americans when their children who are in college, whether it be community college or whether it be a 4-year college or graduate school, will have interest accruing on their student loans. They understand what it means when we have cut 30 percent of research and development, the very crux of creating jobs in America for those who come out with their diploma and are told that there is no employment. They, frankly, know what it means when 61 percent ask for the President of the United States, as I have done by way of a letter to him, to veto this Budget Reconciliation Act.

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My challenge and charges to the Republican majority and to the Speaker is that we should not hold this Nation hostage with respect to the debt ceiling. We have bonds that may be in default, we have the potential for mortgage rates to go up over this period of time, car payments to go up over this period of time, and we are facing a crisis that will not allow us, frankly, to consider the concerns of Americans.

I have to look at, in the summer of 1996 in Houston, TX, the loss of some 6,000 summer jobs for our young people.

Now, many have accused those positions that come through the Houstons works program and come through funding through the Department of Labor as being baby-sitting positions.

Well, let me tell my colleagues what it does for high school students who have never been exposed to the work world. It gives them a challenge. It gives them income in many instances to provide for their parents who need to have extra income to make ends meet, it helps expose them to career opportunities, and yes, it sometimes provides them with the simple things like food, clothing, and the opportunity to go back to school in the fall. Yet, because of cuts in programs that have been constructive all over the Nation, job training programs and summer work programs, of which I am a product of, we will have a crisis in the summer of 1996.

Mr. Speaker, this crisis can be avoided if we take a moment to look at this budget reconciliation package and acknowledge that it is the absolutely wrong direction to take this country. We are remembering the 1981 tax cuts of which this \$270 billion will be used, and let me say to those who are making under \$50,000 and may have two or more children, you will not see any tax cut, for they have cut sizably the earned income tax credit.

Many of our citizens who consider themselves middle income and make \$28,000, they will not receive that benefit, and they have cut the earned income tax credit that has been really a support system and a reward system for those working individuals making under \$50,000. We will not get that with the \$270 billion in Medicare cuts that are supposed to be for tax cuts for those making over \$300,000.

So my point is, let us not hold this Nation, Americans, hostage on this issue of the debt ceiling. It is time to extend it so that we do not go into default, and that we acknowledge that we have a responsibility worldwide to keep this country's system, economic system stable, so that real discussions can be had: Do we want to cut student loans. I mean, frankly, do we want to do that. Do we not want to look reasonably at the Medicare cuts to ensure that Medicare is stable for those of you who are now working Americans, but yet not burden the elderly Americans who would have to pay the higher premiums, and do we want you today to have higher mortgage payments and car payments because we are not frankly dealing with the American people.

Lift the debt ceiling for a while, let us have a budget reconciliation package that really responds to the American public, all of us, some 73 percent who want this country to work.

AGREE TO DISAGREE

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

Mr. HAYWORTH. Mr. Speaker, one of the great things about this Nation is the fact that we can come here and agree to disagree, the fact that we are free to have a variety of different opinions.

The gentlewoman from Texas [Ms. JACKSON-LEE] who preceded me in the well has some very definite opinions that differ from mine, as is her right, and really, there is so much information that begs a response that I just think it is appropriate to point out a couple of things.

No. 1, with reference to first amendment rights of freedom of expression, this is what the Constitution says: "Congress shall make no law abridging the freedom of speech."

Nowhere in the Constitution of the United States does it state that the Congress will subsidize with American tax dollars someone's right to politically organize. Mr. Speaker, it is not really free speech when you and I are required with our tax dollars to pay for it, point No. 1.

Point No. 2, with reference to the comments of my friend from Indiana, I find it incredibly shocking that a public housing project would be involved in what amounts to a senior shake-down. The language needs to be repeated, because it needs to be amplified. All tenants are asked to become members of the National Council of Senior Citizens, NCSC. That in itself would not be so bad, a simple request. Of course, the American people need to know that over 95 percent of the funding for the NCSC comes from you and I and other taxpayers. But still, that money is not enough. There has to be more that comes from seniors.

There are many reasons for joining NCSC. First of all, you have the privilege of living in these beautiful buildings protected with security and free from financial worries of high rent and big raises which people are forced to pay in privately owned apartments. The NCSC is a well-known and powerful national organization with political clout in Washington. To carry on, the organization needs money for these worthwhile projects, such as lobbying and letter writing which takes paper, stamps, envelopes, and hard work. Dues are payable the first of June.

Now, certainly, Mr. Speaker, every organization has a right to ask for membership, but is it the role of the Federal Government of the United States to step in with taxpayer dollars and be a party to what in essence is a letter that I believe tries to intimidate seniors involved in the shakedown.

It was interesting, too, to listen to some of the rhetoric that is brought forth to the well of this House. My good friend from Texas just talked about cuts. Again, my friends on the liberal side of this House fail to understand simple mathematics. When expenditures are increased, there are no cuts. Average spending for a Medicare recipient will rise from \$4,800 this year to \$6,700 in the year 2002. That is an increase of 45 percent per beneficiary.

Yet, in the twisted mathematics of Washington, replete with Orwellian news speak, people come to the floor of this House time and time again to talk about cuts.

The gentlewoman said we were holding the American people hostage with reference to making a decision to finally balance the budget.

Mr. Speaker, I submit, if we do not face economic facts, we will continue to hold future generations of Americans hostage. If we fail to answer this clarion call to action, we will be acting without any responsibility or regard for the real work at hand. Make no mistake, this talk of cut is absolute fiction. This is absolutely false. We are restraining the rate of growth in government; we are not making cuts. That is patently true.

The fact is that we are moving now to save the very programs that folks claim are being sacrificed, to save the very programs that will work for this generation of seniors and to provide the framework to continue those programs on. That is the absolute fact in front of the American people.

In this debate, let people of goodwill with disagreements come to this floor and indeed, write their Congress people, but let them do it without tax dollars, without the largesse of the hard-working men and women of America, because face it, friends, one of the big truths is this: Money does not emanate from the government, it comes from you and me, from working and paying our tax dollars. That supplies the money, and we should be held accountable for the way in which that is spent.

Now, absolutely good people can disagree, and I would champion the right of my friend from Texas to disagree with me, as she often does. But let us level with the American people.

Mr. Speaker, we will continue this at a later time. The debate goes on.

HOLD THE CHILDREN HARMLESS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Colorado [Mrs. SCHROEDER] is recognized for 5 minutes.

Mrs. SCHROEDER. Mr. Speaker, I would like to pick up a bit where the gentlewoman from Texas left off, because we are going to hear so much about the budget and reconciliation and balancing the budget, and I do not know about anyone else, but when I talk about this at home, folks' eyes glaze over. They hate their own budgets, so why should they want to listen to what is going on here.

Let me talk just a bit about why there is so much passion, why there is not an agreement, and why we have certain Members willing to take the full faith and credit of this great Nation and hold it hostage, so that they can get their way on the budget.

Mr. Speaker, if we took a kitchen table in America and sat everyone