

EXTENSIONS OF REMARKS

INTRODUCING THE BALANCED BUDGET ENFORCEMENT ACT OF 1997

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1997

Mr. VISCLOSKY. Mr. Speaker, today, I am joined by our colleague, Representative CHARLIE STENHOLM, in introducing the Balanced Budget Enforcement Act of 1997. This legislation, which was originally introduced by former chairman of the Budget Committee, Leon Panetta, would put in place tough, new measures to reform the budget process and eliminate the Federal budget deficit by the year 2002.

It would do so by using a unique combination of an annual cap on appropriations, reconciliation, and sequestration, to pressure the President and the Congress to achieve annual deficit reduction goals, resulting in a balanced budget in 2002 and each year thereafter. Unlike similar pieces of legislation designed to produce a balanced budget, the Balanced Budget Enforcement Act contains no loopholes, and is designed to reward committees which meet their deficit-reduction responsibilities. A more detailed summary of the legislation appears after these remarks.

Like many of my colleagues, I am extremely concerned that we have failed to plan for this Nation's future and that we are about to saddle our children and our grandchildren with debts that they cannot possibly hope to pay. While we have made some progress in bringing the deficit under control over the past several years, the fact remains that in fiscal year (FY) 1996, the Federal Government spent \$107 billion more than it took in. What's more, the Congressional Budget Office estimates that under current law, the deficit will begin rising again this year, climbing back to \$278 billion by Fiscal Year 2007. The Balanced Budget Enforcement Act of 1997 would stop this destructive trend, and set us on the path to a budget that is truly balanced by 2002.

In closing, Mr. Speaker, I urge my colleagues to cosponsor this important legislation. The sooner we begin a serious effort to balance the budget, the better off our children and grandchildren will be.

BALANCED BUDGET ENFORCEMENT ACT OF 1997 SUMMARY

(1) Deficit Reduction Targets (in addition to the amounts required by current law) to reach balance in 2002.

(In billions)

	1998	1999	2000	2001	2002	Total
Discretionary caps	10.6	22.1	34.8	47.9	61.3	176.8
Entitlement/revenue scorecard	19.9	40.5	55.6	69.7	85.2	271
Debt service9	3.6	7.7	13	20	45.4
Grand total	31.4	66.2	98.2	130.6	166.6	493.2

Source: Congressional Budget Office

(2) Setting Sound Economic Estimates: The President appoints a "Board of Estimates," consisting of the Chairman of the

Federal Reserve and four private citizens nominated by House and Senate party leaders. The Board must choose either CBO's or OMB's estimates of how much deficit reduction is needed in that Session. The Board's choice would be binding on the President and Congress, so that the deficit reduction requirement for each would be identical. Finally, the Board would meet again after adjournment to pick either CBO's or OMB's estimates of how much deficit reduction was actually accomplished by Congress during the Session.

(3) Requirement of President to Submit Balanced Budget: The President must propose a budget that will reach balance by 2002. Further, the President's budget must use the assumptions chosen by the Board of Estimates, meet all discretionary caps and entitlement/revenue deficit reduction targets, and achieve balance in 2002 and each year thereafter, and be voted on by Congress.

(4) Requirement of Budget Committees to Report Balanced Budget: Likewise, the congressional budget resolution must lay out a plan to reach balance by 2002. In addition, budget resolutions must use the estimating assumptions chosen by the Board of Estimates, meet all discretionary caps and entitlement/revenue deficit reduction targets, and achieve balance by 2002 and each year thereafter.

(5) Enforcement: A. Discretionary savings—Appropriations. The discretionary savings will be achieved by keeping appropriations bills within an annual cap, and enforced by across-the-board sequestrations of discretionary programs.

B. Entitlement/revenue savings—Reconciliation. The entitlement/revenue deficit reduction priorities will be set through the annual budget process. The budget resolution (conference agreement) will include a reconciliation directive targeting by committee the dollar amount of deficit reduction to be achieved from entitlements and/or revenue and will generate a "spin-off bill" (to be sent to the President) putting those targets into law.

C. Sequestration—Overall reconciliation requirements will be enforced by sequestration; the type of sequestration in any year depends on whether a spin-off bill has been enacted.

(1) Targeted sequestration to enforce reconciliation: (applies if a spin-off bill has been enacted, either as a result of a budget resolution or, later, as a title in a reconciliation bill). If a committee misses its entitlement target, entitlement programs within that committee's jurisdiction will be sequestered by a uniform percentage to meet the target. If revenues do not meet the revenue target, a uniform personal and corporate surtax will be imposed to meet the target.

(2) Comprehensive sequestration: (applies if a spin-off bill has not been enacted; this would generally occur if the President first vetoes the spin-off bill, then vetoes a reconciliation bill containing the committee targets). There will be a comprehensive sequestration of entitlement spending and some revenue provisions in the amount needed to hit the overall target for entitlement/revenue deficit reduction. For revenues, a surtax would be imposed upon personal annual incomes greater than \$250,000 and corporate incomes over \$10 million. This formula will produce \$4 in entitlement spending cuts for every \$1 in revenue increases.

(6) Tax cuts/Investment: Tax cuts and/or investment policies can be enacted if they are paid for.

IN HONOR OF BRIDGET MCGLYNN: FOR SELFLESS DEDICATION TO THE IRISH-AMERICAN COMMUNITY OF BAYONNE

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1997

Mr. MENENDEZ. Mr. Speaker, I rise today to pay tribute to an outstanding woman, Bridget McGlynn, for her dedication to the Irish-American community in Bayonne. Mrs. McGlynn, grand marshal of the 1997 Bayonne St. Patrick's Day Parade, will be honored at a brunch on March 2 at the Hi-Hat Caterers in Bayonne, NJ.

Mrs. McGlynn's wondrous journey in community involvement began in her native Ireland. Originally from County Leitrim, she completed her education at nursing school in England. Upon emigrating to the United States in 1952, Mrs. McGlynn commenced her career as a registered nurse at St. Francis Hospital in New York City. Countless patients have benefited from Mrs. McGlynn's caring expertise over her long career.

While Mrs. McGlynn has become a valuable member of her community in America, her heart is still connected to Ireland. Mrs. McGlynn has been active in Irish-American affairs since her arrival in Bayonne in 1954. In an effort to foster the Irish culture in America, she has served as a member of the County Donegal Association, Ireland's 32 and the Irish-American League. Mrs. McGlynn, a charter member of the United Irish of Bayonne, has run an annual event to benefit the Project Children group for the past decade. In 1980, she was honored as the Irishwoman of the Year by the Irish American League.

Family plays a major role in our esteemed honoree's life. During her studies at nursing school, Mrs. McGlynn met her future husband, John, to whom she has been married for 43 years. Within a year of entering this new world, Bridget and John were married at St. Henry's Church in Bayonne. This joyful union has produced seven children: Sean, Eileen Finck, Kevin, Mary Rose Van Woudensburg, Michael, Bernadette Mastowski, and Kiernan. Mrs. McGlynn is the tremendously proud grandmother of 12 grandchildren: Megan, Michael and Caitlin Finck, Lauren and Cara Van Woudenberg, Christopher McGlynn, Aileen, Devan and Colin Mastowski, and Alanna, Brenda, and Connor McGlynn.

It is an honor to have such a caring and dynamic woman residing in my District. Bridget McGlynn epitomizes the amiable Irish spirit at its best. I am certain my colleagues will join me in recognizing this extraordinary daughter of Ireland.

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