

Due to the increased efficiency of this one aspect of Key Tronic's operations, the company's sales have surged. They have gone way up. The company today is much healthier, because they were able to take advantage of a more efficient operation within this hemisphere, rather than seeing those jobs move to the Pacific rim or other low-wage countries.

The components for the keyboards assembled in Mexico largely come from plants, where? Around Spokane, WA. Due to the increased keyboard sales, those plants have all increased output and employment. The overall employment level in Spokane related to Key Tronic sales is actually up. It is up because they took advantage, because they took advantage of this efficiency that existed in Mexico.

Now, key points from the Key Tronic experience that I think we need to learn, Mr. Speaker, the keyboards are being made more efficiently for lower cost. American computer manufacturers who purchase keyboards will now be able to offer more competitive prices to their consumers. Key Tronic is a healthier company, better able to stand up to Japanese competition. Key Tronic employees in the United States have a better future in a healthier company. Key Tronic suppliers are healthier with better future prospects for them. Their employees are better off.

In the long run it is indefensible to promote trade barriers that intentionally reduce economic efficiency when competitors elsewhere in the world continue to strive for efficient means of production. That is why we need to recognize that free trade is obviously the wave of the future.

Yes, I want to make sure we do not lose U.S. jobs. But I realize as we compete internationally, it is essential for us to continue moving ahead with these partnerships. Trade is a win-win situation and, on balance, will create more opportunity here in the United States.

NAFTA has provided United States firms with a tangible advantage over our competitors from both Europe and Asia. As Robert Paltrow, president of N.A. Communications, an Armonk, NY marketing firm, recently said: "The great sucking sound is not the sucking of our jobs to Mexico. It is the sucking of jobs from the Orient."

The remarkable level of United States exports to Mexico even during enduring a major Mexican recession, is clear evidence that NAFTA provides United States firms significant advantages over their competitors from Europe and Asia. Even during bad economic times United States firms account for a majority of the increase in Mexican imports. They are coming from this country.

As Mexico recovers from their slump, Mr. Speaker, United States exporters are a major beneficiary. At least 70 percent of all Mexican imports come from the United States. This gives us an-

other major stake in Mexican economic stability. Not that everyone in southern California does not already recognize that long-term economic health in Mexico is critical to finding a solution to the problem of illegal immigration, giving the United States a clear stake in economic development in Mexico is very, very important.

Many people have argued that we should not have engaged in this agreement. But, quite frankly, there is no benefit for the United States having a poor southern neighbor. Trade is not a zero sum game.

I recognize that there are tremendous losses of jobs in many of the districts, including yours, Mr. Speaker, as the gentleman has just informed me. But the fact of the matter is, I argue that many of those jobs that have gone to Mexico would have gone with or without NAFTA, and what has happened is the opportunity for partnership, deregulation, decentralization, and privatization. The things we all herald in Mexico were locked in because of the North American Free-Trade Agreement.

So I believe that while we listen to those critics out there who talk about that giant sucking sound, who talk about the fact that we have somehow given up our sovereignty, we have to recognize that maintaining our sovereignty is a top priority, and I am as committed to that as anyone. But recognizing that we live in a global economy is just as important. It is just as important because if we do not recognize that, the United States of America will be at a tremendous disadvantage to other countries throughout the world.

So this has been a positive agreement. It is a long-term agreement. It is one that is going to be phased in over a 15-year period. But I believe very sincerely that the arguments that we made 2 years ago on behalf of the North American Free-Trade Agreement stand today.

Mr. Speaker, I again thank my friend from Texas. I have consumed a grand total of 12 minutes, having gone just slightly beyond the 10, but in between the 10 and 15 that I said I would use.

LOBBYIST INTERESTS AND CUTS IN MEDICARE

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

Mr. DOGGETT. Mr. Speaker, this afternoon I want to discuss two of the most critical issues facing this Congress. They are, first, the question of ethics, the question of special interest influence on the people's House, and whether the people's interests out there across America are being tended to in this House or only the special interests' interests.

Then there is the question of Medicare, the fact that within only a few

days, this House will be called to vote upon the Republican Medicare plan; that is, the pay more, get less plan, for the Nation's seniors and people with disabilities.

Indeed, not only do I want to talk about these two critical issues, but to discuss what appears to be an interrelationship between the critical matter of the future of Medicare and the \$270 billion that the Republicans have proposed to cut from it and this question of lobbyist and special interest influence.

As we look at the first question, that of ethics and of lobby reform, it was on day one of this Congress from this spot that many of us were calling to change business as usual, to call for a gift ban, to call for lobby reform. Since that time, we have had considerable talk of change. Indeed, if talk was change, I guess the Capitol dome would be upside down by this point, because we have had so much talk of change, and yet when it comes to the basic way in which this Congress operates, there does not appear to have been a very considerable amount of change.

□ 1615

We made absolutely no progress on getting a gift ban, no progress in getting new lobby registration laws, but we did have considerable talk about how much things have changed. The lobby registration laws were enacted the year that I was born, in 1946, and many of us think that it is time for there to be real change in the way that the lobby is regulated. There was talk of change, and finally, under considerable demand from Members of the Democratic Party in the U.S. Senate, that Senate acted this summer by a vote of 98 to 0, both Republicans and Democrats coming together to reform the lobby registration laws. Those are embodied in Senate bill 1060, and among other things this particular piece of legislation will close loopholes in existing lobby registration laws, it will cover for the first time all professional lobbyists, whether they are lawyers or nonlawyers, whether they are in-house or out-house lobbyists, and they will cover those who are lobbying the executive branch as well as those that are lobbying this Congress. Furthermore, this proposal will require disclosure of who is paying whom, a very important matter with reference to lobbying, and it will also require more detailed reporting of receipts and expenditures with reference to lobbying.

Mr. Speaker, this is information that the American people need to know and should know in order to find out whether this Congress is focused on their needs, on the national and the public interests, or focused only on the needs of a handful of Washington special interests. But, despite the fact that the U.S. Senate Republicans and Democrats finally, coming together to reform these lobby laws after 50 years, what has happened here in the U.S.

Congress on the House side, on this side of the Rotunda; and the answer is there has been a little talk, but there has been no action. There has been talk about change, but there has been no change. We have had time to consider matters this afternoon like edible oil, but we do not have time to consider what Members of Congress eat and drink, and dine and wine with members of the lobby or the way that is reported. There just does not seem to be time under this Republican leadership to deal with these matters that I think are important to the American people.

Indeed when it comes to the question of lobbies and lobby influence here, the only real change that the Republican leadership appears to have committed itself to until this time is that of affirmative action. Now I know some of you are out there saying, "Wait a minute. The Republicans, a lot of them are against affirmative action." Well, you are wrong about that. You have not had a chance to follow what has happened here in Washington. You see, there may be some Republicans that are against affirmative action on the basis of ethnicity, on the basis of gender, whether you are a woman and should have some affirmative action, but there is very, very strong support among this Republican leadership for affirmative action based on party, and they have spent much of this year going around to the Washington law firms and lobbyists checking to see if they have a sufficient quota of Republicans among the lobbyists that come over to this House. Some members of this House would not even see a lobbyist unless they are a Republican, so affirmative action is alive and well as long as it is on the basis of party, and that has been the principal lobby reform that this particular House leadership has provided.

There is, of course, one second area, and that is the one to which my colleague, the gentleman from Colorado [Mr. SKAGGS], referred to earlier, and that is that many in this Republican leadership have been extremely concerned about those very vicious lobbies: The Girl Scouts, Catholic Charities, the YMCA, some of the other nonprofits that come to the Congress from time to time not using Federal money, since there is a barrier to that, but who may in the course of their public service work receive some Federal grant for some other function, and the mere fact that they might want to voice their concerns to this Congress, there is great determination to silence them from having any say at the same time that at least one commentator, looking at the beginning of this Congress, with the New York Times, suggested that, after the Republicans took control of the House, the relationship between lobbyists and legislators moved from discreet help to open collaboration, and then they proceed to give a number of examples of the tremendous increase in influence that the

paid lobby, not the nonprofit lobby, has had in this session of Congress.

So, it is little wonder that this Republican leadership cannot find a minute this afternoon, or tonight, or tomorrow, or next week, or next month, to deal with the question of lobby registration and reforming the laws that are nearly 50 years old with reference to lobbies and the way they influence this Congress. They do not have time for that.

And of course the same is true with reference to the issue of gift bans, with reference to the Golf Caucus of this Congress, which is not limited to the Democratic or Republican side, but includes both; whether or not Members of this Congress should be able to enjoy a lengthy vacation done under the name of attending a charity ski resort or whether they can be wine and dined every day by members of the lobby. That issue of gift ban finally again, after Democrats passed gift ban through the last session of Congress, did it a couple of times and saw it killed over in the Senate by the Republicans. Well, this year finally, under Democratic leadership, the Democrats and the Republicans worked together, and even though the Senate is a majority Republican body at present, they came together and worked out a reasonable balance to the gift ban issue. It does not prohibit every single gift, but it gets at the excesses under this whole problem of gifts, something this Congress has not come fully to grips with in the past, and that bill also passed unanimously once it got out of the light of day on the floor of the U.S. Senate, and it has been sitting over here for some time at the Speaker's desk.

Again there is a suggestion by the majority leader, my colleague from Texas, Mr. ARMEY that this House just does not have time at the moment even though it has time to deal with this very critical national issue of edible oils to deal with the issue of gifts and the oiling of the political process by lobbyists through freebies to Members of Congress. Well, a newspaper in his district had this to say under the title "Wait a Minute." I am referring to the Fort Worth Star-Telegram of October 3. It said hold up the praise for the House of Representatives. If you are a lobbyist, take your favorite House Member to lunch, steaks for everyone. You would expect them there at the stockyards in Fort Worth to be thinking of steaks for everyone. And how about a golfing vacation for free? The House leadership will not get to lobby legislation until next year, which might mean 1997, next year being an election year. Thus, do the Republicans, once in power, act like the old Democratic leadership which the Fort Worth Star-Telegram criticized last year upon which these Republicans heaped descriptions like arrogant. The most fundamental changes have to do with reforming campaign finance and lobbying. Without that the conserv-

ative chant about taking back our Federal Government is mere loose verbiage, the words of a very conservative Texas editorial writer with reference to this willingness to talk about edible oils without talking about the oiling of the political process.

In my hometown of Austin, TX, in the Daily Texan last week, a very, I think, thoughtful article under the title "GOP Stalls on Congressional Ethics Reform," by Kim Bridges, a student there at the University of Texas. He says GOP stonewalling will not restore America's faith in their officials. Ethics reform, despite what Mr. ARMEY seems to be implying, is not a trifling issue. It is not a gift for the people, but a vital act to relieve frustrations Americans feel about the integrity of their Government. Well put, I would say, with reference to this whole issue of gift ban and of lobby reform, for when my colleague from Texas speaks of the fact that he thinks we have to deal with the national issues first and maybe get around next year or the year after to lobby reform and a gift ban, he has got it all backwards because you cannot really deal with the national issues unless you are willing to deal with the process that produces the judgment on that issue, and we are going to see, as I discussed, the whole question of Medicare, how that is particularly important in this debate about the Republican effort to cut \$270 billion from Medicare.

And, oh, yes, there is, of course least but certainly not last, the whole question of ethics in this House as it relates to the work of the House Committee on Standards of Official Conduct. I found quite alarming and have commented on it previously, the comments of the chairman of that committee, that the letter of the law is not compelling to me, she said. My goal is to have a process that the committee members feel good about, and apparently the standard in the House Committee on Standards of Official Conduct is the feel-good standard, not exactly the one that I think the American people who spoke out and said they wanted real change in this body had in mind. The only encouraging thing has not come from the leadership, but the fact that perhaps finally a few Members of the House are willing to act in a bipartisan basis, Republicans speaking up and joining Democrats to demand an independent counsel.

Last week I was encouraged to read one of my new freshman Republican colleagues saying for the first time in print that one of the biggest problems we have in this place is trust. He referred to the public demand on Congress for gift, lobbyist, pension and PAC reform, and he said that for that reason this concern of the American people to have trust in the most basic institutions of their democracy that probably right now, and I am quoting probably right now, I would try to go

to an independent, to an outside, counsel were his words, and indeed an outside counsel, a truly independent counsel with full powers, unrestrained, to search in a bipartisan, or a nonpartisan way really, for the truth in the matter involving Speaker GINGRICH is essential to the standard in this House and to removing the ethical cloud that has hung over this House from day one.

What about the issue of Medicare, and what does all this business about ethics, about special interests, influence, have to do with the question of Medicare and the fact that Republicans think that America's seniors should pay more and get less, should in fact not be able to have the protection that Medicare was designed to provide them? Well, for those of you who watched the CBS Evening News last night, you begin to get a picture of what is involved here and how this question of special interest influence that some want to defer until some day somewhere over the rainbow, perhaps over the next election, over the golden rainbow, how all of that is related to this immediate question that will be taken up in the House on October 18, next week, on slashing the Medicare program by \$270 billion. For in this particular piece my fellow Texan, Dan Rather, began the introduction of the piece, and he said last night on the CBS Evening News one key proposal would let Medicare recipients opt for something called a medical savings account or a MSA, a sort of medical individual retirement account. It is a controversial idea; some have called it radical, so you may be wondering how it got included in the Republican plan, and I am sure millions of Americans are wondering how is it that this idea of experimenting on us with MSA's got in this Republican plan in the first place. There was nothing about it in the so-called Contract on America. Where did they come up with this idea? In fact, indeed there was nothing in the Contract on America about slashing Medicare by \$270 billion.

□ 1630

He goes on to say, "You can start in getting an answer to that with a company calling itself Golden Rule, which apparently did unto others with an open wallet for the politically connected." Then they began something that they do on CBS called the reality check, and turned to Eric Ingberg. Mr. Ingberg reported the following: "The stampede by Republicans to anoint medical savings accounts as a miracle solution," and indeed, that is what it has been called, a panacea, a miracle solution to the needs of our seniors. He says, "It owes much to one businessman's well-financed political crusade. J. Patrick Rooney, the head of Indiana's Golden Rule Insurance, pioneered selling the MSA type plans. He originated a textbook campaign to promote MSA legislation, which could bring rich rewards to his company. One early move, giving money to the National

Center for Policy Analysis, the think tank that developed MSAs, that helped sell the idea to NEWT GINGRICH, who in turn put Rooney on his TV college lecture series," one of the matters pending there in the Ethics Committee, the particular group, the National Center for Policy Analysis, has itself been involved not only in receiving money but in debating and supporting this MSA concept.

In one recent television presentation, not last night, on national television, one economist pointed out that a principal effect on MSAs would be to provide significant help to companies like Golden Rule Insurance Co. that are currently experiencing a decline in market share, were his words, because they have failed to innovate. They may have failed to innovate, I am not sure, but they certainly understand the legislative process, because as Mr. Ingberg reported last night, "Then Rooney and Golden Rule, following a time-honored political custom, opened their checkbooks. They gave at least \$157,000 to GOPAC."

GOPAC is the group that is currently fighting a Federal lawsuit concerning disclosure of information about its contributors. GOPAC has been very resistant to the idea of even letting their contributors be known, and certainly to letting Federal authorities question their contributors about whether GOPAC was perhaps an attempt to pervert the democratic process and completely circumvent Federal election laws.

GOPAC is also the same group that paid for jet trips and nights in resort hotels for the Speaker. They paid for him, and this was when he was a Member of Congress, not actually serving as Speaker, they paid for a trip for him to Bermuda in 1992. They paid for an 18-day stay in the Colorado Rockies in 1989. They reportedly funded trips to promote a book that he wrote in 1984. They provided a copy of their mailing list for his campaign, so this same GOPAC that got \$157,000 from the Golden Rule folks has been pretty involved up here for a number of years.

Indeed, I found considerable irony in a report of the Wall Street Journal on this whole matter of ethics reform, that instead of doing something about a gift ban and a lobby reform this fall, that Speaker GINGRICH had advocated writing a paper.

You would think, as many books as he has been able to write, both fiction and nonfiction, though sometimes when you look at them it gets confusing as to which is the fiction and which is the nonfiction when it deals with the way our government intertwines with the lives of ordinary Americans, but you would think that a person who had time to write that many books for personal profit and pleasure would have had time to write all the papers in the world that he needed about the gift ban and the lobby reform that this Congress, of which he was a Member, passed not once but twice last year,

but which, still, as this Congress is beginning in September of this year, he still thinks we need to write a paper about. The paper, I do not know if it has been written, there are certainly none presented, the book sales are going on.

Let me return to Mr. Ingberg, because he says, "In addition to the \$157,000 to GOPAC, the Gingrich political arm, another \$45,000 went directly to the last two Gingrich campaigns, and in addition," out of concern for the American people and what they know about the political process, "Golden Rule was golden in its rule and it sponsored the Gingrich cable TV show." He says, "GINGRICH insists himself that he likes MSAs because they work," and it appears that they have worked very well for him and for GOPAC.

Indeed, continuing with the Ingberg report from last night's CBS news, Golden Rule would not talk to Mr. Ingberg, and he concludes his report by saying, "Washington has its own Golden Rule: money talks. It is not exactly clear yet on the MSA issue how loud. Eric Ingberg, CBS news, Washington."

I think that it is a good example of why, when we are dealing with matters of public policy, we need our lobby laws reformed. We need gifts banned. We need to be assured before we slash \$270 billion from Medicare that it is being done in the public interest and not in the self-serving interest of some insurance company someplace. Indeed, an insurance company that the Wall Street Journal has reported in September of this year, that perhaps, "No other health insurance can cherry-pick," that is, pick the best risk out and leave perhaps the taxpayers, in the case of Medicare, with the balance; "No other insurance company," the Wall Street Journal reports, "can cherry-pick its way to unusually high profits as well as Golden Rule Insurance Company. Screening insurance applicants carefully, Golden Rule tries to sell policies only to the healthy, or those whose existing medical problems can be exempted from coverage."

One of the real, basic problems, whether you are talking about Golden Rule or any other insurance company, or no insurance company, with these MSAs, is that whole problem of leaving on the traditional Medicare system, as it sinks, those who are least healthy, and cherry-picking off the others into these so-called MSA's, which may be more to the direct savings benefit of some of those who set up the plans than to those that might participate in those plans.

So it is the interrelationship between the need to make a break between the special interest and the public interest and the interrelationship between this sad circumstance and the debate that lies ahead within the next few days on the question of Medicare and of Medicaid.

October 18, a day, 1 day in American history, the only day in American history that this same Republican leadership that has been so closely tied with Golden Rule is going to rule that the American people and their Representatives here in Congress will have that 1 day to mark up on the floor of the House and decide the fate of the Medicare system, whether the Medicare system will follow the approach of the majority leader, the gentleman from Texas [Mr. ARMEY], who said there in Texas earlier this summer that Medicare is an imposition on his freedom, he would have never set it up in the first place, whether we follow the approach of eventually seeing Medicare abolished as an imposition on someone's freedom, or we take the approach that those of us from Texas and elsewhere who supported the Medicare creation in the first place, that having the security, the health security in one's retirement years, affords a certain freedom of itself.

There is closely linked, of course, to the Medicare issue in this Congress, as it relates to seniors, as it relates to people with disabilities, the question of Medicaid. Some people think of Medicaid only as a program for poor people. It is true that the people who participate in the Medicare program are poor, but in my State of Texas, three of every four residents of nursing homes are on Medicaid. That is the principal financing system, since a deficiency of Medicare, which we should be out here today debating how to improve and strengthen it instead of how to bleed it dry, but a deficiency with reference to Medicare is that it does not adequately cover long-term health care or prescriptions. The Medicaid program is therefore turned to.

What is the solution that is being offered to those three of four Texans who rely on Medicaid to help them in nursing homes, being there, I am sure, since I have yet to find anyone in this country, much less my home community of Austin, TX, who had as their ambition to go into their nursing homes. There are many fine nursing homes, but most of the people, if not every single one of them that are in nursing homes, are in there because they cannot take care of themselves. So those most vulnerable people in our society, three out of four Texans in nursing homes, they are depending on Medicaid.

What does this same Republican leadership that could not find time to deal with lobby reform or ethics reform, could not find them to complete an ethics investigation, how is it that they propose to deal with Medicaid, the safety net for those three out of four Texans and many, many people across this United States? They proposed to abolish Medicaid, to eliminate it. They say that they will replace it with certain block grants to the States, and then they will just transfer the program along to the States. Of course, they will not transfer enough money for the States to do it adequately, but

maybe the States can make up for it and take care of it in some way.

In the course of transferring the Medicaid problem to someone else, instead of assuming responsibility where it belongs, as a national problem, as a national issue of providing a safety net to the most vulnerable people in our society, our seniors who cannot take care of themselves and are in nursing homes, our people with disabilities who are in nursing homes today, this Republican leadership has added to the taking away adequate money. They have also taken away adequate health and safety standards.

Yes, it was with considerable effort, and after one scandal after another that States were not adequately policing. In fact, I know from my service in the Texas legislature as a Texas State Senator that we uncovered with one agency there in Texas a pile of about 600 complaints that had never even been looked at with respect to some of these administrators in some of these homes.

Yet, after one problem after another, it finally produced Federal standards to ensure the safety and health, sometimes not adequate standards, but certainly better than what we would have otherwise across this country for those who are in nursing homes. What does this Republican leadership do about those safety and health standards? It repeals them. It repeals not just one that someone might find debatable or questionable or not productive in assuring health and safety. We need to review all these regulations to see if they serve their purpose. However, the Republican leadership has a better idea. Instead of looking to fine-tune the regulations and assure the health and safety of the millions of Americans who are in nursing homes, they repeal all the regulations, so that we will have the least common denominator with reference to health and safety in nursing homes.

I suppose, at a time when funds are going to be cut back to those nursing homes, one could hardly expect that even the most concerned nursing home would not be out there trying to figure a way to cut some corners in order to make a go of it. Yet, at the same time the money is going down, the regulations are being totally repealed. We leave the health and the safety of millions of America's most vulnerable seniors and individuals with disabilities to no Federal protection whatsoever. As I visited at Austin this weekend, people there were amazed, were in a state of disbelief that a leadership could be so callous as to repeal every one of those health and safety regulations.

There is another aspect of it. That is the fact that we will also no longer have any limitation with reference to compelling a spouse who has the misfortune of no longer being able to attend to the needs at home of their loved one, their husband or their wife, and have to place their husband and wife, perhaps with Alzheimer's or with

some other exceedingly difficult and troubling disability, which takes an immense emotional toll on a spouse in any event, but now, in addition to that, they could be forced to sell their home, to sell their car, in order to finance the spouse being in a nursing home, under the way this plan is going to be revised.

Some may think that that is just, you know, a possibility that might not be achieved, but I had occasion this weekend in Austin, TX, to talk with someone who faced a very similar situation. I stood for a couple of hours out at a grocery store in north Austin, and held office hours there so people could come up and discuss with me their individual problems, or discuss this great concern that so many of them have about Medicare and Medicaid.

Carlene Willy came up, a University of Texas employee, and told me about the plight of her mother, about the fact that when her mother had to go into a nursing home, that she was forced to sell her house as a part of going into that nursing home, in order to get approved for Medicaid; how she is struggling as an individual, and does not really know if Medicare costs go up considerably, and we end up with this pay more, get less Republican plan, and if at the same time the Medicaid that provides financing for nursing homes, that is block-granted in a truly block-granted hinted approach, that if that happens, she is going to be faced with a personal crisis; because, you see, it is not only a question of how Medicare affects our Nation's seniors and our Nation's millions with disabilities, but it is a question of how it impacts the ordinary middle-class family, or in her case, a single individual; how they are going to face the problems of making ends meet themselves, in some cases taking care of their children and at the same time meeting a medical emergency or a need for long-term health care of a parent or a loved one of advanced years.

Mr. Speaker, my problem, as I listened to these stories at home of people concerned that we are about to junk one of the most effective programs this Congress has ever set up, Medicare, supplemented by Medicaid, when we hear then in Washington how the Members of the Republican leadership think they can fix up and doctor up Medicare, that the kind of doctoring they have in mind is the kind of doctoring done by Dr. Kevorkian.

It just does not seem to me that Medicare or Medicaid need any kind of mercy killing. I think it needs to be strengthened and improved on a bipartisan basis, not bled to death. I guess that is, perhaps, another analogy. There was a time in medical history a couple of centuries ago when doctors thought many elements could be treated by bleeding.

□ 1645

That seems to be the approach that our Republican colleagues have taken

to Medicare. They say it has some problems, and it does, and it needs attention, though it is not a crisis situation. But their solution is not to improve and strengthen Medicare; their approach is the approach used by the medical profession 200 years ago: Bleed the patient. Keep bleeding it.

In this case, they want to bleed it to the tune of \$270 billion in order to fund a tax break for the wealthiest people in this country, \$245 billion over the next few years, eventually \$600-something billion in total tax breaks that are going to come out as a result of cuts or with the benefit of cuts from the Medicare System, with the slashing of the Medicaid Program, to fund those tax cuts. Treat that patient by bleeding it and bleeding it, and if bleeding does not work, start amputating things, which is what they are doing with reference to both Medicare and Medicaid.

Mr. Speaker, I believe that as we look at this Republican Medicare plan, and little looking has occurred because we have had the Committee on Ways and Means only this week beginning to have a chance to mark up or chop up the bill. That is going on perhaps this afternoon. The Medicare Program is getting its first markup now, and then in little more than a week it will be here on the floor of Congress with only a day to debate it, and then the American people will hear some discussion of the pay-more-get-less plan. But it will be perhaps only after a conference committee resolves the differences that we will know the full burden of that plan and what it will ultimately mean to the people of America.

Before going into that, I do need, as a Texan, to point out one other thing about this Medicaid debate, and it is a particularly critical one for my State, not just my State, and that is the question of the formulas, for as the State comptroller of Texas has so ably pointed out throughout this debate, this particular Medicaid formula being advanced here in the House is going to provide the State of Texas next year with 46 cents on the dollar, 46 percent of the Medicaid spending of New York State; \$298 per capita in Texas, \$654 in New York. By the year 2000, a Texan will be worth 54 percent of what a person in New York is worth.

Now, I am confident that there are very significant needs in New York State with reference to the health of disadvantaged young people. About 1 in 4 children in this country are on Medicaid for their health care needs, for disadvantaged seniors. But why is it that a Texan is only worth half as much as a person in New York? I think all of these people are important and in need of health services. But the formula that this House is being asked to approve gives us 50 cents on the dollar, not even that next year in the State of Texas, and yet some of the Texans that are in this Republican leadership have blessed that plan which denies to Texas and denies to many other States a rec-

ognition of the growing levels of people that come on to our Medicaid Program.

Again, when you shortchange Texas, as this plan does, as our State comptroller has pointed out, you again put the squeeze on nursing homes. At the same time you take off the regulations, you assure shortcuts, you assure poor-quality care, and assure danger, until another scandal comes along and someone says, wait a minute, that Republican Congress that was so zealous, so extremist in 1994, has to repeal every single health and safety standard as to giving Texas 50 cents on the dollar—with reference to its individuals with disabilities and seniors in nursing homes—of what New York got. We have to go back, because we have had one scandal after another of people being found dead and diseased in nursing homes across this country. We ought not to let that happen.

If we would address this formula and in fact address whether it is really in the interests of this country to shift the Medicaid problem to the Nation's States instead of dealing with it here as a part of our responsibility to assure that every American would have the level of health care coverage that a Member of Congress would have, then I think we would be doing a better job than getting mixed up in the formula debate in the first place.

But let us look now, as a part of this Republican pay-more-get-less plan, at some of the things that are done with reference to differences between the Senate and the House plans, because I think ultimately we are going to get a little bit of both.

The Republican plan, as analyzed, would appear to mean premium increases per month of about \$18 over what we would otherwise have. That does not seem like much to a lot of people, but to the person who came along to see me out at the grocery store in North Austin this weekend and had a sack of prescriptions—not one of which was paid by Medicare since Medicare does not cover prescriptions—another \$18 a month is a mighty big chunk to have to take care of.

Also, the deductibles would be increased. Both the House and the Senate plans increase premiums, and the Senate plan also cuts benefits and doubles deductibles from \$100 a year to \$210 a year. Now I understand that to someone making well over \$100,000 here in the Congress, that does not seem like very much. But if you are one of the women in this country, the millions of women in this country, who have nothing more than a Social Security check, and a small one at that, to pay for your health care and for your rent and for your prescriptions and your food, getting that deductible increased so that you do not have Medicare after you pay the first \$100, you have to pay the first \$200 or \$210 before you have Medicare, I think what is going to happen is what people told me about yesterday when I was over at the Conley Guerrero Senior Activity Center there in Austin, is that

when they face that choice of whether to get health care many of those seniors are going to say well, I believe I can wait. I believe I can tough out the pain. I do not believe that I can afford to eat and pay my rent and go get that additional care, because I have to come up with \$18 more a month in premiums. I have to come up with \$210 before it even does me any good, and I believe I can put it off.

In many cases, putting it off is going to do serious damage to the health of that senior, who is not an expert in health care. I think we need to be encouraging access to health care, accessibility of that health care, rather than erecting new barriers for those seniors.

I also found in my visits in Austin considerable concern about the question of whether or not one would be able to continue to see their own physician. Many of these seniors have complex health care problems. It is important once a physician-patient relationship is established. There are things that cannot be recorded in that funny handwriting you sometimes see the doctor makes on the chart. There is a human connection between the health care provider, between the physician and the patient. Seniors particularly have concern about having that relationship broken, about having that relationship ruptured by what they call managed health care. They are concerned about the quality and the contact with the health care individual. I think that is a legitimate concern and one that is not being adequately addressed by this Republican plan.

Then the Senate plan, as you may know, is a plan that would also, instead of bringing down the age and covering more of those in our society who do not have health insurance, the Senate plan goes the other way. It says, well, let us eventually not cover people who are 65 years old at all with Medicare, deny them all Medicare coverage, just as we are going to repeal all of those health and safety standards for the nursing homes. Deny it for those who are 65, deny it for those who are 66 entirely, and raise the age to 67. I think that is the wrong direction in which to go.

These changes that are being proposed to be implemented this year, through, as bad as they are, as far-reaching as they are, when they come up in this House on October 18, next week, are not nearly so severe as where we are headed with reference to Medicare.

You see, the basic premise that these great reformers have with reference to Medicare is the basic premise that Medicare is an imposition on their freedoms, that it was a mistake. That is why over 90 percent of the Republicans who are in Congress in 1965 voted against it in the first place. If you go back and you look at the debate 30 years ago, you can just about read it today, because they are saying the

same thing today that those who opposed Medicare were saying three decades ago.

I see the gentlewoman from Colorado [Mrs. SCHROEDER], who has spoken so eloquently on these matters, entering. I have been discussing, of course, the interrelationship between the failure of this Congress to deal with ethics, continuing to postpone this investigation of the Speaker, continuing to defer action on lobby reform, on gift reform, and now the fact that we are about to get 1 day on the whole question of gutting and cutting Medicare by \$270 billion, which may actually have, as a principal benefit, apply the golden rule to golden rule insurance companies, providing significant savings to those who may prosper as private companies on this disintegration of the Medicare System, but may do nothing but cause great pain and harm and fear to the Nation's seniors and individuals with disabilities.

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

Mr. DOGGETT. I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. Mr. Speaker, I thank the gentleman from Texas. I was working in my office when I saw you take the floor and I thought you were making some very eloquent points that I am really pleased you have the courage to come over here and continually make.

I do think there is an interconnection. This morning when I arrived, I gave a 5-minute dissertation of what was going on in Medicare and Medicaid and talked about the fact that what they are talking about doing is taking away the spousal impoverishment, so that if a family, if a couple, suddenly one has to go into a nursing home, guess what? They have to spend everything they have before they can qualify for Medicaid. They undid the spousal impoverishment that we worked so hard on.

They also said that now, if you go to a nursing home, there is not going to be any standards that we worked so hard to get, standards to treat people with dignity. We remember those horror stories, and on and on and on.

I want the gentleman from Texas to know that a Member from the other side took the floor, would not yield back to let me answer him, and started saying that I was doing mediscare again and this was just terrible and what was really wrong with America was Federal estate taxes were too high. Now, Federal estate taxes were too high? That just tells you, it kind of brings the gift ban, it brings the campaign finance reform, it brings the fat cats together. In other words you are a middle-class couple and somebody gets really ill, you have to deplete all of your resources. They can then go after your children's resources. They are undoing all of the laws that we put in to protect and divide those. And the answer was, I am trying to scare people because they did that. I did not do

that, they did it. They scared people. And what is really wrong with America is the Federal estate tax is too high.

Now, none of these people are worried about the estate tax, because they are not going to have any estate at all. What they are worried about is where do they go now that poor houses have been absolved in most of the country.

So I think the gentleman is doing a very good job, and I think that is why we are seeing this connection, this synergy come together, of just writing off the average American.

Mr. DOGGETT. I actually was noting that I visited with Carlene Wiley in Austin, TX on Saturday morning at a grocery store in North Austin, and she is one of those people who is just too concerned about estate taxes for her mother, because the only way she could get her mother into a Texas nursing home when he was unable to care for her any more was to sell her mother's house, so that her mother has no estate left other than whatever little personal belongings she may have there in the nursing home.

I think that may be the type of person. We are talking about real, live human beings that are out there today facing these problems, whether we take that system in place today and extend it so that if you have a couple out there and one of them becomes so ill with say Alzheimer's that they can no longer be cared for at home, with the tremendous emotional toll that that would take on a husband or wife, that they find themselves in addition to that awful emotional loss faced with selling their house or selling their car, selling their estate in order to just get a basic level of health care without any longer even a Federal safety net there as far as assuring that when they get into the nursing home after they have sold their house and car, they will have any quality care.

□ 1700

Mrs. SCHROEDER. The gentleman is right. I know the gentleman's family, and he knows mine. I cannot think of anything worse than my husband and I later on, one or the other of us becoming very, very ill and having to go to a nursing home. Obviously we would feel terrible about that.

But the fact is that now, after what the Committee on Commerce did, we took away the spousal impoverishment thing. It would not just be the mother and her home, it is everything that couple owns must be sold before they can go onto Medicaid. Everything they own.

The remaining spouse, who is still healthy, ends up with a big goose egg. How are they going to live the rest of their life? Suppose they are 80 at this point, and their home has now been sold and their car has now been sold?

That is why the Women's Caucus worked so hard in 1988 to say, no, no, no, divide the couple's assets and make sure both of them do not have to be impoverished to get one of them the kind

of care they need, because what happens to the one that is left, the survivor?

Now, of course, they can also go after adult children. They are repealing that, so they could also come after this woman's home that was in the grocery store. It would not just be her mother's home she had to cash out. They could now put a lien on her home to help pay, because of what they did in the Committee on Commerce.

But to have the response be, well, we really should lower estate taxes on people, that is ridiculous. I believe the Federal estate tax does not even kick in until they have a Federal estate of over \$600,000. That is not an issue for the average American person. But who is giving these big campaign contributions? Who is giving the gifts, who is taking people to play golf, who is doing all that? Those are the things that we are complaining about.

Mr. DOGGETT. I was wondering in that regard if the gentlewoman had the opportunity last night to see the reality check. She is aware of the need that this Republican leadership has to do a reality check, because sometimes we wonder where they came from when they talk about conditions in America that do not seem to bear any relationship to the way real life is out there for ordinary hardworking Americans. But did the gentlewoman see the reality check last night about the role of Golden Rule Insurance Company and the medical savings accounts with reference to this whole Medicare struggle?

Mrs. SCHROEDER. I thought the gentleman was doing a very good job of explaining that, and I think they ought to explain it again, because I also saw this weekend that the other side of the aisle is talking about even doing away with all the Federal health insurance for all Federal employees and Federal retirees and giving them this same medical health account that they talk about, that this insurance company apparently is feeling that they could make a lot of money on.

Mr. DOGGETT. In other words, if they pick out the healthiest seniors and leave traditional Medicare with those that are the weakest and the sickest and lack good health, that need the most care, they cherry pick those, as the term is used in the industry, then the next step, just like probably the next step after wrecking Medicare is to wreck Social Security and slay that dragon, as Speaker GINGRICH's Peace and Freedom Coalition called for in February this year, that the next step would be to go to Federal workers and to let same golden rule apply there.

Mrs. SCHROEDER. Golden Rule is going to own all the gold if this works the way the gentleman from Texas is explaining. That is exactly what I understand. They are going to say to people, if I am right, they have this option to have this medical savings account. However, anybody who has more than a couple thousand dollars of expenses a

year certainly would not take that option, would the gentleman not guess?

Mr. DOGGETT. I would think that would be the case. The gentlewoman is aware that at the same time that Golden Rule developed this zealous interest for reforming, in its own self-interest, the Medicare system which has served America so well, that it contributed \$157,000 to GOPAC. Is the gentlewoman familiar with GOPAC?

Mrs. SCHROEDER. The gentleman from Texas is absolutely right. GOPAC is something I am very familiar with. I think one of the other items that I also read this weekend was the New Yorker article about GOPAC and about its connection to the Speaker and bringing this new leadership in, how it funded the tapes and the training and all of those types of things that we now see happening.

It sounds very convoluted, and when we start talking about it, I am sure people's eyes glaze over, but I think it is terribly important to understand how this Government is working. I think when they understand that, they will understand that there is so much cynicism, that if really big bucks goes into something that then allows you to become so terribly powerful, guess what, you are very apt to use your power to make those big bucks even more bucks.

It is a good investment, right? It appears that this insurance company that made this investment in GOPAC made a very good investment. They are now going to get paid back many times over by having legislation that helps them.

Mr. DOGGETT. So Golden Rule contributed to this farm team program called GOPAC to train and tutor people, and these were the same people that were going around, regardless of what office they were running for, and telling the American people that they could come to Washington and they could eliminate waste and fraud and eliminate bureaucrats and they would solve all the problems in the world.

Now what they are doing, instead of eliminating waste and fraud, is eliminating the basic standard of care that our seniors have relied on, whether they are in nursing homes or whether they are in Medicare. In fact, the anti-fraud provisions in this bill, which you would expect all of us would have gotten together on, they have actually provided less funding to fight fraud with reference to Medicare and Medicaid in the appropriations bill than was done in the last Congress in which the gentlewoman served. Is that not correct?

Mrs. SCHROEDER. The gentleman from Texas again, I am sorry to say, is very correct. We should not look at people's words, we should look at the bill. Here all they want to do is throw words. We have not even seen the real bill, I guess, on Medicare.

We got a printed one, I hear, on Friday. Then on Monday there was a new chairman's mark that was something entirely different, and I guess they

spent yesterday discussing it, but again it was all verbal. It is all fuzz. It is a bag of smoke. It is a real bag of smoke, but in that bag of smoke I think there are some chunks of gold for a few people who invested early, invested early in the new group in power.

What it really means is they are toasting the average American's Medicare card, that the Medicare things that you thought you owned and you thought were represented by your Medicare card are being really brokered away in all of this and diminished.

For all of this Medicare that I think they are the ones projecting, I think it is interesting that they do not ask the trustees did they do the right thing. They have not taken their bill to the trustees. They are not having hearings.

I have been saying, look, they have had more hearings on the Chinese prison system than we have had on Medicare, and I think it is because they do not want all these connections of the Golden Rule and GOPAC and Medicare proposals all coming together, because then maybe more people would see it than just the several television shows that have been talking about it or the New Yorker article that is talking about it.

Mr. DOGGETT. I always thought when they talked about Medicare, they were talking about the Republicans who were medicared to come out here on the floor and explain these cuts that they are making, and they still have not as of today. We have yet, through this very afternoon, now that we are well into October, we have yet to have a Republican Member come on the floor and explain the way seniors are going to be cut.

They are saving all that for this surprise package that I suppose will be presented to us next week. At least we have a date for that. We have no date for a report on the ethics problems involving Speaker GINGRICH. We have no date for dealing with the problem of lobbyists giving gifts to Members of this Congress. We have no date with reference to reforming the 50-year-old lobby registration laws. But they have given us 1 day next week for the surprise package to cut \$270 billion from Medicare, have they not?

Mrs. SCHROEDER. Absolutely. If the gentleman would yield again, we also have no date for when we are going to take up campaign finance reform, which was the grand handshake up in New Hampshire. We have not seen that, either.

But the really interesting thing is, in all my life in politics, whenever there has been an election year we have always talked about the October surprise. The October surprise was always what the candidate was going to pull at the last moment.

I suddenly think we have a new word that "October surprise" is going to mean, and it is going to be the surprise for America's older citizens and what this Medicare package might mean that we have not seen yet. This Octo-

ber surprise is going to have a whole new message this fall. Beware the October surprise.

But I think if you really know about it, which is what the gentleman is trying to tell everybody, you would not be surprised, because if you make the connection between GOPAC and you make the connection between campaign finance reform and gifts and lobbying and all the things that concern people, then you would not be surprised the way it is going to come out, I think.

But for those who have listened to the rhetoric and not demanded the details, they are going to be surprised. I think the time has come to demand the details. If this is so harmless, let us see it. If this is so wonderful, maybe they have come up with something no one ever thought of before.

Mr. DOGGETT. Maybe Golden Rule has come up with something.

Mrs. SCHROEDER. Maybe Golden Rule has come up with something.

Mr. DOGGETT. I believe the gentlewoman was a supporter of a proposal by a colleague of ours, the gentleman from California [Mr. MILLER], to actually suggest as a part of lobby reform that we identify the lobbyists that come up with these great ideas that suddenly become amendments and laws binding all of us in America.

If we had that on this Medicare plan, then we would be able to see with lobby reform what role Golden Rule had, and whether there is any relationship between the well over \$1 million that put it, according to one of those political commentators on CBS last night, in the first tier of power here in Washington.

Mrs. SCHROEDER. Absolutely. I think another thing we need is, unfortunately, because we are seeing so many lobbyists now really just moving in and supposedly writing the bills, they ought to put their name on the bill. Let them know which lobbyist co-authored these bills.

Then I think we would not be so surprised, if you saw who the real authors of some of these bills are. Then I think you are not going to be surprised about what the results are, and it becomes really essential that the American people see this. Jefferson must be just cringing as he hears this discussion, if he hears this discussion.

Mr. DOGGETT. In other words, instead of letting all the ego of names stay right here in the Congress, so that it is the Joan Smith Act, this could be known as the Golden Rule-Gingrich Act to Cut Medicare or whatever one might want to call it.

Mrs. SCHROEDER. Absolutely. If we had that kind of disclosure, I think we would have much less in the line of October surprises when this passes because we will know exactly how it is going to look. It is going to look like something they favor. If they paid the fiddler, they are calling the tune.

And apparently they paid the fiddler, and apparently they are calling the tune, so let us get the facts out. I think

the gentleman from Texas once again has done an eloquent job.

Mr. DOGGETT. I thank the gentleman, also. I believe this issue of ethics and special interest domination of this body and the Medicare cuts of \$270 billion are closely interrelated. We must deal with both. We have a date for dealing with one of these next week. It is time to get a date for dealing with the gift ban and the lobby reform.

THE BUDGET AND APPROPRIATIONS PROCESS

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

Mr. OWENS. Mr. Speaker, the previous dialog is very much in concert with what I would like to talk about. I have been talking about the budget and appropriations process as being one of the most important things that has happened in this Congress in the last 20 years.

It is always important every session of Congress what we do with the budget and appropriations process. Nothing is more important than the budget and appropriations process. But in particular in a year when the Contract With America insists that we must balance the budget, and balancing the budget means making horrendous cuts of programs that have existed for the last 50 years, it is very important that we follow carefully this budget and appropriations process.

We are now in a period where a great deal of stagnation has occurred. The first appropriations bills have gone to the White House, the appropriation for the actual budget of the House of Representatives and the Senate, and the President has vetoed it because he wants to have that bill as a part of the bigger discussion. The other major appropriations bills are moving quite slowly and we have passed a continuing resolution.

I have previously talked about a continuing resolution. We have passed a continuing resolution to allow the Congress 6 more weeks to reach a point where it can meet the requirements of having all the appropriations bills passed for this fiscal year which began October 1.

I want to talk about the need for, in this process, a more honest dialog. I think that is what the previous two speakers were talking about, the need for honest dialog as we move into this very important discussion and very important negotiations that will take place between a Republican-controlled House and Senate and a Democratic President in the White House.

□ 1715

The scenario is going to be pretty much as I predicted some time ago. The major appropriations bills will be

vetoed by the President. He has already pledged that he will veto the Education, Human Services, Labor appropriations bills, and he said he is going to veto any bill which has the Medicare cuts that are being proposed. So we know that the major bills will be vetoed.

We know that there are not enough votes. The Republican majority does not have enough votes to override these vetoes. We know that the discussions are going to take place. Negotiations are at a very intense level at the White House with the President. These are going to be mega negotiations, and those negotiations are going to determine the direction of America for the next 10 or 20 years.

What comes out of those negotiations will give us some breathing room to take these massive changes at a slower pace. What comes out of the negotiations could be an agreement that will move America in the wrong direction. We do not want that to happen.

We would like to have those negotiations take place, and I think that the American public needs to understand that they have a major role to play in the coming negotiations between the Republican-controlled Congress and the Democratic President. Public opinion is always important. Both the President and the Republican leadership will be watching public opinion as we move into those negotiations. The public has to be involved. They have to understand what is going on.

In order to do that, of course, we need an honest discourse. We need some admissions, like the one that the two previous speakers were trying to get from the Republicans, the admission that they never supported Medicare. Ninety percent of Republicans have always been against Medicare. So if they never supported Medicare, it should be known, it should be on the table. Their argument that they are moving to try to prevent a bankruptcy of Medicare, you can have reasonable doubts raised if you know that they never supported Medicare when it was first proposed by Lyndon Johnson. Ninety percent of the Republicans voted against it. They have consistently been against Medicare. So why should you believe that, if 90 percent of them were against it in the first place, they are honestly seeking to save it from bankruptcy?

Why not believe instead the Democratic argument? A bill has been introduced to follow through on that argument that if you really are worried about bankruptcy, the commission recommended that you had a problem of about \$90 billion and that over this 7-year period a \$90 billion problem exists and a cut of \$90 billion is necessary? That can be achieved by cutting real waste.

But if you try to cut \$270 billion, then you are getting into the heart of the program, the benefits. You are going to be forced to raise premiums.

The honesty would help a great deal to let the American people know from the outset that we are talking about a \$90 billion problem and not a \$270 billion problem. The \$270 billion is needed because the greater portion of that money will go toward the provision of a tax cut for the wealthiest Americans.

We need some honesty.

I was fortunate last night to be a part of a very honest dialog in Durham, NC. I was invited by a workers' committee for occupational safety and health. They had a hearing, which is a people's hearing to bring some honesty into the discussion of the OSHA problem. That kind of thing should be taking place all over America. People are going to have to come out, have your own hearings, have your own forums, have your own discussion, and take a close look at what is going on.

Last week, 100 economists declared, and many of these economists are Nobel Prize winners, they declared there is a great need in America for an increase in the minimum wage. What is on the table is the Gephardt bill, which I am a cosponsor of, which calls for an increase of about 90 cents in the minimum wage over two steps, not very much, but at least that is needed.

We need an honest discussion. And if you have 100 economists who say that this increase is necessary and who show that inflation has eroded the wages of American workers to the point where they are making far less than they were making 20 or 30 years ago, then we can go forward accepting the fact that these are economists trained to do this. We accept their wisdom on so many other issues. Why not accept it on the minimum wage and go forward?

So the honesty in the dialog is very important. You know, the Roman Empire had some of the best systems in the world in terms of their system for justice and government, et cetera. You know, part of the reason the Roman Empire declined is because, despite the fact they had the systems, the people who were running the systems began to take them as a joke. They began to violate those systems and refused to deal with those systems in an honest way, and the rot that went into those systems led to the destruction of the Roman Empire.

This Nation is in a position where, unless we bring some honesty in our dialog and discourse, we certainly are going to not be able to get through this critical period on negotiation with an outcome, a final product that is going to carry America forward.

On the subject of honesty in Medicare and Medicaid, nothing is more important, because that is the biggest program that is on the chopping block, biggest in terms of its impact on American people, not just the dollar figure but the impact on the American people. Both Medicare and Medicaid will impact on the lives of most Americans.

We would not want a situation where we have less health care and we have