It is my understanding that the minority has been consulted and that there is no objection to these requests.

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

There was no objection.

REPORT ON RESOLUTION PROVID-ING FOR CONSIDERATION OF H.R. 1162, DEFICIT REDUCTION LOCK BOX ACT OF 1995

Mr. GOSS, from the Committee on Rules, submitted a privileged report (Rept. No. 104-243) on the resolution (H. Res. 218) providing for consideration of the bill (H.R. 1162) to establish a deficit reduction trust fund and provide for the downward adjustment of discretionary spending limits in appropriation bills, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVID-ING FOR CONSIDERATION OF H.R. 1670, FEDERAL ACQUISITION REFORM ACT OF 1995

Mr. GOSS, from the Committee on Rules, submitted a privileged report (Rept. No. 104-244) on the resolution (H. Res. 219) providing for the consideration of the bill (H.R. 1670) to revise and streamline the acquisition laws of the Federal Government, to reorganize the mechanisms for resolving Federal procurement disputes, and for other purposes, which was referred to the House Calendar and ordered to be printed.

PROVIDING FOR CONSIDERATION OF H.R. 1655, INTELLIGENCE AU-THORIZATION ACT, 1996

Mr. GOSS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 216 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

## H. RES. 216

Resolved. That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 1655) to authorize appropriations for fiscal year 1996 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes. The first reading of the bill shall be dispensed with. Points of order against consideration of the bill for failure to comply with section 302(f), 308(a), or 401(b) of the Congressional Budget Act of 1974 are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Permanent Select Committee on Intelligence. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute

rule the amendment in the nature of a substitute recommended by the Permanent Select Committee on Intelligence now printed in the bill, modified by the amendment recommended by the Committee on Government Reform and Oversight now printed in the bill and by an amendment striking title VII. The committee amendment in the nature of a substitute, as modified, shall be considered by title rather than by section. The first section and each title shall be considered as read. Points of order against the committee amendment in the nature of a substitute, as modified, for failure to comply with clause 7 of rule XVI. clause 5(a) of rule XXI, or section 302(f) or section 401(b) of the Congressional Budget Act of 1974 are waived. No amendment to the committee amendment in the nature of a substitute, as modified, shall be in order unless printed in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute, as modified. The previous question shall be considered as ordered on the bill and amendments thereto to final passage wihtout intervening motion except one motion to recommit with or without instruc-

The SPEAKER pro tempore. The gentleman from Florida [Mr. GOSS] is recognized for 1 hour.

Mr. GOSS. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the distinguished gentleman from California [Mr. Beilenson], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

(Mr. GOSS asked and was given permission to include extraneous material.)

Mr. GOSS. Mr. Speaker, House Resolution 216 provides for the consideration of H.R. 1655, the Intelligence Authorization Act for Fiscal Year 1996. The Rules Committee met last week to grant this rule, which was requested jointly by the chairman of the committee, Mr. COMBEST, and the ranking member, Mr. DICKS. As has been customary in the Intelligence Committee, of which I am proud to be a new member, bipartisan cooperation was apparent in the rule request. I am pleased that our Rules Committee was able to grant the committee's reasonable request by providing an open amendment process while injecting a small point of caution for the sensitivity of the subject matter by including a preprinting requirement.

Mr. Speaker, this rule provides 1 hour of general debate equally divided and controlled by the chairman and ranking member of the Permanent Select Committee on Intelligence. The rule waives sections 302(f), 308(a) and 401(b) of the Budget Act against consideration of the bill, waivers that are all related to the issue of new entitlement authority. Our committee is most appreciative of the detailed and com-

prehensive explanation the Intelligence Committee provided to us in support of these waiver requests. Section 305 of the bill allows a spouse who fully cooperates in a Federal investigation of his wife or her husband to receive spousal benefits upon a determination by the Attorney General that the spouse has fully cooperated with the Government's investigation and prosecution of national security offenses. Section 601 makes a technical correction to clarify that a retired military officer who is appointed as Director or Deputy Director of Central Intelligence can receive pay at the appropriate level of the Executive schedule. Although we technically have new entitlements, in both cases we are talking about very small amounts of money. In fact, the Budget Committee, which generally plays "budget cop" in instances where Budget Act waivers are requested, has reviewed these requests without complaint.

This rule makes in order as an original bill for the purpose of amendment the Intelligence Committee's amendment in the nature of a substitute now printed in the bill, as modified by the Government Reform and Oversight Committee amendment striking section 505 now printed in the bill and by an amendment striking title VII.

Although we generally try to avoid self-executing amendments such as this, this change in the reported bill reflected a compromise agreement worked out among the committees of jurisdiction. There was legitimate concern in the Government Reform and Oversight Committee about the provision the Intelligence Committee had included in section 505, waiving the 2 percent retirement annuity reduction that NSA employees normally incur when expecting early retirement. This is a pilot program at NSA that raised concerns among our colleagues on the Government Reform Committee and we respect their conclusion that it should not be included in this bill. The second matter deleted from the bill by this rule is title VII, which addressed a consolidation issue within the State Department. This provision had raised some red flags with the Committee on International Relations, and hence agreement was reached to remove it. All in all, I am proud of the level of communication and cooperation among all the committees in agreeing to this consensus product.

Mr. Speaker, this rule provides that the committee amendment in the nature of a substitute, as modified, shall be considered by title with the first section and each title considered as read. The rule also waives clause 7 of rule 17 prohibiting nongermane amendments against the committee substitute as modified. In addition, the rule waives clause 5(a) of rule 21 prohibiting appropriations in a legislative bill against the committee substitute as modified. And, as I discussed earlier,

the rule waives section 302(f) and section 401(b) against the committee substitute as modified for the same reasons that made the waivers necessary for consideration of the bill.

In addition, the rule requires that all amendments be preprinted in the CON-GRESSIONAL RECORD, an important provision to assist the committee in protecting the security of classified matters contained within this bill, while protecting the rights of Members by guaranteeing an open amendment process. Finally, the rule provides one motion to recommit with or without instructions.

Mr. Speaker, I know my friend from California, Mr. BEILENSON, who served his country admirably as chairman of the Intelligence Committee, understands the important of this subject matter. The paradox of the intelligence business is that successes, by their very nature, go unremarked and often

unknown to most people. That is because intelligence success stories generally prevent bad things from happening. So the public picture presented of intelligence is generally skewed toward the negative, the problems, the times when things go wrong and the sensational.

Clearly, the Ames case and the recent flareup over Guatemala provide two examples of this phenomenon. It is the duty of the members of the select committee, and today of all Members of this House, to see the whole picture and ensure that our intelligence community has the necessary resources and oversight to fulfill its mission. As Members know, there are currently several comprehensive reviews being undertaken to assess the roles and capabilities of our intelligence services. I am privileged to be working on two of those efforts: IC 21, led by Chairman COMBEST, and the Aspin Commission,

now led by Harold Brown. It is necessary to reassess where we are and where we want to be in world events, and then to determine what type of information is needed and how to best ensure that such information is available. In the meantime, I believe H.R. 1655 offers a responsible level of funding for intelligence activities, while setting appropriate priorities for how that money should be spent. As I have grown fond of saying to those who believe the end of the cold war provides a good time to slash funding for intelligence, it hardly makes sense to turn off the radar just as you are sailing the ship of State into the fog, in unfamiliar waters, without a reliable chart. I urge my colleagues to support this rule and the bill.

The Speaker, I include material from the Committee on Rules for the RECORD. as follows:

THE AMENDMENT PROCESS UNDER SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 1 103D CONGRESS V. 104TH CONGRESS

[As of September 12, 1995]

Dula tima	103d Congress		104th Congress	
Rule type		Percent of total	Number of rules	Percent of total
Open/Modified-open 2 Modified Closed 3 Closed 4	46 49 9	44 47 9	43 14 2	73 24 3
Total:	104	100	59	100

<sup>1</sup> This table applies only to rules which provide for the original consideration of bills, joint resolutions or budget resolutions and which provide for an amendment process. It does not apply to special rules which only waive points of

## SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS

[As of September 12, 1995]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 38 (1/18/95)	. 0	H.R. 5	Unfunded Mandate Reform	A: 350-71 (1/19/95)
H. Res. 44 (1/24/95)		H. Con. Res. 17	Social Security	A: 255–172 (1/25/95)
,		H.J. Res. 1	Balanced Budget Amdt	( ,
H. Res. 51 (1/31/95)	. 0	H.R. 101	Land Transfer, Taos Pueblo Indians	A: voice vote (2/1/95)
H. Res. 52 (1/31/95)	. 0	H.R. 400	Land Exchange, Arctic Nat'l. Park and Preserve	
H. Res. 53 (1/31/95)	. 0	H.R. 440	Land Conveyance, Butte County, Calif	A: voice vote (2/1/95)
H. Res. 55 (2/1/95)		H.R. 2	Line Item Veto	A: voice vote (2/2/95)
H. Res. 60 (2/6/95)			Victim Restitution	A: voice vote (2/7/95)
H. Res. 61 (2/6/95)		H.R. 666	Exclusionary Rule Reform	A: voice vote (2/7/95)
H. Res. 63 (2/8/95)			Violent Criminal Incarceration	
H. Res. 69 (2/9/95)		H.R. 668	Criminal Alien Deportation	A: voice vote (2/10/95)
H. Res. 79 (2/10/95)		H.R. 728	Law Enforcement Block Grants	
H. Res. 83 (2/13/95)		H.R. 7	National Security Revitalization	
H. Res. 88 (2/16/95)		H.R. 831	Health Insurance Deductibility	PO: 230-191; A: 229-188 (2/21/95)
H. Res. 91 (2/21/95)		H.R. 830	Paperwork Reduction Act	A: voice vote (2/22/95)
H. Res. 92 (2/21/95)		H.R. 889	Defense Supplemental	
H. Res. 93 (2/22/95)		H.R. 450	Regulatory Transition Act	A: 252–175 (2/23/95)
H. Res. 96 (2/24/95)	. MO	H.R. 1022	Risk Assessment	
H. Res. 100 (2/27/95)		H.R. 926	Regulatory Reform and Relief Act	
H. Res. 101 (2/28/95)		H.R. 925	Private Property Protection Act	A: 271–151 (3/2/95)
H. Res. 103 (3/3/95) H. Res. 104 (3/3/95)	. MO MO	H.R. 1058 H.R. 988	Securities Litigation Reform Attorney Accountability Act	A: voice vote (3/6/95)
		H.R. 956	Product Liability Reform	A: 257–155 (3/7/95) A: voice vote (3/8/95)
H. Res. 108 (3/7/95) H. Res. 109 (3/8/95)			rioduct Liability Reioiiii	PQ: 234–191 A: 247–181 (3/9/95)
H. Res. 115 (3/14/95)		H.R. 1159	Making Emergency Supp. Approps.	
H. Res. 116 (3/15/95)		H.I. Res. 73	Term Limits Const. Amdt	
H. Res. 117 (3/16/95)		H.R. 4	Personal Responsibility Act of 1995	A: voice vote (3/21/95)
H. Res. 119 (3/21/95)		11.10. 4	resonal responsibility net of 1770	
H. Res. 125 (4/3/95)		H.R. 1271	Family Privacy Protection Act	
H. Res. 126 (4/3/95)	0	H.R. 660	Older Persons Housing Act	
H. Res. 128 (4/4/95)	MC	H.R. 1215	Contract With America Tax Relief Act of 1995	A: 228–204 (4/5/95)
H. Res. 130 (4/5/95)		H.R. 483	Medicare Select Expansion	A: 253-172 (4/6/95)
H. Res. 136 (5/1/95)	. 0	H.R. 655	Hydrogen Future Act of 1995	A: voice vote (5/2/95)
H. Res. 139 (5/3/95)		H.R. 1361	Coast Guard Auth. FY 1996	
H. Res. 140 (5/9/95)			Clean Water Amendments	
H. Res. 144 (5/11/95)		H.R. 535	Fish Hatchery—Arkansas	A: voice vote (5/15/95)
H. Res. 145 (5/11/95)	. 0	H.R. 584	Fish Hatchery—lowa	A: voice vote (5/15/95)
H. Res. 146 (5/11/95)			Fish Hatchery—Minnesota	
H. Res. 149 (5/16/95)		H. Con. Res. 67	Budget Resolution FY 1996	PO: 252-170 A: 255-168 (5/17/95)
H. Res. 155 (5/22/95)		H.R. 1561	American Overseas Interests Act	A: 233-176 (5/23/95)
H. Res. 164 (6/8/95)		H.R. 1530	Nat. Defense Auth. FY 1996	PQ: 225-191 A: 233-183 (6/13/95)
H. Res. 167 (6/15/95)		H.R. 1817	MilCon Appropriations FY 1996	PQ: 223-180 A: 245-155 (6/16/95)
H. Res. 169 (6/19/95)		H.R. 1854	Leg. Branch Approps. FY 1996	PQ: 232-196 A: 236-191 (6/20/95)
H. Res. 170 (6/20/95)		H.R. 1868	For. Ops. Approps. FY 1996	PQ: 221–178 A: 217–175 (6/22/95)
H. Res. 171 (6/22/95)		H.R. 1905	Energy & Water Approps. FY 1996	
H. Res. 173 (6/27/95)			Flag Constitutional Amendment	
H. Res. 176 (6/28/95)		H.R. 1944	Emer. Supp. Approps.	PQ: 236–194 A: 234–192 (6/29/95)
H. Res. 185 (7/11/95)		H.R. 1977	Interior Approps. FY 1996	PQ: 235–193 D: 192–238 (7/12/95)
H. Res. 187 (7/12/95)		H.R. 1977 H.R. 1976	Interior Approps. FY 1996 #2	PQ: 230–194 A: 229–195 (7/13/95)
H. Res. 188 (7/12/95)	. v	п.к. 19/0	Agriculture Approps. FT 1990	PQ: 242-185 A: voice vote (7/18/95)

order against appropriations bills which are already privileged and are considered under an open amendment process under House rules.

An open rule is one under which any Member may offer a germane amendment under the five-minute rule. A modified open rule is one under which any Member may offer a germane amendment under the five-minute rule. A modified open rule is one under which any Member may offer a germane amendment under the five-minute rule. A modified open rule is one under which any Member may offer a germane amendment under the five-minute rule subject only to an overall time limit on the amendment process and/or a requirement that the amendment be preprinted in the Congressional Record.

A modified closed rule is one under which the Rules Committee limits the amendments from the process of the bill may be offered only to those amendments designated in the special rule or the Rules Committee report to accompany it, or which preclude amendments to a particular portion of a bill, even though the rest of the bill may be completely open to amendment.

A closed rule is one under which no amendments may be offered (other than amendments recommended by the committee in reporting the bill).

## CONGRESSIONAL RECORD—HOUSE

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS—Continued
[As of September 12, 1995]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 190 (7/17/95) H. Res. 193 (7/19/95) H. Res. 194 (7/19/95) H. Res. 197 (7/21/95) H. Res. 198 (7/21/95) H. Res. 201 (7/25/95) H. Res. 204 (7/28/95) H. Res. 204 (7/28/95) H. Res. 205 (7/28/95)	C	H.R. 2099 S. 21 H.R. 2126	Transportation Approps. FY 1996 Exports of Alaskan Crude Oil Commerce, State Approps. FY 1996 VAVHUD Approps. FY 1996 Terminating U.S. Arms Embargo on Bosnia Defense Approps. FY 1996	A: voice vote (7/24/95) A: voice vote (7/25/95) A: 230–189 (7/25/95) A: voice vote (8/1/95) A: 409–1 (7/31/95)
	0 M0	H.R. 1594 H.R. 1655	Economically Targeted Investments	• • •

Mr. GOSS. Mr. Speaker, I reserve the balance of my time.

Mr. BEILENSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to take a moment to commend our friend the gentleman from Florida for his good work on the Permanent Select Committee on Intelligence and on intelligence legislation, and to point out to our colleagues that we should feel fortunate in having him on the Permanent Select Committee on Intelligence because of his wide experience in the intelligence community before he became a Member of the Congress.

Mr. Speaker, we support this modified open rule for the consideration of the Intelligence Authorization Act for fiscal year 1996. Our only concern about the rule is the preprinting requirement which the gentleman from Florida [Mr. GOSS] just recently outlined, which we are not convinced is necessary in this instance.

The chairman of the Permanent Select Committee on intelligence, the distinguished and most able gentleman from Texas [Mr. COMBEST], testified that having the opportunity to review amendments, some of which might involve sensitive matters, would be helpful to the committee in avoiding the disclosure of classified information.

I hasten to add that those of us who were in the majority in recent past years are aware of the fact that we granted the same type of request for the consideration of the last year's intelligence authorization bill, although not for any earlier ones. Nonetheless, evidently none of the anticipated amendments this year are sensitive, and in fact the two that were filed do not deal with any classified or sensitive matter.

Since the intelligence authorization bill is not particularly controversial this year, we argued in the Committee on Rules that, especially given the fact that objections of other committees to several provisions in the bill had been resolved before our committee met, the preprinting requirement was not needed this year. Nonetheless, it is in there and it is certainly okay and we can certainly live with it.

We felt that while perhaps easing the work of the Permanent Select Committee on Intelligence, it could end up being a hindrance to other Members, shutting them out of the debate when they discovered, too late, that amend-

ments they would like to offer were not permitted.

The gentleman from Florida [Mr. Goss] has explained several waivers the rule provides. There was no objection to those waivers from the minority on the Permanent Select Committee on Intelligence and we do not oppose them. They are perfectly reasonable waivers.

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Mr. Speaker, we are also concerned about several provisions of the bill itself, which obviously will be debated and voted on tomorrow.

The minority on the Permanent Select Committee on Intelligence outlined its views on them in Minority and Additional Views, which we commend to our colleagues for their attention.

Those views point out the controversy about the way the committee handles certain National Reconnaissance Office, NRO, activities. Because of their classified status, those problems cannot be discussed in detail, but Members should be aware that the chairman described those changes as the only major departure in the bill from the administration's request for the National Foreign Intelligence Program.

The minority on the Permanent Select Committee on Intelligence expressed the hope that the reservations about the NRO will be addressed in the conference on this legislation with the Senate.

We are also concerned about the limit the committee placed on spending for the prospect of carrying out the President's Executive order of April 17 of this year that prescribes a uniform system for classifying and declassifying national security information.

The President has properly recognized the need to ensure that Americans know more about the activities of their Government when it is possible to make that information public. As the minority wrote, and I quote them, "\*\* \* we believe that a carefully prescribed system for declassifying those documents which remain classified for no other reason than inertia is long overdue."

The debate in the Permanent Select Committee on Intelligence over the cost of compliance with the Executive order will not, we hope, delay the implementation of that Executive order.

Lastly, the committee agreed to continuation of the Environmental Task

Force, which has been successful in making environmental information derived from intelligence more accessible to the general public and to the scientific community.

We are, however, concerned about the level of funding for the task force; the \$5 million in the bill is disappointing. We would have preferred something closer to the \$17.6 million requested by the President.

The work of the task force, which was established in 1993, has been very impressive. I commend to my colleagues the information in the Minority Views that describe some of the outstanding accomplishments associated with it.

This initiative is another way to bring the information that is collected by intelligence assets, and that is proper to share, to policymakers and to scientists. It promises to help us better understand the consequences of long-term environmental change, and to help us better manage crisis situations involving natural and ecological disasters.

There is no doubt that the information will benefit science and the environment for the well-being of all of our citizens, and we hope that the committee will be able to provide the task force with more funding in the future.

Mr. Speaker, this is an important bill that recognizes the significant challenges that the U.S. intelligence community continues to face in adapting to the new post-cold-war world.

We have a new Director of Central Intelligence who, we hope, will be able to reinforce the intelligence community's proficiencies and continue the reexamination of the overall roles of the intelligence agencies. Obviously, the intelligence community has been struggling in the past few years and needs to define its mission carefully, and properly size itself for the future.

The Permanent Select Committee on Intelligence has recommended a modest increase in the intelligence budget, which some Members will welcome and others decry. Obviously, there are different perspectives on what the level of spending should be; especially now, with the cuts in domestic spending, we will hear strong arguments that this is not the time for increases in the intelligence budget.

But, we all want to ensure that the United States maintains the ability to provide timely and reliable intelligence to its policymakers and military commanders, and we commend the new chairman of the Permanent Select Committee on Intelligence, the gentleman from Texas [Mr. COMBEST], and the ranking member, the gentleman from Washington [Mr. DICKS], for their cooperation and excellent work in developing this year's intelligence budget.

Despite the demise of the Soviet Union, the world remains an unpredictable and dangerous place; we have only to pick up our morning newspapers or listen to a newscast to be aware of that. There is a need for effective intelligence, especially in light of the worldwide reduction of U.S. military

spending and personnel.

The intelligence community should continue to be encouraged to review their operations, discarding those that are no longer necessary and strengthening those that remain important. We except that we shall hear arguments over whether the intelligence community had been adequately realigned to deal with new international realities. The appropriate missions of an intelligence agency will always be a controversial and most appropriate subject in a nation founded on democratic principles.

The debate on these issues will continue, and we appreciate the majority's recognition of the importance of the discussions of those controversial issues by providing for this modified

open rule.

In closing, I again congratulate the gentleman from Texas [Mr. COMBEST], the chairman of the committee, and the gentleman from Washington [Mr. DICKS], ranking minority member, for bringing this bill to the floor today and their excellent work in general in leading this important committee.

Mr. Speaker, to repeat, we support this rule. We urge its adoption, so that we may proceed first thing tomorrow with consideration of the intelligence

authorization bill.

Mr. Speaker, I reserve the balance of

my time.

Mr. GOSS. Mr. Speaker, I thank the gentleman from California for his personally kind remarks and I assure him he has won my admiration, and the admiration of all colleagues, for his steady hand at the helm of oversight and intelligence for so many years.

And it is my honor to yield such time as he may consume to the gentleman from Texas [Mr. COMBEST], the distinguished chairman of the Permament Select Committee on Intelligence.

Mr. COMBEST. Mr. Speaker, I rise to thank the gentleman from Florida [Mr. Goss], my friend and very able colleague on the Permanent Select Committee on Intelligence, and the gentleman from California [Mr. BEILENSON], the continuing very able and former member and chairman of the Permanent Select Committee on Intelligence, for their support of the rule.

Mr. Speaker, we think it is a good rule. We think it is one which will give

us the opportunity to have full and open debate, and yet protect any classified material problems that we might have in open debate on the floor of the House. I would certainly commend it to my colleagues and urge its passage and thank the committee very much for its assistance in crafting a rule that was so strongly supported by the Permanent Select Committee on Intelligence.

Mr. BEILENSON. Mr. Speaker, I

yield back the balance of my time.

Mr. GOSS. Mr. Speaker, Ĭ yield back the balance of my time and I move the previous question on the resolution.

The previous question was ordered.
The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.
A motion to reconsider was laid upon the table.

CONSEQUENCES OF THE REPUBLICAN'S FUNDING CUTS ON EDUCATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. PALLONE]

is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, I am here tonight because I think it is imperative that the American public in general and the people of New Jersey specifically, understand the details and consequences of the Republican's plan to slash funding for Federal student assistance programs. Indeed, while I support efforts to balance the Federal budget, I believe attempting to do so by restricting the average citizen's access to institutions of higher education is unequivocally a step in the wrong direction.

I have to day, Mr. Speaker, that I am perplexed at the logic behind the cuts the Republicans have already approved. Like so many of my colleagues on both sides of the aisle, I benefited from student assistance programs when I was in college. But unlike my Republican colleagues, I think it is grossly unfair for my generation to call for an end to student assistance programs after we used them to get to where we are today.

Mr. Speaker, I would like to use Rutgers University as an example of the negative impact of the Republican proposals. As a former student of Rutgers Law School who now represents the main campus of Rutgers University in Congress, I am deeply troubled about the impact these cuts will have on the 6,500 plus low-income and middle-class New Jersey students who used them to secure a Rutgers education.

As part of the 1996 Education appropriations bill, Republicans have eliminated all capital contributions for Perkins loans, which are designed to specifically assist low-income students and received \$158 million in fiscal year 1995. If finalized, such a cut would have a dramatic impact on the more than 3,100 low-income Rutgers students who are provided with nearly \$5 million in Perkins loans this year.

The bill also attacks Pell grants, limiting the maximum award to \$2,400 and

eliminating assistance to students who qualify for grants of less than \$600. This cut would prevent some 7,000 students at Rutgers, and some 360,000 of their cohorts at universities across the Nation, from receiving Federal education assistance.

The Republican assault on education, moreover, is hardly contained entirely within the fiscal year 1996 appropriations bill. Looming on the horizon is an attack on the interest subsidy on Federal direct subsidized Stafford loans as part of the reconciliation bill. One scenario is a complete elimination of the interest subsidy for graduate students. But with a targeted student loan reduction of a staggering \$10.2 billion over 7 years, it seems likely the Republicans will not reach their goal without raiding undergraduate Stafford loans as well.

Elimination of this Federal subsidy could increase the average undergraduate student's indebtedness by as much as 20 or even 30 percent. For those who wish to go on to graduate schools, the increase could be as much as 40 percent with monthly payments on a 10-year plan rising to a whopping \$753 per graduate student.

uate student.

With the Department of Education projecting that 89 percent of the jobs being created in the United States will require post-secondary training, the Republican inclusion of student assistance programs in the fiscal year 1996 budget belies their claim that the legislation is what's best for the American economy. Attempting to foster economic growth by limiting the very means which serves as its engine is, pure and simple, bad public policy.

Mr. Speaker, the Federal Government recently began experimenting with a direct university loan program instead of the traditional bank loan subsidized with Federal dollars.

In addition to the upcoming dissection of Federal interest subsidies, there is also likely to be a Republican attempt to terminate the direct loan program where the university is substituted for a bank lender. This approach to dispersing student loans not only saves the taxpayers billions of dollars, but cuts through redtape at a much more rapid pace than the old bank system, thereby allowing schools to process more applications in a shorter time period. In its first year of implementation at Rutgers, the direct loan program enabled the schools' financial aid office to process loans for 15,295 students with term bills being credited to their accounts immediately by the week those term bills were due. The year before the implementation of direct funding, the schools' financial aid office processed only 3,283 loans during the same period.

This expedited process made excess funds available earlier for over 12,000 Rutgers students, and thousands on campuses across the country, facilitating their ability to buy books, pay rent, and keep on top of other school

related expenses.