

not like the product, we would put more money in it. Welfare is one of the best examples. Of course, more people are in poverty now than when the welfare program started over 30 years ago. The program needs to be changed.

I understand resistance to change. Change is much more difficult than maintaining the status quo. I think that is part of what is happening here. Some are simply concerned about the uncertainty of change. Nobody knows exactly what will happen. Others, of course, have real philosophical differences. There are people in this body and in this country who believe more Government is better, who believe that the answer to questions that exist with respect to jobs and the economy and services is more Federal Government. I do not happen to share that view. Frankly, the majority does not believe that.

But this has been, I think, a very encouraging year, a very exciting year, because we have reformed and re-framed the debate. Instead of extending all the programs and talking about tinkering around the edges, we have begun to look at the merits of the programs and ask, "Is this a program that needs to be carried out by the Federal Government, or is it one that could be better carried out by the State government? Is it accomplishing the purpose for which it was established?" We are beginning to measure some results, which is kind of an unusual process in the Federal Government. So we have changed the way we look at things. I think that is very helpful.

The debate now has been about holding down spending, not about how much you are going to raise it, but whether we can hold down the rate of spending some. That is a difficult thing to talk about because what do you hear on the floor and in the media? "They are going to cut Medicare. There will be no more benefits out of Medicare."

We know that is not true. We know that Medicare, under the proposal, continues to grow at 7.2 percent annually, as opposed to 10 percent, and the spend-

ing per beneficiary goes from \$4,700 to over \$7,000. But we hear it is going to be cut, that we are going to ruin it, exterminate it, because that is the easier conversation. But we have talked about that and we changed that conversation.

Instead of talking about more and more intrusion into State and local government, we are talking about block grants, about the 10th amendment, which says clearly that those things not set forth in the Constitution to be done by the Federal Government should be left to the States and the people. It is pretty clear and simple.

I happen to come from a small State. Some of our needs are quite different than they are in New York. Greybull's welfare problems are different than they are in Pittsburgh. We need to be able to manage it. Instead of talking about how that should grow on the Federal level, we are talking about block grants. We have changed the discussion, and that is healthy.

We are talking about balancing the budget. We have not seriously done that for 30 years. Sure, somebody mentions it occasionally. The President has agreed to it. I will have to admit there have not been results from that yet, but I think that perhaps there will be. To balance the budget in 7 years with CBO numbers is a promise that we have. That is a change.

So, Mr. President, we have not accomplished all that we would like, I am certain. On the other hand, I have to tell you that I am encouraged that we have changed the direction of this body and I think we have changed the framing of the discussion; the purposes have changed. We are going in a different direction. We have not accomplished as much as we would have liked, but we will.

In this coming year, it is very important to continue what has begun. Mr. President, I wish you and my colleagues well as we enter into a new year, representing the people of America. We are, after all, the board of directors, the trustees here. We are re-

sponsible to respond to our people. We are responsible to respond to what the voters said. We are responsible to make some decisions, by the way, instead of negotiating for 2 months. I am pretty exasperated with that process, as I know everybody is.

In any event, it is a new year, a good year, and I look forward to some fundamental changes in this country, as I think most people do.

TWO SIMPLE STEPS TO BALANCING THE BUDGET IN 7 YEARS

Mr. MOYNIHAN. Mr. President, the shutdown of the U.S. Government is becoming a crisis. A recent article in the New York Times carried this headline: "Judge Says Budget Impasse Could Shut Nation's Courts." The article reported that:

A senior judge who represents the policy-making board of the Federal judiciary today warned that the budget stalemate might force the nation's courts to shut down shortly after New Year's Day.

Mr. President, this is unthinkable. It is time to settle, and a settlement ought to be within reach. Here are two simple steps that I propose be taken immediately to break the stalemate and balance the Federal budget in 7 years:

First, drop the tax cut; and second, a 1-percentage point correction in the Consumer Price Index.

Under the President's December 1995 budget as scored by CBO, these two steps get you to a balanced budget in the year 2002. It's as simple as that. It's doable and ought to be done, and it ought to be done now.

Mr. President, I ask unanimous consent that a table entitled "Two Simple Steps to Balancing the Budget in Seven Years," and the article from the New York Times of December 23, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TWO SIMPLE STEPS TO BALANCING THE BUDGET IN 7 YEARS

[By fiscal year, in billions of dollars]

	1996	1997	1998	1999	2000	2001	2002
Deficit under administration's proposal as estimated by CBO	148	162	155	148	145	130	115
Drop Tax Cut	-3	-13	-14	-16	-22	-24	-25
CPI minus one percentage point	-5	-15	-26	-37	-51	-66	-82
Additional savings on debt service		-1	-1	-2	-3	-4	-6
Deficit Disappears	140	133	114	93	69	36	2

Compiled by Senate Finance Committee Democratic staff from CBO estimates.

January 2, 1996.

[From the New York Times, Dec. 23, 1995]

JUDGE SAYS BUDGET IMPASSE COULD SHUT NATION'S COURTS

(By Robert D. Hershey, Jr.)

WASHINGTON, December 22.—A senior judge who represents the policy-making board of the Federal judiciary today warned that the budget stalemate might force the nation's courts to shut down shortly after New Year's Day.

Gilbert S. Merritt, the chief judge of the United States Court of Appeals for the Sixth Circuit, said in an interview that "a breakdown in constitutional order" could occur if money was not authorized soon.

His warning came as an additional 20,000 workers were ordered off the job today, bringing the total number of furloughed Federal workers to 280,000, about one in seven people on the Government's nonmilitary payroll. The partial shutdown reached its seventh day today, surpassing the six-day shutdown that involved 800,000 workers in

mid-November and making it the longest on record.

The White House and Congress are trading accusations over who is more to blame for the deadlock. The shutdown results from their inability to agree on several spending bills needed to finance Government operations in the fiscal year that began on Oct. 1. Meanwhile, they are also arguing about legislation to balance the Federal budget by the year 2002.

The White House has issued a six-page list of Government functions suspended by the budget deadlock, ranging from granting farmers special permission to use restricted

pesticides on crops to the reimbursement of banks for Government-guaranteed loans that have defaulted.

Judge Merritt's warning came in a separate statement. The 840 Federal judges would remain available for work, he said, but it is unlikely that the courts would continue to be staffed by clerical, probation and security personnel.

"The judges cannot run the court system alone," said Judge Merritt, who sits in Nashville. "And if the judiciary shuts down, you can't arrest people for Federal crimes because you can't bring them to court."

Republicans said the White House was to blame for the problems. "President Clinton shut down the Government," said Michele Davis, spokeswoman for Representative Dick Armey of Texas, the House majority leader. "He vetoed three bills last week that would have reopened" national parks, museums and monuments, and restored the missing services, she added.

The shutdown of the national parks forced the cancellation today of the first of the annual Bracebridge dinners at Yosemite National Park in California. Bracebridge, an Ahwahnee Hotel tradition since 1927, recreates a Renaissance feast and includes an eight-course meal.

About 1,650 guests, picked by lottery from among 60,000 requests, were turned away after park rangers closed the gates to Yosemite on Wednesday.

Although the Clinton Administration cited various aspects of law enforcement among its examples of lapsed activity, it did not mention the threat Judge Merritt found to the judiciary.

"If this goes into the first week in January, we are going to have a serious problem," the judge said in the interview. He spoke as the chairman of the steering committee of the Judicial Conference, the policy-making body of Federal judges.

Chief Justice William H. Rehnquist has long urged Congress to consider a separate financing bill for the judiciary, but there has been no response so far, the judge said. The judiciary is now running on funds it gets from fees, which are not allocated to any specific year's budget and which it is allowed to spend on its own. But this money will soon run out, Judge Merritt said.

The White House list included such highly visible examples of service loss as 23,000 passport applications not being accepted on the average day, 383,000 daily visitors affected by the closing of the national parks and 92,400 people in Washington denied admittance to the Smithsonian museums, the National Zoo and the National Gallery of Art.

Among other effects of the shutdown on the list were these:

Suspension of activity involving sales of timber from national forests.

No processing by the Federal Housing Administration of 2,500 home purchase loans and refinancing.

Suspension of civil enforcement actions by the Environmental Protection Agency, except for Superfund cases, that yield an average of \$3 million a day in fines or injunctive relief against polluters.

No processing of 20,000 applications a day for student loans or Pell grants.

Blockage of more than \$92 million a day in foreign sales because of the closure of the center that licenses exports of military items and sensitive technology.

In a related development, the Bureau of Labor Statistics said that publication of the Producer Price Index and the Consumer Price Index, scheduled for Jan. 11 and Jan. 12, respectively, would be delayed about a week even if furloughed employees returned to work by Tuesday. And employment figures for December scheduled to be made pub-

lic on Jan. 5, will be delayed if workers do not return by Tuesday.

"The absence of this information potentially could create a degree of short-term paralysis in decision making with resulting long-term adverse effects on the nation's economic well-being," said Commissioner Katharine G. Abraham. "For example, companies could delay investment or hiring decisions, causing a decline in output and national income."

THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, almost 4 years ago I commenced these daily reports to the Senate to make a matter of record the exact Federal debt as of close of business the previous day.

In that report of February 27, 1992, the Federal debt stood at \$3,825,891,293,066.80, as of close of business the previous day. The point is, the Federal debt has increased by \$1,162,604,087,046.50 since February 26, 1992.

As of the close of business Tuesday, January 2, the Federal debt stood at exactly \$4,988,495,380,113.30. On a per capita basis, every man, woman, and child in America owes \$18,936.41 as his or her share of the Federal debt.

THE 1995 BUDGET AND APPROPRIATIONS PROCESS

Mr. DASCHLE. Mr. President, as 1996 begins, and the 2d session of the 104th Congress convenes, we need to take a close look at the record of this Congress' first year. In reviewing that record, one stunning failure stands out above all others. The majority in 1995 presided over perhaps the most bungled budget and appropriations process ever seen in Congress. The majority failed to meet every budget deadline set by law, and every deadline they set for themselves.

Rather than react responsibly to bring order to this process, Republicans instead chose to shut down the government twice. The most recent shutdown, now in its 19th day, is by far the longest in history. Both of these shutdowns have been unnecessary, wasteful of taxpayer funds, and have inconvenienced thousands of Americans who paid their taxes only to have basic services denied them.

Let there be no mistake: Despite some of the rhetoric we have heard, the responsibility for the shutdown falls squarely on the shoulders of Republicans in the House of Representatives. Nothing makes that clearer than the action by the Senate on January 2 to approve a continuing resolution that would fund the Government until January 12. The other body could take up and enact that legislation in a matter of minutes. Yet because of objections by self-proclaimed revolutionaries in the other body, the shutdown continues. These extremists plan to hold the Government and its workers hostage to force the administration to accept a budget that has already been rejected by the President and the American people.

A brief review of the botched budget process this year explains how Congress got into this mess. The Budget Act requires the Senate Budget Committee to report a resolution by April 1. The majority missed that deadline. The Budget Act requires Congress to complete a budget resolution by April 15. Again, the majority missed that legal deadline. By June 15, the Budget Act requires Congress to complete action on a final budget reconciliation bill. Today, over 6 months later, we are still discussing that legislation at the White House. In fact, they did not even complete work on the budget resolution until June 29.

The majority has missed every legal deadline for the appropriations process, as well. By June 10, the Budget Act requires the House Appropriations Committee to report all 13 appropriations bills. The majority failed to report even one of them by that date. By June 30, the Budget Act requires the House to complete action on all 13 appropriations bills. They had completed only two. By October 1, the beginning of the fiscal year, all 13 appropriations bills are supposed to be enacted. On October 1, 1995, Congress had sent only two of them to the President.

Not only has Congress failed to meet its legal responsibilities. It is now failing to meet its constitutional responsibilities to properly fund the Government. Last year was not the first time the President differed with Congress on appropriations bills. When Democrats controlled Congress and Republicans controlled the White House, Democrats handled Presidential vetoes very differently than the majority does today. In 1990, President Bush vetoed the District of Columbia bill twice, and he also vetoed the foreign operations and Labor/Health and Human Services bills. He again vetoed the District of Columbia bills in 1992 and 1993, and the Labor/HHS bill in 1992. In each of these cases, Congress approved a continuing resolution to avoid a shutdown while Congress and the President worked out differences over these bills.

There is no reason that Congress cannot again this year approve stopgap funding while Congress and the President negotiate differences over outstanding appropriations bills that should have been completed long ago. In fact, the President has indicated that, with relatively minor changes, he would quickly sign the bills he has vetoed, and the Government could be put back to work.

Mr. President, I ask unanimous consent that at the conclusion of my statement, the veto messages of the President regarding the VA/HUD, Commerce/State/Justice, and the Interior appropriations bills be printed in the RECORD.

As these messages make clear, agreement is within reach if extremist riders are removed and limited funding for high-priority programs is restored. The only reason that this has not been done already is that certain leaders in the