

not enough to catapult us into the high standard of living we would hope for our people.

Only with the goal of cutting our exploding trade deficit and making sure it remains a part of the Presidential race this year will we be able to cure the other part of the twin deficit that is causing the downward pressure on wages and living standards in this country.

#### INCREASING THE PUBLIC DEBT

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

Mr. SMITH of Michigan. Mr. Speaker, I would like to talk about the fact that tomorrow this Chamber is going to increase the borrowing authority to the U.S. Department of Treasury, or we presume the votes will be there to increase the debt.

The public debt of this country is now \$4.9 trillion. I brought a chart with me to explain the roughly \$1.6 trillion budget that this Federal Government spends every year. If we look at the growth of the U.S. budget, back in the 1970's, the U.S. budget used up a much smaller portion of our total gross domestic product.

□ 1615

In fact, in 1948 it represented 12 percent of GDP. Now it is up to 21 percent of GDP. This Government, this overbloated bureaucracy, is growing bigger and bigger, and how are we going to stop the overspending? How are we going to stop more and more borrowing, that means that we are taking the money that our kids and grandkids have not even earned yet to pay for what we consider today's problems?

Everybody in the generation under 40 years old had better sit up and take note about what Government is doing to their future. This pie chart represents how Government spends its money. The bottom blue part represents half of the Federal budget, and it is spent for welfare and so-called entitlement spending.

The little white part represents interest. Interest is now becoming the largest single item in the Federal budget. This year, this represents net interest. Gross interest, if we include the interest that is paid on the money that we borrow from Social Security and the other trust funds, was over \$300 billion this part year, larger than any single expense item in the budget.

The red section represents 12 appropriation bills. Those 12 appropriation bills are controlled by Congress. Article I of the Constitution says Congress is responsible for the purse strings. This is about all we have left, is that little red piece of pie that represents 18 percent of the budget that represents the 12 appropriation bills. Why I say Congress has control of that appropriation spending is because if the Presi-

dent vetoes that particular bill, then there is no money there.

The green part is defense spending, and I have separated that out as the 13th appropriation bill, because the hawks and doves, the conservatives and liberals, almost never have disagreed more than a plus or minus 10-percent deviation. Everybody agrees that there should be a certain amount of our budget spent for national defense, so that is pretty much on automatic pilot.

The blue is on automatic pilot on the welfare programs, because those welfare and entitlement programs, we cannot reduce the spending for those programs unless the President signs the bill to do it.

What we have done is we have given away congressional authority over the years and said that the money is automatically going to be there if individuals meet this certain criteria of entitlement. There is a certain level of poverty, so therefore they are eligible for food stamps, or they are poor and have kids and are eligible for AFDC, or reach a certain age so you can have Medicare, or a certain level of poverty so you can have Medicaid. This cannot be changed. This is the part of the budget that is causing us to increase the national debt more than any other part of the budget.

What a lot of us think is that it is reasonable, Mr. Speaker, to say to the President, look, if we are going to increase this debt over the \$4.9 trillion that we now have, then we want to tie to it some reforms in the welfare programs, the entitlement programs, that are causing the greatest need for increasing that debt.

Let us be fair to our kids, let us be encouraging to the economy, let us balance the budget. The only way you can balance the budget is to change the entitlement programs. That means the President has to sign that bill.

We tried it once. We got a balanced budget through the House and the Senate. The President vetoed it. We are going to try again, Mr. Speaker.

#### HEALTH CARE REFORM

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

Mr. PALLONE. Mr. Speaker, the reason I am here today is because Democrats as a party in the House of Representatives, basically over 170 democratic Members of the House of Representatives, are uniting behind a proposal that would make modest but important improvements in America's health insurance. Basically it would provide access to more Americans so that they can have health insurance, and guaranteeing also that if they lose their job or change jobs, that they can carry their insurance with them.

The bill that we are all uniting behind and cosponsoring is sponsored in

the House of Representatives by the gentlewoman from New Jersey, Mrs. MARGE ROUKEMA, a Republican and a colleague of mine, and her bill is basically the same as the one that is sponsored in the Senate by Senators KASSEBAUM and TED KENNEDY. So this is a bipartisan effort.

Basically, it is a bipartisan effort to try to bring very modest health insurance reform to the American people. I should also point out that in his State of the Union Address, President Clinton said that he would sign this bill if it was passed by the Senate and the House and brought to his desk.

The problem that we face right now is that there are strong indications that the House Republican leadership, Speaker NEWT GINGRICH and the Republican leadership in the House, are not willing to bring the bill to the floor in its existing form, and, in fact, are talking about loading up the legislation with many other provisions which we think we make it more difficult for this bill to pass.

I want to introduce to talk a little bit about the bill, the gentlewoman from California [Ms. ESHOO]. Before I do that though, I just wanted to say very briefly, that, as I said, there are 170 Democrat Members of the House that have signed on as cosponsors to this bill, and there are numerous organizations, most notably the American Medical Association and a list of probably about 100 different health care specialty groups, as well as some insurers, who are not saying that they also support the bill.

In addition to that, there has been a commitment by the Republican leadership in the Senate to bring the bill to the floor the second or third week in April. So, again, the only thing that is holding up action on this legislation at this point is the House Republican leadership, which so far has been unwilling to bring it to the floor.

Mr. Speaker, I would like to introduce my colleague, the gentlewoman from California [Ms. ESHOO], who has been a strong leader on this issue.

Ms. ESHOO. I thank the gentleman from New Jersey [Mr. PALLONE].

Mr. Speaker, I would like to return the compliment with a multiplier, because the gentleman has been at the forefront in support of the changes that need to be made for the American people on health care. He has been an eloquent voice in the committee that we both serve on, the Committee on Commerce, when it has come to Medicare and the protection of the elderly in our Nation. He has spoken not only eloquently but very sensibly. Sometimes I think the most uncommon of the senses is common sense. He does not lack that.

I am delighted to join with my colleague today during this special order to talk about this bill on health insurance. I ran for Congress in 1992, and one of the issues that motivated me the most, because it was something that I concentrated on and gave 10 years of

legislative time and sweat and sometimes some tears, but it was all worth it, when I served in local government, was on the issue of health care.

I recognized back in 1982 that, if there was an issue that was driving our economy that needed to be reshaped and reformed, it was health care. I guess I was not only right then, I was dead right. That was back in 1982, and we went on to make some wonderful reforms and changes in the county where I served on the board of supervisors.

Then running for Congress, of course, it was what we talked about and promised. I think it is about time that we keep, at least, some of our promises to the American people. Even though there was not sweeping health care reform legislation in the 103d Congress, some cheered that. But the American people have been left without solutions that they need to bring to their day-to-day lives.

So this legislation, which is bipartisan, which was shaped in the Senate by both the Republican and Democratic Senator, has now attracted support, important support from both sides of the aisle. It is not all things to all people. It is not a Christmas tree with many decorations on it. But quite simply it strikes at the heart of two issues that we can address in the 104th Congress.

First is portability. Portability, what does that mean? It means that where you work and you are insured with a policy, that if you move to another job or if you lose your job, you can continue that health care coverage. How? By individuals being willing to pay for it. So this is not a government program, as important as some of them are to those in other circumstances in our society, this is a piece of legislation that acknowledges and will give to people what they want, and that is portability.

Some say that they experience job lock. They will not leave their jobs for another because they do not want to leave this benefit behind. Certainly on the threshold of the 21st century, the Congress of the United States would be forward looking and say, We are more than willing to catch up with what is going on in society and allow our citizens to take with them the benefit that they already enjoy and that they themselves are willing to pay for.

So I think that is not only a very important principle to set down, but it really is responding to what people want. If the Congress itself wants to distinguish itself to the American people, I think we better be about their business and to respond to what they talk to us about every day.

I am a Californian, and I do not stay in Washington on the weekend. As soon as the bells go off, I race off to Dulles Airport to fly home to be with my constituents. This issue of portability has been spoken to and about tens of thousands of times just in my congressional district alone.

This is not a Democratic issue, it is not a Republican issue. This is the peo-

ple's issue. So this legislation which we are so proud to support contains this provisions.

The other provision is something that people have spoken, I think, to every single Member of Congress about in our respective congressional districts. That is those that have a pre-existing condition are redlined by the insurance companies.

Now, let us back up for a minute and understand why we all buy insurance to begin with. I know that I buy and pay for my automobile insurance in the eventuality that something happens and I am involved in an automobile accident, that I am covered. I do not do that so that, when the accident happens, the insurance company drops me. We buy it to be covered at the time that we need the coverage.

So there are tens of millions of Americans today that on the basis of a preexisting condition, which is part of health care, everyone's body is not perfect. Every human body does not remain perfect from birth until God calls us. So we need to make these provisions for the people in our country.

I think that it is one of the real unfairnesses of the insurance industry. So we need to make these provisions. There is a great deal that is written today, everything that we pick up, from the New York Times to all of the weekly magazine publications, about the anxiety that is underlying the American public today.

Mr. Speaker, I think that we can take a quantum leap on their behalf if in fact we speak to those things that help to make a family secure. I do not think any one of us in cosponsoring this bill is making the promise that it cures everything, that it takes care of everything. It does not. But, again, it does strike to the heart of two very major, important provisions that need to be made by law by this Congress. I think that there will be a grateful Nation that will acknowledge the work of the people in the 104th Congress if in fact we produce this for them.

Now, for those that are listening in, they are probably thinking, This sounds so simple. It sounds so sensible. What could ever stand in the way of this? There are always interests that weigh in, certainly the health insurers in the country.

I think it is time that the Congress look at the interests of the American people. Certainly we can listen to what people's concerns are, about what they like or dislike about a bill. But then we must move on. We are here for the people of America. The Speaker sits in the chair with the American flag behind him. Over that it says, "In God we trust."

I would like to think that the American people will say at the end of this process and this bill that we know the President will sign, not as a Christmas tree, not diluted to be less than what it is now, but that the American people will say, "in the Congress we trust," because they responded to what we

need, to what the families need, to what individuals need, to add to the security that they really deserve.

□ 1630

So I would like to again salute my colleague, Mr. PALLONE, for the leadership that he has provided with the health care task force that has certainly been in operation on the Democratic side of the aisle to help bring forward the sensible reforms, not a Rube Goldberg plan that no one can understand.

No one can charge that this is Big Government on any individual's back. This is for the people. They are willing to pay for these provisions, but the law must change in order for them to enjoy them.

So "thank you" to you, Mr. PALLONE, for your leadership. It is ongoing. You are tenacious. I think that you were absolutely terrific. I look forward to gathering round the desk of the President on a bipartisan basis when he signs this bill into law, hopefully this year, and that we can conclude the 104th Congress in keeping the promise that we made to the American people that we would indeed try to lift them up and that there will be sensible health care reform, and I think that this bill, H.R. 2893, is it.

Thank you for sharing some of this special order time. I think that this is special, and I think that it is in order.

Mr. PALLONE. I want to thank my colleague from California, Ms. ESHOO, for explaining the bill and basically why those two principles of portability and limitations on preexisting conditions as the basis for getting health insurance are so important.

As you indicated, it seems like this is apple pie. In other words, why would anybody oppose it? But as we know, that is not the case. In fact, without getting into all the bureaucracy of it, what we are trying to press and challenge the Republican leadership to do is to simply bring up this bill in what we call a clean form, exactly the way you described it and the way it was introduced, and not load onto it all kinds of other things that may create controversy and make it difficult to pass.

One of the things that we have heard is that in the Senate, Senators KASSEBAUM and KENNEDY seem to have a commitment from the Republican and the Democratic leadership to do exactly that. When the bill comes up, as I said, in mid-April or possibly late April, they already have a commitment that there will not be any amendments. Somebody might offer an amendment, but there is not going to be any effort to allow those amendments to succeed, not because you and I or others do not think that we should go further and do more for health insurance reform, because we do, but because we just know that these things are basic and we do not want them cluttered up.

Now, on the other hand, if I could just come back to the House for a

minute, what we are hearing in the House from the Republican leadership is very different. Just to give you some information, this was from yesterday's New York Times, and just to read a little bit, it says that the House Republican leaders said today they would soon take up this bill, but they intend to add provisions that are likely to generate bitter, prolonged disputes in Congress.

For example, they are talking about adding provisions dealing with medical malpractice, antitrust law, special savings accounts for medical expenses, and tax deductions for the health insurance costs of people who are self-employed. Again, we may or may not agree with those points, but they are, as you know being in the Commerce Committee, tremendously controversial.

It says, in fact, in the article that the decision to add these provisions essentially is made to placate conservative House Republicans or to satisfy committee chairmen keenly interested in one provision or another. I honestly believe, though, that the real motivation is to sabotage the bill because they know, the House Republican leadership knows, as you and I know, that these provisions are very controversial. Many of them were hotly contested during the Medicaid, Medicare budget battle that we had for a year that was never resolved, and I think it is important for us to keep pointing out we want a clean bill.

We do not want, for the sake of those who are more conservative or those who are more liberal, to sort of muck up this bill, because it is so important that it move forward.

Ms. ESHOO. Would the gentleman yield for just a moment?

Mr. PALLONE. Sure.

Ms. ESHOO. I think as people are tuned in and hopefully listening and finding this, our conversation, enlightening, the reason why we point out, excuse the expression, the ying and yang of this, is that what has taken place in the Senate around this bipartisan bill and the promise to keep it clean is to keep it uncomplicated.

With the ingredients that are already there, they are winning ingredients. We know that a souffle only rises once, and so we want to capture that opportunity. For that set of ingredients that has been agreed to and I think will breed the success that we are looking for, these two major, important health care reforms for the people of America, that we duplicate that recipe and those ingredients in the House.

If in fact other ingredients are thrown into this so that the souffle does not rise, then I do not think it is difficult to predict. We will lumber toward the end of the 104th Congress, I think, with egg on the face, most frankly, because the American people are exhausted with the partisanship that comes around these life issues and what secures their family.

They do not want to hear these kind of debates. They want us to stand next

to them, pay attention to what they are saying, and at least incrementally come out with the two things that this very sensible bipartisan bill represents.

So thanks again to my colleague. I think you are exactly what people sent you here to do, that you are sensible, that you are caring, and that we want to be effective and produce for the American people. After all, this is the House of the people, this Chamber that we are standing in.

Some of the greatest Americans have come and gone from this floor, have addressed the Nation from that podium, and I think that we are their political descendants and we would do well to remind ourselves of the greatness of individuals of the past.

The reason that they were great was because they were good. Why were they good? Because they were effective. Why were they effective? It is because they produced things for the American people, and they are long in the American people's memory for what they accomplished on their behalf.

I think that we can do the same thing, and I would call on the Speaker and anyone else that is thinking of, excuse the expression, mucking up the bill or placing on it those things that will make it cave in, instead of shepherding it across the finish line and producing a great touchdown for America.

Thank you.

Mr. PALLONE. Thank you. I just wanted to continue, if I could, to talk about some of the efforts, if you will, that are taking place even today to try to avoid Mrs. ROUKEMA's bill from coming to the floor in the clean form that we just talked about.

First of all, in the Committee on Economic and Educational Opportunities today a bill was reported out by Mr. FAWELL of Illinois instead of the Roukema bill that we just discussed. In fact, there was an effort by the Democrats on the committee to simply pose an amendment that would move the Roukema bill or take up the Roukema bill, and that was defeated along partisan lines, the Democrats voting for it, the Republicans against it.

The Fawell bill, if you will, that was actually reported out of the Committee on Economic and Educational Opportunities does not include the Roukema bill's protections for individuals who have been laid off or retired and are trying to purchase health insurance for themselves. It also contains weaker provisions with respect to protecting individuals against being denied health care due to preexisting conditions.

Another shortcoming, if you will, of the Fawell bill includes provisions that would threaten State reform initiatives designed to increase access and affordability in the health insurance market. Basically this deals with the whole issue of ERISA, where the Federal Government essentially preempts any State efforts to improve access or to do more, if you will, in terms of health insurance reform than the Federal Government might do.

So already, getting back to the point that myself and the gentlewoman from California made before, already there are efforts on the part of the Republican leadership in the House to sort of muck up this bill and not bring the clean bill to the floor that would simply address the issues of portability and limitations on preexisting conditions.

We also understand that in another House committee, the House Ways and Means Committee, there may be an effort to bring up a bill, H.R. 1610, by Mr. THOMAS. That again is a much weaker reform measure than the Roukema bill. What we are seeing here essentially is the leadership in the House moving to try to enact provisions that are much less reform-minded, if you will, than the legislation that we have talked about today.

I wanted to go back briefly to just explain in a little more detail what this legislation that was sponsored by Mrs. ROUKEMA would do and how important it is to the average American. Essentially what it is is a minimum guarantee for all citizens with employment-based health coverage, in other words, these are people that are buying insurance on the job or essentially getting insurance through their employer, that as long as they pay their premiums, their health insurance can never be taken away from them, whether they change jobs, lose their jobs, or get sick.

That is essentially what we are trying to do. Exclusions for preexisting conditions would be limited. They cannot be reimposed on those with current coverage who change jobs or whose employers change insurance companies.

No employers who want to buy a policy for their employees can be turned down because of the health of their employees. No employees can be excluded from an employer's policy because they have higher than average health care costs, and cancellation of policies will be prohibited for those who continue to pay their premiums. Any employee losing group coverage because they leave their job or for any other reason would be guaranteed the right to buy an individual policy.

Now, again, the Roukema bill, H.R. 2893, to get a little more specific, would prohibit insurers and employers from limiting or denying coverage under group plans for more than 12 months for a medical condition that was diagnosed or treated during the previous 6 months. So, in other words, if you have coverage now, I will use the example of a cancer patient.

If you are working, for example, for General Motors and when you are there working you discover that you have cancer and you have to have treatment, be treated for cancer, and 6 months later you were to change jobs and while you are still undergoing treatment and move to, for example, to Ford Motor Co. and start working there, well, essentially the new company would only be allowed to exclude

you from coverage at most over a lifetime of 12 months. So that maybe for the first 6 months, there would not be the guarantee of health coverage once you change jobs, but there would be after those 6 months.

Now, again, those of us who believe that there should be universal coverage and that you should not be able to exclude anybody at any time would say that even that is not enough. But at least to guarantee that, that a person for the most can be excluded for only 12 months, is a significant change in the law from what you are guaranteed right now.

Also, denial of individual coverage to workers losing group coverage that have had it for at least 18 months would also be prohibited. I do not want to get into all the specific details, but essentially it is a significant improvement from the way the law now reads.

The other thing that I wanted to point out today is that our Democratic caucus health care task force, which is supportive of the Roukema bill and which has sort of spearheaded the effort to try to get the many Democratic cosponsors that we now have for the bill, about 171, we developed about 6 months ago a set of principles on health care reform which is essentially guiding what we do in this Congress. The two goals that we set forth in our Democratic principles of health care reform that are really most important are, first, that Democrats remain committed to universal coverage for all Americans and, second, that Democrats remain committed to assure that high quality health care is affordable for all.

So essentially what our task force principles say is that we will support any proposals which move the Nation closer to these goals of universal coverage and high quality health care that is affordable for all, and we will oppose proposals which move the Nation further away from those goals. For that reason we have been very much opposed to the cuts and changes in Medicare and Medicaid that the Republican leadership has proposed as part of its budget recommendations in 1995 and that continue into 1996.

At the same time, though, the principles that are incorporated in the Roukema bill which we talked about on the floor today, the principles that basically limit exclusion for preexisting conditions and the principles that allow you to carry your health insurance with you from one job to the other, so to speak, these are principles that move us in the direction, if you will, of universal coverage and more high quality coverage that is affordable.

□ 1645

That is not to say that these are the answers and that these are going to necessarily achieve universal coverage or affordable health care, but at least they move us in that direction, and that is why our health care task force

is very much supportive of the Roukema bill.

What we are saying essentially, and I cannot reiterate it enough, is that in this Congress so far nothing really has been accomplished to move us toward health care reform, and even with the battle over Medicare and Medicaid and the budget battles that continue, it is not likely that there is going to be much resolution of those issues and those programs. But at least, if we can achieve modest health insurance reform on the issues of portability and on the issue of preexisting conditions, then we will have accomplished something, and there is a need for bipartisan cooperation to at least achieve those modest goals as we continue to work toward the ultimate goal of universal coverage and affordable quality health care for all.

So with that, I would just like to conclude this special order today, but point out that we are going to continue to press that the Roukema bill be brought to the floor as a clean bill and oppose any efforts to try to prevent its adoption in this Congress and its ultimately being signed into law by President Clinton who has repeatedly stated that he will sign the bill and that he supports this very modest health care insurance reform.

#### BALANCING THE BUDGET

The SPEAKER pro tempore (Mr. LATOURETTE). Under the Speaker's announced policy of May 12, 1995, the gentleman from Maine [Mr. LONGLEY] is recognized for 60 minutes as the designee of the majority leader.

Mr. LONGLEY. Mr. Speaker, it is a privilege to be here in the House this afternoon, and I would like to discuss one of the aspects of the budget debate that I think we have not been paying enough attention to, and that is that, and I know that there is a great deal of concern amongst the public in terms of what is really happening in Washington, and I guess I have got some reassuring news.

The reassuring news is that I think this Congress has succeeded in stopping the spending train in Washington dead in its tracks, and in all honesty I wish that we could have done it in, perhaps, a cleaner and a more polished manner.

But I would like to offer a little bit of historical perspective on some of the difficulties that we have been facing, and what this Congress really means, particularly in comparison to prior Congresses, and what prior Congresses have attempted to do to control spending, and I would like to go back to 1975.

1975 was the year that my father was elected Governor of Maine, Governor Longley. He was an independent, and I had just graduated from college, was doing some volunteer work, not only in his campaign, but later in his term of office, and at that point first became personally aware and met many of the members of the Maine congressional delegation, which at that point, in 1975,

included Senator Muskie as well as Senator Hathaway, both very well respected Members of the U.S. Senate, also Congressman Emery and Congressman OLYMPIA SNOWE of Maine who were representing the State of Maine in the House of Representatives. And knowing and having met these individuals on a personal basis was, of course, a very special experience for myself as a recent graduate of college and as a law student, and I took particular notice of the fact that at that time the Congress was grappling with the issue of the Federal budget.

In fact I believe it was 1975; it was very significant in the sense that Congress passed the Budget Reform Act which was attempting to address what was then viewed as a systemic problem in the Congress, in the U.S. Government, in terms of how we really dealt with managing the spending of the Federal Government, and in that year we created the House Committee on the Budget in the House of Representatives, in this Chamber, and we also created the Senate Budget Committee, and 1975 also marked the establishment of the Congressional Budget Office which was to be a special office of the Congress that was going to be geared to address fiscal issues in this country and provide honest advice, nonpartisan advice, to those of us here in Washington who were attempting to deal with the issue of how to control Federal spending.

I mention that because at that point the Federal debt was somewhere below a trillion, possibly about a half a trillion dollars, and yet it was still viewed, the national debt was still viewed, as a serious potential crisis, and the level of federal spending and the deficits were also viewed as a crisis.

Now mind you that was almost 20 years ago, but as a country we had accumulated a record of unbalanced budgets, of running deficits, that were exceeding the prior 30 or 40 years.

I believe that presently, here in 1996, I have been advised that we have only balanced our Federal budget in 9 or 10 of the last 60 years, and clearly we have almost 50 years, going back 60 years where we did not balance the budget, and so 20 years ago, to put this in context, we had acquired a record of unbalanced budgets, felt it was a serious crisis, needed to act on it. And again I need to underscore that that was 20 years ago.

I had another personal connection in this issue, and that was that the following year, in 1976, Governor Longley was appointed as one of the first national cochairmen of the Committee for a Balanced Budget Amendment, and so against a member of my family, somebody that I love very much was given this responsibility of calling the country's attention to the crisis that our budget deficits represented.

Now I mention that as backdrop to the fact that I asked Greg Winter of my staff to go back and look at the major congressional actions taken to