

ECONOMIC UPDATES FROM JOINT ECONOMIC COMMITTEE

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

Mr. SAXTON. Mr. Speaker, I rise tonight to announce to the House that over the last several days, together with my Joint Economic Committee staff, we have prepared five papers that demonstrate very well why all Members of the House should support this week the final element of the Contract With America. These are five papers which are very easy reading and I would just like to tell you what the five papers are and if you are interested in having a copy, you can call my office and obtain one.

The first one is "The Contract and Economic Growth." The first paper makes note that economic growth has been forecast by the Clinton administration over the coming years to grow at only about 2.3 to 2.5 percent. We point out in this that the economic policies that are contained in this week's tax package will promote the kind of growth that will get us back to where we need to be. You do not have to ask us, because this issue has been studied by others and many others from outside the Congress agree that that will happen.

The second paper is "The Contract Means More Personal Incomes for Families." As the economy grows and expands, everybody's share will be bigger, from low-income people to high-income people. As a matter of fact, by the year 2002, it is projected that our economy will be \$1.1 trillion larger than it is today.

The claims of supporters of the contract are realistic. Several studies, including those by DRI/McGraw-Hill, Laurence Meyers and Associates, and the Institute for Policy Innovation all agree.

The third paper is "The Contract and Take Home Pay." It is important to make note that the \$500 per child tax credit helps those families that need it the most. For example, we point out in this paper that if you are a family with an income of \$25,000, a family of four, that 100 percent of your tax, remaining tax liability will be alleviated by the \$500 tax credit. If you are in the \$30,000 tax bracket, 48 percent of your tax liability will be alleviated with the Contract With America. If you are in the \$45,000 incomes category for a family of four, your tax liability will be reduced by 21.5 percent. And if you are in the whopping \$50,000 category, your tax liability will be reduced by 17.8 percent. Very significant for today's families.

We also point out in paper No. 4 entitled "The Contract and Victory Over Government Day," for those of you who have not heard, Victory Over Government Day is the day when we finally get on our own to earn a living for our family and do not have to send any more money to the Government,

this year Victory Over Government Day will be June 4. Under President Clinton's proposed budget by the year 2002, Victory Over Government Day will be 3 days later, on June 7.

Under the provisions of the contract and the tax package we will pass this week, Victory Over Government Day will shrink back to May 26, a difference of 12 days that the American family can work for themselves instead of sending money to Government.

□ 1815

Finally, the paper, the fifth paper, entitled "The Contract and the Future," points out that the contract helps parents provide for their children's future and for their inheritance in four important ways.

First, the contract improves take-home pay for families because with an expanding economy we can all expect to make more.

Second, the contract provides for the super-IRA provision and, in so doing, allows increased savings. The contract allows the family to plan more efficiently for college or for retirement.

Third, the contract helps families plan for their future by reducing the benefits tax on seniors who work. As we all know, in 1993 President Clinton and the Democrats increased the taxes on senior citizens' Social Security, and of course that is repealed.

The fourth and final way the contract helps families provide is by reducing the estate tax and thereby reducing the taxes on inheritance. And, of course, that allows parents to pass more along to their children to help them in the outyears.

So these are five papers that we have spent a lot of time researching, writing, putting together, verifying. They are important points I think that are made in these papers, and we will be more than happy to provide them to any Member who wishes to have them.

The SPEAKER pro tempore (Mr. KINGSTON). Under a previous order of the House, the gentleman from North Dakota [Mr. POMEROY] is recognized for 5 minutes.

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

STUDENT LOAN PROGRAMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mrs. CLAYTON] is recognized for 5 minutes.

Mrs. CLAYTON. Mr. Speaker, we are confronted with yet another proposal for change. Too much change in too short a time—a "dizzying disorientation," said the writer Toffler.

The majority has outlined plans to abolish or restructure four programs that provide aid to college students.

The drastic changes proposed will add almost \$13 billion, over the next 5 years, to the cost of going to college.

Needy students from across the country who now make the choice to go to college will no longer have a chance to do so.

Four programs are targeted—College Work Study; Perkins Student Loans; Stafford Interest-Deferred Student Loans; and Supplemental Education Opportunity Grants.

This elimination and restructuring of college student aid programs come hot on the heels of \$1.7 billion in cuts in other education programs serving low- and middle-income families.

Under College Work Study, Federal dollars are provided to colleges to provide jobs for low- and middle-income students.

Three quarters of a million students who worked their way through college last year, will not have that opportunity next year.

Under the Perkins Loan Program, the Federal Government provides money to colleges to establish low-interest loan funds for their students.

Another three quarters of a million students who borrowed Perkins money for their education last year, will not have that opportunity next year.

Stafford loans allow low- or middle-income students to borrow money for their education and defer repayment of the loan, including interest, until 6 months after graduation.

Under the Stafford Loan Program, needy students can attend and complete college, without having to worry about loan repayments until they have jobs.

Four and a half million students who received Stafford loans last year, without the burden of interest repayment while studying, will carry that burden next year.

And, the Supplemental Educational Opportunity Grant Program is a direct grant program that goes primarily to low-income, truly needy students.

Nearly a million truly needy students who received grants under this program last year will not receive those grants next year. That program will be eliminated, if the majority prevails.

The pace of proposed change at which the proponents of change have been operating is unprecedented in the history of Congress.

But, they want change for the sake of change.

They want to restructure or eliminate programs and change public policy affecting millions of college students, who have been working for the future.

In a mad rush to do something different, they can not be sure that they are doing something better.

They fail to hear Karr, who commented, "The more things change, the more they remain the same."

They miss the point of Patton, a great Army general, who stated, "Weapons change, but man who uses them changes not at all."

They have the votes. They will try to change these programs, but they can not crush the spirit that created them.

These programs were prudent when they were created, and they are prudent now.

Those who blindly push for change have not considered the wise words of Shelley, whose poetry is as penetrating in 1995 as it was in 1821,

I am the daughter of earth and water,
And the nursling of the sky,
I pass through the pores
of the oceans and shores,
I change, but I can not die.

If they want real change, they should change the minimum wage.

If they want meaningful change, they should change the tax cut they have proposed for the wealthiest Americans to focus on working families and the middle class.

If they want change that makes a difference, they should change their Personal Responsibility Act and restore school lunch programs for children.

If they want significant change, they should change their minds about cutting college student aid programs.

We will fight these changes to the long-standing effective college student aid programs.

Dr. Martin Luther King, Jr., in accepting the Nobel Peace Prize in 1964, said, "The tortious road millions are traveling to find a new sense of dignity, will, I am convinced be widened into a superhighway of justice."

Today's college student deserves to learn about Toffler, Karr, Patton, Shelley, and King.

Change for the sake of change is obviously useless. Secretary Riley had it right when he said, "Education is a national priority." Education of our youth is an investment in our Nation's future.

REQUEST FOR PERMISSION FOR 5-MINUTE SPECIAL ORDER

Mr. SMITH of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

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

Mr. OWENS. Mr. Speaker, reserving the right to object, is there a list of Members for 5-minutes?

The SPEAKER pro tempore. There is.

Mr. OWENS. There is a list? Can we follow the list?

The SPEAKER pro tempore. The Chair is endeavoring to go across the aisle, and the gentleman is on the list.

Mr. OWENS. Can we follow the list?

The SPEAKER pro tempore. We are following the list, but they are asking for unanimous consent. Is the gentleman objecting?

Mr. OWENS. Well, I thought the practice was to follow the list, and then after the list is finished to entertain unanimous-consent requests.

The SPEAKER pro tempore. The Chair is just trying to recognize Members seeking unanimous consent to address the House by alternating recogni-

tion from side to side where Members are absent.

Mr. OWENS. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

STUDENT FINANCIAL AID

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

Ms. PELOSI. Mr. Speaker, on Friday, March 31, two colleagues of mine, Representative GEORGE MILLER and Representative ANNA ESHOO and I did something that the leadership of this body does not want to do.

We held a hearing on the impact of the proposals by the Republican majority to cut the present system of Federal student financial aid.

We held a hearing to educate the public about these stealth proposals which would terminate investments in education to fund tax cuts for the wealthy.

We held a hearing in order that Congress may hear from the students, parents, and administrators who would be affected by these proposals.

We held a hearing because the Republican majority of this body does not want people to know the full impact of the Draconian budget slashing that the Republican majority needs to pay for their tax cut for the wealthy.

This body has passed legislation already, Mr. Speaker, which was proposed by the Republican majority which will rescind nearly \$200 million from our fiscal year 1995 student aid programs. This body will take up legislation later this week which would set in motion a series of budget cuts which will terminate what remains of it by enacting the largest tax giveaway to the rich that we have seen in recent memories.

What does the Republican majority propose?

They are proposing the elimination of the deferred interest of Stafford and Perkins loans programs which enables students to obtain loans without having to pay interest during the time they are in school.

The Republican majority is proposing eliminating campus-based programs such as college work-study which provides not only a job to help pay for an education but a job with purpose and meaning.

The Republican majority is proposing eliminating the supplemental educational opportunity grant which goes to help the most needy students for whom a Pell grant is not enough.

The Republican majority is proposing passing on to students, families, and administrators over a quarter of a billion dollars a year in increased educational costs just to the people of California. For our freshmen coming in this year, this coming year, this is a \$1 billion fee hike over the course of their education for 4 years that families, students, and schools must absorb.

In my congressional district, nearly 16,000 students would lost their Staf-

ford loan benefits at an increased cost of over \$11 million. Nearly 7,000 students would lose their supplemental education opportunity grants, an annual loss of \$2.3 million for those families.

Two thousand three hundred students in San Francisco would lose college work-study. And the majority, the Republican majority, would hand them a bill of \$2.5 million to make. All told, just for the students, families, and administrators in San Francisco, over \$17 million annually in costs would be passed back to the students, with no expectation on how those millions would be made up.

But the most telling points, the most poignant testimony, the most powerful arguments against this upside-down policy came from those who would be directly affected by those proposals.

We had an extraordinary panel of seven students and parents. The students were hard-working young men and women, bright, intelligent future leaders of our country and their parents who work hard and sacrifice to give their children every advantage, an education.

Here are some of their voices.

One senior at San Francisco State University testified. His name was Michael Rodriguez. Michael is 27, born and raised in San Francisco, and was a Marine for 9 years. He was assigned to both the Panama invasion and Operation Desert Storm and participated in the liberation of Kuwait.

During his combat assignment he was filling out his application and financial aid forms for San Francisco State. Here is what he had to say. Here is what Michael Rodriguez had to say:

For me, financial aid has allowed me to achieve my goals, for which I am thankful. I give thanks every day that programs like financial aid exist for students like myself. Students are cutting their time at school in half so they can work full-time in order to support themselves as financial aid money is becoming scarce. Financial aid, in my opinion, creates a win-win situation. Financial aid is capital investment for the future.

Diana Summy Hunt, a student at the University of San Francisco, said this about work-study: "This program has permitted me to work on campus at the financial aid office as a receptionist and file clerk. On the average, I work 18 hours per week, which allows me to pay for my books and supplies, not to mention it has also given me a variety of job experiences."

"It is not easy," she said, "juggling classes and a job. College work-study enables me to do both. If these programs were eliminated, I can honestly say that I have no idea where I will find these funds. My mother's and my finances are already stretched. What will people do to better themselves if education is out of the question?"

Perhaps one of the most heartfelt testimonials came from Ronelle Garibaldi, a member of a two-income family whose son, Michael, also attends