

As an example, last year we provided authority for multiyear procurement and an additional \$82 million for the Longbow Apache Helicopter Program in the fiscal year 1996 Defense bill. As a result, we may save up to \$1 billion over the life of this program. We want to continue to look at other innovative ways to achieve savings, which can then be applied toward other vital defense needs.

Finally, I remain concerned about the increasing frequency of deployments and the amount of time our men and women in uniform spend away from their homes and families. Ongoing and contingency operations, such as Haiti and Bosnia, not only drain resources away from current and future readiness, but place undue strain on our service members and their families.

Over the course of the next couple of months, the Armed Services Committee will continue to conduct an extensive evaluation of the budget request. Readiness, both current and long term, must be maintained and in some cases, revitalized. Modernization must be restored. Missile defense must become a reality.

MESSAGES FROM THE HOUSE

ENROLLED BILL AND JOINT RESOLUTION SIGNED

At 4:04 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled bill and joint resolution:

S. 1494. An act to provide an extension for fiscal year 1996 for certain programs administered by the Secretary of Housing and Urban Development and the Secretary of Agriculture, and for other purposes.

H.J. Res. 78. Joint resolution to grant the consent of the Congress to certain additional powers conferred upon the Bi-State Development Agency by the States of Missouri and Illinois.

The enrolled bill and joint resolution were signed subsequently by the President pro tempore [Mr. THURMOND].

REPORT OF THE BUDGET OF THE U.S. GOVERNMENT FOR FISCAL YEAR 1997—MESSAGE FROM THE PRESIDENT—PM 133

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; referred jointly, pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986, to the Committee on Appropriations and to the Committee on the Budget.

To the Congress of the United States:

The 1997 Budget, which I am transmitting to you with this message, builds on our strong economic record by balancing the budget in seven years while continuing to invest in the American people.

The budget cuts unnecessary and lower priority spending while protect-

ing senior citizens, working families, and children. It reforms welfare to make work pay and provides tax relief to middle-income Americans and small business.

Three years ago, we inherited an economy that was suffering from short- and long-term problems—problems that were created or exacerbated by the economic and budgetary policies of the previous 12 years.

In the short term, economic growth was slow and job creation was weak. The budget deficit, which had first exploded in size in the early 1980s, was rising to unsustainable levels.

Over the longer term, the growth in productivity had slowed since the early 1970s and, as a result, living standards had stagnated or fallen for most Americans. At the same time, the gap between rich and poor had widened.

Over the last three years, we have put in place budgetary and other economic policies that have fundamentally changed the direction of the economy—for the better. We have produced stronger growth, lower interest rates, stable prices, millions of new jobs, record exports, lower personal and corporate debt burdens, and higher living standards.

Working with the last Congress in 1993, we enacted an economic program that has worked better than even we projected in spurring growth and reducing the deficit. We have cut the deficit nearly in half, from \$290 billion in 1992 to \$164 billion in 1995. As a share of the Gross Domestic Product, we have cut the deficit by more than half in three years, bringing the deficit to its lowest level since 1979.

While cutting overall discretionary spending, we also shifted resources to investments in our future. With wages increasingly linked to skills, we invested wisely in education and training to help Americans acquire the tools they need for the high-wage jobs of tomorrow. We also invested heavily in science and technology, which has been a strong engine of economic growth throughout the Nation's history.

For Americans struggling to raise their children and make ends meet, we have sought to make work pay. We expanded the Earned Income Tax Credit, providing tax relief for 15 million working families. And we have given 37 States the freedom to test ways to move people from welfare to work while protecting children.

As the economy has become increasingly global, prosperity at home depends heavily on opening foreign markets to American goods and services. With this in mind, we secured legislation to implement the General Agreement on Tariffs and Trade and the North American Free Trade Agreement, and we have completed over 80 other trade agreements. Under our leadership, U.S. exports have grown to an all-time high.

With these policies, we have helped pave the way for a future of sustained economic growth, low interest rates,

stable prices, and more opportunity for Americans of all incomes. But our work is not done.

Looking ahead, as I said recently in my State of the Union address, we must answer three fundamental questions: First, how do we make the American dream of opportunity for all a reality for all Americans who are willing to work for it? Second, how do we preserve our old and enduring values as we move into the future? And, third, how do we meet these challenges together, as one America?

This budget addresses those questions.

CREATING AN AGE OF POSSIBILITY

I am committed to finishing the job that we began in 1993 and finally bringing the budget into balance. In our negotiations with congressional leaders, we have made great progress toward reaching an agreement. We have simply come too far to let this opportunity slip away.

A balanced budget would reduce interest rates for all Americans, including the young families across the land who are struggling to buy their first homes. It also would free up funds in the private markets with which businesses could invest in factories and equipment, or in training their workers.

But we have to balance the budget the right way—by cutting unnecessary and lower priority spending; investing in the future; protecting senior citizens, working families, children, and other vulnerable Americans; and providing tax relief for middle-income Americans and small businesses.

My budget does that. It strengthens Medicare and Medicaid, on which millions of senior citizens, people with disabilities, and low-income Americans rely. It reforms welfare. It cuts other entitlements. And it cuts deeply into discretionary spending.

But while cutting overall discretionary spending, my budget invests in education and training, the environment, science and technology, law enforcement, and other priorities to help build a brighter future for all Americans. We should spend more on what we need, less on what we don't.

PROJECTING AMERICAN LEADERSHIP

Across the globe, we live in a time of great opportunity and great challenge. With the end of the Cold War, the world looks to the United States for leadership. Providing it is clearly in our best interest. We must not turn away.

My budget provides the necessary resources to advance America's strategic interests, carry out our foreign policy, open markets abroad, and support U.S. exports. It also provides the resources to confront the emerging global threats that have replaced the Cold War as major concerns—regional, ethnic, and national conflicts; the proliferation of weapons of mass destruction; international terrorism and crime; narcotics trading; and environmental degradation.

On the diplomatic front, our successes have been numerous and heartening, and they have made the world a safer and more stable place. Through our leadership, we are helping to bring peace to Bosnia and the Middle East, and we have spurred progress in Northern Ireland. We also encouraged the movement toward democracy and free markets in Russia and Central Europe, and we led a successful international effort to defuse the nuclear threat from North Korea.

On the military front, we have deployed our forces where we could be effective and where it was in our interest to promote stability by ending bloodshed (such as in Bosnia) and suffering (such as in Rwanda). We also have used the threat of force to ease tensions, such as to unseat an unwelcome dictatorship in Haiti and to stare down Iraq when it threatened again to move against Kuwait.

This budget provides the funds to sustain and modernize the world's strongest, best-trained, best-equipped, and most ready military force. Through it, we continue to support service members and their families with quality-of-life improvements in the short term, while planning to acquire the new technologies that will become available at the turn of this decade.

CREATING OPPORTUNITY AND ENCOURAGING RESPONSIBILITY

The Federal Government cannot—by itself—solve most of the problems and address most of the challenges that we face as a people. In some cases, it must play a lead role—whether to ensure the guarantee of health care for vulnerable Americans, expand access to education and training, invest in science and technology, protect the environment, or make the Tax Code fairer. In other cases, it must play more of a partnership role—working with States, localities, non-profit groups, churches and synagogues, families, and individuals to strengthen communities, make work pay, protect public safety, and improve the quality of education.

To restore the American community, the budget invests in national service, through which 25,000 Americans this year are helping to solve problems in communities while earning money for postsecondary education or to repay student loans. We want to create more Empowerment Zones and Enterprise Communities to spur economic development and expand opportunities for the residents of distressed urban and rural areas. We want to expand the Community Development Financial Institutions Fund to provide credit and other services to such communities. With the same goal in mind, we want to transform the Department of Housing and Urban Development into an agency that better addresses local needs. And we want to maintain our relationship with, and the important services we provide to, Native Americans.

In health care, our challenge is to improve the existing and largely suc-

cessful system, not to end the guarantees of coverage on which millions of vulnerable Americans rely. My budget strengthens Medicare and Medicaid, ensuring their continued vitality. For Medicare, it strengthens the Part A trust fund, provides more choice for seniors and people with disabilities, and makes the program more efficient and responsive to beneficiary needs. For Medicaid, it gives States more flexibility to manage their programs while preserving the guarantee of health coverage for the most vulnerable Americans, retains current nursing home quality standards, and continues to protect the spouses of nursing home residents from impoverishment. My budget proposes reforms to make private health care more accessible and affordable, and premium subsidies to help those who lose their jobs pay for private coverage for up to six months. It also invests more in various public health services, such as the Ryan White program to serve people living with AIDS, and research and regulatory activities that promote public health.

Because America's welfare system is broken, we have worked hard to fix those parts of it that we could without congressional action. For instance, we have given 37 States the freedom to test ways to move people from welfare to work while protecting children, and we are collecting record amounts of child support. But now, I need the help of Congress. Together, in 1993 we expanded the Earned Income Tax Credit for 15 million working families, rewarding work over welfare. Now, my budget overhauls welfare by setting a time limit on cash benefits and imposing tough work requirements, and I want us to enact bipartisan legislation that requires work, demands responsibility, protects children, and provides adequate resources to get the job done right—with child care and training, giving recipients the tools they need.

More and more, education and training have become the keys to higher living standards. While Americans clearly want States and localities to play the lead role in education, the Federal Government has an important supporting role to play—from funding preschool services that prepare children to learn, to expanding access to college and worker retraining. My budget continues the strong investments that we have made to give Americans the skills they need to get good jobs. Along with my ongoing investments, my budget proposes a Technology Literacy Challenge Fund to bring the benefits of technology into the classroom, a \$1,000 merit scholarship for the top five percent of graduates in every high school, and more Charter Schools to let parents, teachers, and communities create public schools to meet their own children's needs.

As Americans, we can take pride in cleaning up the environment over the last 25 years, with leadership from Presidents of both parties. But our job

is not done—not with so many Americans breathing dirty air or drinking unsafe water. My budget continues our efforts to find solutions to our environmental problems without burdening business or imposing unnecessary regulations. We are providing the necessary funds for the Environmental Protection Agency's operating program, for our national parks and forests, for my plan to restore the Florida Everglades, and for my "brownfields" initiative to clean up abandoned, contaminated industrial sites in distressed urban and rural communities. And we are continuing to reinvent the regulatory process by working collaboratively with business, rather than treating it as an adversary.

With science and technology (S&T) so vital to our economic future, our national security, and the well-being of our people, my budget continues our investments in this crucial area. To maintain our investments, I am asking Congress to fulfill my request for basic research in health sciences at the National Institutes of Health, for basic research and education at the National Science Foundation, for research at other agencies that depend on S&T for their missions, and for cooperative projects with universities and industry, such as the industry partnerships created under the Advanced Technology Program.

To attack crime, the Federal Government must work with States and communities on some problems and lead on others. To help communities, we continue to invest in the Community Oriented Policing Services (COPS) program, which is putting 100,000 more police on the street. We are helping States build more prisons and jail space, better enforce the Brady bill that helps prevent criminals from buying handguns, and better address the problem of youth gangs. At the Federal level, we are leading the fight to stop drugs from entering the country and expand drug treatment efforts, and we are stepping up our efforts to secure the border against illegal immigration while we help to defray State costs for such immigration.

For many families, of course, the first challenge often is just to pay the bills. My budget proposes tax relief for middle-income Americans and small businesses. It provides an income tax credit for each dependent child under 13; a deduction for college tuition and fees; and expanded individual retirement accounts to help families save for future needs and more easily pay for college, buy a first home, pay the bills during times of unemployment, or pay medical or nursing home costs. For small business, it offers more tax benefits to invest, provides estate tax relief, and makes it easier to set up pensions for employees. It also would expand the tax deduction to make health insurance for the self-employed more affordable.

MAKING GOVERNMENT WORK

As we pursue these priorities, we will do so with a Government that is leaner, but not meaner, one that works efficiently, manages resources wisely, focuses on results rather than merely spending money, and provides better service to the American people. Through the National Performance Review, led by Vice President Gore, we are making real progress in creating a Government that "works better and costs less."

We have cut the size of the Federal workforce by over 200,000 people, creating the smallest Federal workforce in 30 years, and the smallest as a share of the total workforce since before the New Deal. We are ahead of schedule to cut the workforce by 272,900 positions, as required by the 1994 Federal Workforce Restructuring Act that I signed into law.

Just as important, the Government is working better. Agencies such as the Social Security Administration, the Customs Service, and the Veterans Affairs Department are providing much better service to their customers. Across the Government, agencies are using information technology to deliver services more efficiently to more people.

We are continuing to reduce the burden of Federal regulation, ensuring that our rules serve a purpose and do not unduly burden businesses or taxpayers. We are eliminating 16,000 pages of regulations across Government, and agencies are improving their rule-making processes.

In addition, we continue to overhaul Federal procurement so that the Government can buy better products at cheaper prices from the private sector. No longer does the Government pay outrageous prices for hammers, ashtrays, and other small items that it can buy cheaper at local stores.

As we look ahead, we plan to work more closely with States and localities, with businesses and individuals, and with Federal workers to focus our efforts on improving services for the American people. Under the Vice President's leadership, agencies are setting higher and higher standards for delivering faster and better service.

CONCLUSION

Our agenda is working. We have significantly reduced the deficit, strengthened the economy, invested in our future, and cut the size of Government while making it work better for the American people.

Now, we have an opportunity to build on our success by balancing the budget the right way. It is an opportunity we should not miss.

March 1996.

WILLIAM J. CLINTON.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and doc-

uments, which were referred as indicated:

EC-2151. A communication from the Director of the Office of Management and Budget, transmitting, pursuant to law, the Office's Sequestration Preview Report for fiscal year 1997; pursuant to the order of August 4, 1977; referred jointly to the Committee on the Budget and the Committee on Governmental Affairs.

EC-2152. A communication from the Chairman of the Joint Chiefs of Staff, transmitting, pursuant to law, the 1996 Force Readiness Assessment; to the Committee on Armed Services.

EC-2153. A communication from the Chief (Programs and Legislation Division), Office of Legislative Liaison, Department of the Air Force, transmitting, pursuant to law, a cost comparison study relative to Davis-Monthan Air Force Base [AFB], Arizona; to the Committee on Armed Services.

EC-2154. A communication from the Chief (Programs and Legislation Division), Office of Legislative Liaison, Department of the Air Force, transmitting, pursuant to law, a cost comparison study relative to Lackland Air Force Base [AFB], Texas; to the Committee on Armed Services.

EC-2155. A communication from the Chief (Programs and Legislation Division), Office of Legislative Liaison, Department of the Air Force, transmitting, pursuant to law, a cost comparison study relative to Little Rock Air Force Base [AFB], Arkansas; to the Committee on Armed Services.

EC-2156. A communication from the Secretary of Commerce, transmitting, pursuant to law, the Bureau of Export Administration's annual report for fiscal year 1995; to the Committee on Banking, Housing, and Urban Affairs.

EC-2157. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, the report entitled "Rental Housing Assistance At A Crossroads"; to the Committee on Banking, Housing, and Urban Affairs.

EC-2158. A communication from the president and chairman of the Export-Import Bank, transmitting, pursuant to law, a statement regarding a transaction involving exports to Republic of the Korea; to the Committee on Banking, Housing, and Urban Affairs.

EC-2159. A communication from the chairman of the board of the National Credit Union Administration, transmitting, pursuant to law, a report relative to schedules of compensation; to the Committee on Banking, Housing, and Urban Affairs.

EC-2160. A communication from the Secretary of Transportation, transmitting, a draft of proposed legislation to authorization of Federal Aviation Administration for fiscal years 1997-99, and for other purposes; to the Committee on Commerce, Science, and Transportation.

EC-2161. A communication from the Secretary of Agriculture, transmitting, pursuant to law, the report on the Southeast Alaska Public Lands Information Center; to the Committee on Energy and Natural Resources.

EC-2162. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a notice concerning defense articles to Laos relative to Presidential Determination 93-45; to the Committee on Foreign Relations.

EC-2163. A communication from the chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11-222 adopted by the council on February 6, 1996; to the Committee on Governmental Affairs.

EC-2164. A communication from the Director of the Office of Communications of the

Department of Agriculture, transmitting, pursuant to law, the 1995 annual report of the Department under the Freedom of Information Act; to the Committee on the Judiciary.

EC-2165. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the report of activities under the Freedom of Information Act for calendar year 1995; to the Committee on the Judiciary.

EC-2166. A communication from the General Counsel of the Office of National Drug Control Policy, Executive Office of the President, the annual report under the Freedom of Information Act; to the Committee on the Judiciary.

EC-2167. A communication from the Assistant Secretary of the Treasury (Management), transmitting, pursuant to law, the 1995 annual report of the Department under the Freedom of Information Act; to the Committee on the Judiciary.

EC-2168. A communication from the Archivist of the United States, transmitting, pursuant to law, the annual report under the Freedom of Information Act for the National Archives and Records Administration during 1995; to the Committee on the Judiciary.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HATCH (for himself, Mr. SIMON, Mr. SPECTER, Mr. BIDEN, Mr. SIMPSON, Mr. KENNEDY, Mr. GRASSLEY, Mr. KOHL, Mr. DEWINE, Mrs. FEINSTEIN, Mr. MCCONNELL, Mr. JOHNSTON, Mr. D'AMATO, Mr. AKAKA, Mr. BINGAMAN, Mrs. BOXER, Mr. BRADLEY, Mr. CAMPBELL, Mr. CHAFEE, Mr. COHEN, Mr. DODD, Mr. INOUE, Mr. JEFFORDS, Mrs. KASSEBAUM, Mr. KERRY, Mr. LEVIN, Mr. LIEBERMAN, Mrs. MURRAY, Mr. PELL, Mr. SARBANES, Mr. WELLSTONE, Mr. HARKIN, Mr. WYDEN, and Mr. LAUTENBERG):

S. 1624. A bill to reauthorize the Hate Crime Statistics Act, and for other purposes; to the Committee on the Judiciary.

By Mr. SPECTER:

S. 1625. A bill to provide for the fair consideration of professional sports franchise relocations, and for other purposes; to the Committee on the Judiciary.

By Mr. BRYAN (for himself and Mr. REID):

S. 1626. A bill to provide for the orderly disposal of Federal lands in Southern Nevada, and for the acquisition of certain environmentally sensitive lands in Nevada, and for other purposes; to the Committee on Energy and Natural Resources.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HATCH (for himself, Mr. SIMON, Mr. SPECTER, Mr. BIDEN, Mr. SIMPSON, Mr. KENNEDY, Mr. GRASSLEY, Mr. KOHL, Mr. DEWINE, Mrs. FEINSTEIN, Mr. MCCONNELL, Mr. JOHNSTON, Mr. D'AMATO, Mr. AKAKA, Mr. BINGAMAN, Mrs. BOXER, Mr. BRADLEY, Mr. CAMPBELL, Mr. CHAFEE, Mr. COHEN, Mr. DODD, Mr. INOUE, Mr. JEFFORDS, Mrs. KASSEBAUM, Mr. KERRY, Mr.