

Government of the FRY (S&M) or Bosnian Serb authorities have an interest) are identified and interdicted, and that permitted imports and exports move to their intended destination without undue delay. Violations and suspected violations of the embargo are being investigated and appropriate enforcement actions are being taken. Numerous investigations carried over from the prior reporting period are continuing. Since the last report, FAC has collected 10 civil penalties totaling more than \$27,000. Of these, five were paid by U.S. financial institutions for violative funds transfers involving the Government of the FRY (S&M), persons in the FRY (S&M), or entities located or organized in or controlled from the FRY (S&M). One U.S. company and one air carrier have also paid penalties related to unlicensed payments to the Government of the FRY (S&M) or other violations of the Regulations. Two companies and one law firm have also remitted penalties for their failure to follow the conditions of FAC licenses.

7. The expenses incurred by the Federal Government in the 6-month period from May 30, 1995, through November 29, 1995, that are directly attributable to the declaration of a national emergency with respect to the FRY (S&M) and the Bosnian Serb forces and authorities are estimated at about \$3.5 million, most of which represent wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in FAC and its Chief Counsel's Office, and the U.S. Customs Service), the Department of State, the National Security Council, the U.S. Coast Guard, and the Department of Commerce.

8. The actions and policies of the Government of the FRY (S&M), in its involvement in and support for groups attempting to seize and hold territory in the Republics of Croatia and Bosnia and Herzegovina by force and violence, and the actions and policies of the Bosnian Serb forces and the authorities in the areas of Bosnia and Herzegovina under their control, continue to pose an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States. The United States remains committed to a multilateral resolution of the conflict through implementation of the United Nations Security Council resolutions.

I shall continue to exercise the powers at my disposal to apply economic sanctions against the FRY (S&M) and the Bosnian Serb forces, civil authorities, and entities, as long as these measures are appropriate, and will continue to report periodically to the Congress on significant developments pursuant to 50 U.S.C. 1703(c).

WILLIAM J. CLINTON.

THE WHITE HOUSE, December 8, 1995.

COMMUNICATION FROM THE HONORABLE DAVID E. BONIOR, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from Hon. DAVID E. BONIOR, Member of Congress:

WASHINGTON, DC,  
December 7, 1995.

Hon. NEWT GINGRICH,

*Speaker of the House, Washington, DC.*

DEAR MR. SPEAKER: This is to formally notify you pursuant to Rule L (50) of the Rules of the House I have been served with a subpoena issued by the Circuit Court of Michigan.

After consultation with the General Counsel, I will make the determinations required by the Rule.

Sincerely,

DAVID E. BONIOR,  
*Member of Congress.*

#### REACHING A BALANCED BUDGET

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

Mr. SCHIFF. Mr. Speaker, last Wednesday the President of the United States vetoed a proposed balanced budget submitted by the Congress of the United States. It was of course the President's legal right and prerogative to vote this bill, not only under the Constitution but under the recent agreement between Congress and the President, if the President felt that the budget did not adequately fund certain programs.

On Thursday the President submitted back to Congress his own proposed balanced budget. Unfortunately, I have to say that I believe the administration in this case did not comply with our recent agreement.

Our agreement called for a balanced budget in 7 years, which the administration did comply with using the economic forecasts, in this case meaning projected government revenue by the Congressional Budget Office. Instead, the President's budget submitted last Thursday uses the economic forecasts of his own Office of Management and Budget. Their projections are as much as \$400 billion in more government revenue over 7 years than the Congressional Budget Office.

The point, however, is not to debate between the two. That has already been settled. In the recent agreement, the President and the Congress both agreed to use the Congressional Budget Office for economic forecasts.

Therefore, I respectfully call upon the administration to introduce a new budget of 7 years in duration with the use of the Congressional Budget Office economic forecast for Government revenue so that the two budgets can be compared side-by-side, the budget of the Congress and the budget of the President of the United States, so that negotiations can begin on a level playing field between them and so that the American people can decide on a common yardstick which priorities they prefer.

#### SPECIAL ORDERS

The SPEAKER pro tempore. 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.

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

[Mr. POSHARD addressed the House. His remarks will appear in the Extensions of Remarks.]

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

[Mr. LONGLEY addressed the House. His remarks will appear in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maine [Mr. SCARBOROUGH] is recognized for 5 minutes. r. SCARBOROUGH addressed the House. His remarks will appear in the Extensions of Remarks.]

#### INTRODUCTION OF AMERICAN HEALTH SECURITY PARTNERSHIP ACT

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Wisconsin [Mr. OBEY] is recognized for 60 minutes as the designee of the minority leader.

Mr. OBEY. Mr. Speaker, I do not normally these days take special orders because, as everyone understands, there is no legislative business to be conducted, but I do today take this time to simply announce that I am introducing the Health Security Partnership Act of 1995 because I think this Congress is going in a totally wrong direction on the issue of health care and I think we ought to start talking about how to reverse that.

Last year the country missed a historic opportunity to reform our health care system by getting a handle on costs and strengthening the health security of every American family. The public wanted action but Washington became so polarized that the opportunity was missed. That does not mean that the problem has gone away.

Since the failure of Washington to provide health care reform last year, 1 million more Americans have lost health care coverage and Americans concerned about being able to hold on to affordable health insurance have seen that concern intensify greatly. At a time when we ought to be reducing insecurity and increasing access to quality health care, Congress is going in the opposite direction.

Instead of reducing the number of uninsured Americans, this Congress is

moving millions of people to the rolls of the uninsured by shredding the Medicaid safety net for millions of poor families and working families who need nursing home coverage for a loved one. It is making Medicare more insecure for millions of recipients. The median income for women on Medicare is \$8,500 a year. And it is increasing the cost for the uninsured, a cost which will therefore be shifted to families who do have insurance and to employers who provide that insurance.

That is morally wrong, it is economically wrong, and the bill that I am introducing today goes against the prevailing tide in this Congress in order to try to correct it. I know that we are moving against the tide, but this is a matter of principle and it is well worth the fight.

I should say also that I am being joined in this effort by the gentleman from New York [Mr. HINCHEY], the gentleman from New York [Mr. OWENS], the gentlewoman from California [Ms. PELOSI], and the gentleman from Minnesota [Mr. OBERSTAR].

Last year's health care battles have made it quite clear to me that while the public wants reform, they do not want reform that creates new huge Federal bureaucracies. There are some things that the Federal Government can and should do, and this bill would do them.

For example, the National Government can and should insist on insurance reform so that people with pre-existing conditions cannot be denied coverage. It can and should expand the Community Options Program such as we have in Wisconsin, so that home and community-based health care can be an affordable option to institutionalized care. And we can attack the inequity that allows corporations to deduct the full cost of providing health insurance to their employees but only allows the self-employed businessman to deduct 30 percent of the cost of coverage.

There are nonbureaucratic reforms that can and should be made at the Federal level. But we can also create a Federal-State partnership that will leave to the States the major choices about how to deal with the shortcomings in today's health care system.

That is why the bill I am introducing today, beyond the issue of insurance reform, will have only one Federal requirement. The requirement will simply be that States ensure that every citizen in each State has health insurance coverage, and that such coverage is comparable to that which is now available to Members of Congress, Federal employees and their families.

Under the plan, States could establish whatever system they want, be it public, private or a mixture of both. Each State would decide whether to use devices such as risk-sharing pools or subsidies to provide coverage for those who are unemployed, those who are working but unable to afford health insurance, and those who are high risk

and unable to get insurance from carriers.

In the best Progressive tradition—and I mean that in a capital P because the Progressive Party was born in Wisconsin—in the best Progressive tradition, we can use States as laboratories of democracy to help find alternative health care reform models that work. The elements of the plan would work like this.

States would be required to submit a plan by July 1, 1999, to the Secretary of Health and Human Services which would have to show that every citizen in that State is covered by health insurance which has benefits comparable to those available under the Federal Employees Health Benefits Plan.

Second, the rules of the insurance game would be changed to guarantee that people could no longer be turned away because of preexisting conditions, income, employment, or other health status. Insurance companies could no longer deny, cancel, or refuse to renew coverage unless the premiums had not been paid, unless fraud or misrepresentation had been involved, or the plan is ceasing coverage in an entire geographical area. Home and community-based care would be provided as an option to institutional care when it would be medically appropriate.

Third, the Secretary of Health and Human Services would annually certify the plans. Only those States that participate will be eligible for Federal Medicaid funds, and participating States would be eligible to share in the Federal pool of funds created in the bill to assist States in the effort.

As I said earlier, currently self-employed individuals can deduct 30 percent of their health insurance costs on their Federal tax return. This bill would increase that deduction to 100 percent, and it would also allow workers whose employers do not provide health insurance to deduct up to 80 percent of their health insurance cost.

Congress is right to want to reform Medicare and Medicaid, but health care for persons struggling to make ends meet should not be squeezed in order to provide a rich man's tax cut. Medicare and Medicaid reform should not be done in isolation. They should be done in the context of overall care reform, to effectively and fairly control costs, and to minimize cost-shifting to persons who are insured and to employers who do provide insurance.

Until we can ensure that everyone has health coverage, the problem of cost-shifting will not go away. Cost-shifting is a hidden tax that continues to drive the cost of health care higher and higher. Until we get a handle on cost-shifting, prices will continue to rise forcing more people out of the system and escalating the problem.

No one can convince me that in last November's election the public was telling us that they wanted us to weaken health care coverage and increase its cost, especially to the most vulnerable among us. They want us to make

health care more affordable and more accessible. They do not want us to go in the other direction.

This is a proposal which would help move us back in the right direction. Right now 40 million Americans are being left behind, and that is a disgrace. It is an even larger disgrace that if the Medicaid reforms, so-called reforms being pushed by the Republican leadership in this House go through, that you could almost double the number of those who are uninsured in this country because of the loss of the Medicaid guarantee.

These are problems which this Congress ought to be willing to solve. We ought to be including more people in the blessings of this country when it comes to health care, not fewer. I would hope that someday the Congress will get about doing that, because that indeed is the people's business.

#### AN HONEST BALANCED BUDGET

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

Mr. ABERCROMBIE. Mr. Speaker, I am pleased to say that the special orders that I have been involved in over the past several days, actually week, of the discussions of the balanced budget are beginning to attract some attention from around the country and from our colleagues here in the House.

As the Speaker knows, I have been indicating in my discussions that far from balancing the budget, in the proposals that are before us now, we are merely shifting the deficit.

I have had people call in and express their gratitude that I am explaining this in a step-by-step manner so that it is easy for the average taxpayer as well as the average Member who might not be completely familiar with the budget process to understand what it is that we are doing, what it is that is being proposed.

I have long since learned, and I am sure the Speaker would agree, that not just in politics but I guess in all of life, it is the obvious that you have to state over and over again because it is the obvious that you tend to take most for granted and forget first.

The obvious in this situation is, is that every time you hear someone stand up and say, "Oh, we're going to balance the budget in 7 years," you should immediately get on your skeptical clothes to protect yourself. You should be skeptical for the following reason.

If you look at the presentation of the budget, do not listen to the rhetorical lines about balancing the budget in 7 years. That is the little prayerful ritual that is being recited on this floor and on the so-called news talk shows, on the news bites, the 9- and 10-second blips you get on television or here on the radio, that we are going to balance the budget in 7 years. It is merely a question of numbers.