

the budget shortly after it is designed to be balanced.

It is clear to me that many Members of this body are only interested in using the balanced budget debate as a pretense to grant expensive new tax cuts. We are now so close to finally balancing the budget, it makes absolutely no sense to me to start moving in the opposite direction with tax measures that will drive up the deficit.

If we would simply pass the spending reforms called for by this year's budget resolution, and do no harm by enacting new tax cuts, we would balance the budget before the end of the century and achieve a surplus of at least \$20 billion in the year 2002. This, I believe, is the wisest course of action because it allows us to invest for the future needs of this country, and ensure that we do not produce a budget that is a 1-year wonder, balancing in the year 2002, but becoming unbalanced shortly thereafter.

Mr. Speaker, now more than ever it is imperative that Members of both parties, along with the President, come together in a unified effort. We must take this opportunity to pass meaningful entitlement reform, hold off on granting expensive tax cuts until we can afford them, and keep our promise to balance the budget once and for all.

THE SPECTRUM GIVEAWAY IS A MISNOMER

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentleman from Florida [Mr. STEARNS] is recognized during morning hour debates for 5 minutes.

Mr. STEARNS. Mr. Speaker, you might title my 5 minutes this afternoon "The Spectrum Giveaway is a Misnomer." The spectrum issue has generated a lot of misinformation, and as a member of the Subcommittee on Telecommunications, Trade and Consumer Protection, I feel obliged to clear up the confusion. Some pundits and politicians have the notion that providing broadcasters access to the digital spectrum represents a massive giveaway. They are not understanding the point.

But first let us talk about what the spectrum is. It is broadcast airwaves, a series of frequencies for transmitting signals. The spectrum had no impact on human life until Mr. Farnsworth developed broadcast television. I might add, Mr. Speaker, that there is a statue of Mr. Farnsworth in Statuary Hall here in the Capitol.

Almost literally, something was made from nothing. Over the years, the media have invested billions of dollars to put the previously idle analog spectrum to productive use. As a Nation, we have benefited from these broadcasts through weather alerts, political debates and coverage of the first Moon walk.

With the advent of high definition technologies, the broadcasters need access to a new spectrum, the digital

spectrum. Again, the broadcasters will invest billions of dollars to deliver free TV over these frequencies. Individual stations will also have to convert at a cost of up to \$20 million each.

Now, obviously, this is a huge cost, particularly for most broadcasters in small- and medium-sized markets like many in my home State of Florida, where they have assets under \$10 million. However, there are many who want broadcasters to give up the old analog spectrum, spend billions of dollars on new equipment to convert to digital TV, and then continue to deliver free TV and pay for the digital spectrum all together. Well, it cannot be done.

Mr. Speaker, heaping auction costs on top of this transition cost will make it virtually impossible for many local broadcasters to provide free, over-the-air programming in the digitized world. It does not take a genius to figure out that if enough broadcasters are forced out of these auctions by these costs, consumers will have fewer choices in their viewing options.

Mr. Speaker, I do not agree with those advocating the up-front auction of the digital spectrum loaned to broadcasters. These advocates should look at this issue in the proper context. In the 1980's, the government and broadcasters developed an understanding to develop and promote high definition television over digital transmissions. The Federal Communications Commission, with the endorsement of Congress, agreed to provide broadcasters an additional 6 megahertz of spectrum. This added 6 megahertz of spectrum is necessary to assure that the old analog transmissions, current over-the-air TV, is not disrupted in the transition to digital transmission.

This does not mean that I support a government giveaway to the media. We can still, Mr. Speaker, generate government revenue from this exchange, and let me explain.

Once the transition from analog to digital is completed, we can then auction off the analog spectrum for cellular and other transmissions. In addition, the government may charge broadcasters a fee if they provide ancillary service such as paging or faxing in the new digital spectrum.

Last week William Safire, a leading columnist, called this exchange a sweet payoff to broadcasters and compared it with the prospect of, "giving Yellowstone National Park to the timber companies." Mr. Speaker, I wish to offer a different analogy this afternoon: The Homestead Act of 1862.

Mr. Speaker, through this act, the Federal Government parceled out billions of acres of what it considered worthless western land. Now a settler received a 160-acre plot of land and the government got a pledge that the land would be cultivated and put to productive use. What was then considered the "great American desert" is now among the most valuable land in the world.

My position is that a rational approach providing a win-win situation

for all should be involved. The government wins because its coffers will be filled with analog action proceeds and fees from supplemental digital services. Those who care about free, over-the-air broadcasting win because television will not be interrupted in the transition from analog to digital. Broadcasters win because they will remain competitive in the new information age. But above all, consumers win with continued free access to news and information and more competition among information and entertainment providers.

The up-front auction of the digital spectrum could be a roadblock to the new era of communications. Combined with other technologies, digital TV will yield a single box sitting in our living rooms; one device functioning as our TV, telephone, computer, modem, radio, and VCR. Mr. Speaker, let us not let misguided policies stand in the way of progress.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until 2 p.m.

Accordingly (at 12 o'clock and 42 minutes p.m.), the House stood in recess until 2 p.m.

□ 1400

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore [Mr. GOODLATTE] at 2 p.m.

PRAYER

The Chaplain, Rev. James David FORD, D.D., offered the following prayer:

O God, as You have brought us together from many backgrounds and diverse traditions, so we may strive to demonstrate a unity of spirit that reflects the solidarity You have given us at creation. We are grateful that we are blessed by our diversity and we learn from each other. We accept the challenge of celebrating our own heritage even as we celebrate the heritage of others. We thank You, gracious God, for our history as we pray that Your spirit will lead and guide us in the days ahead. This is our earnest prayer. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Florida [Mr. HASTINGS]

come forward and lead the House in the Pledge of Allegiance.

Mr. HASTINGS of Florida led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

DEMOCRATS AND TAX CUTS

(Mr. BARTLETT of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTLETT of Maryland. Mr. Speaker, when the Democrats on the other side make their arguments explaining why they oppose our tax cut package, I listen to them. It is not fun, but I do listen.

The problem is their arguments are extremely weak. The first argument is that most of the benefits go to the rich. My response to that argument is that they speak as if there is a pot of money that is distributed to people, that the Government divides up some amount of benefits and decides where the benefits go.

This is simply wrong. A tax cut simply means that the Government will take less. It will take less from upper income people. It will take less from lower income people. And let us please try to remember, it is their money to begin with; no one is giving them anything.

The second argument is that the tax credit should apply to the working poor who pay no income taxes but who do pay payroll and other taxes. But low-income workers already receive a subsidy for the payroll taxes through the EITC, and payroll taxes are for Medicare and Social Security anyway, for which they will also get a subsidy. So that is why their arguments simply do not add up.

LAKE TAHOE

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, Mark Twain once described Lake Tahoe as the fairest picture the whole Earth affords. But with an estimated 30 percent of Lake Tahoe surrounding forests that are dead and dying and the lake losing a foot of clarity each year, many vital environmental changes must be made to ensure that we pass on to our children the same wonderful gift of nature in the same pristine fashion as which we once found it.

A very important first step in this battle was taken when the President hosted the Lake Tahoe environmental summit this weekend. As a result of these meetings, \$48 million in Federal funds were committed to the Lake Tahoe Basin for cleanup and conservation efforts. But most important, the majority of these dollars will be made available to the people of Lake Tahoe

and not to a Federal bureaucratic agency.

Mr. Speaker, the agreement reached at Lake Tahoe is a shining example that the concerns of environmentalists and private property owners are not mutually exclusive. I applaud all those involved in this weekend's activities.

CHILDREN'S HEALTH CARE

(Mrs. MORELLA asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MORELLA. Mr. Speaker, as budget negotiators work to finalize the details of our historic agreement, we must make bolstering children's health coverage for low-income children a top priority. It is unconscionable that the most developed country in the world has 10 million uninsured children, including 167,000 in my State of Maryland.

I strongly urge my conference committee colleagues to adopt the Senate bill's provisions which contain an additional \$24 billion for children's health and the guarantee that the funds cannot be used for other purposes. We must also insist on a meaningful benefits package, including vision and hearing coverage. It is about time we used an increased tobacco tax to fund children's health insurance. Smoking dramatically affects children's health and drains our health care system. Raising cigarette taxes is one of the best ways to keep children from smoking, which translates into fewer deaths later in life from smoking-related illnesses.

Mr. Speaker, 90 percent of uninsured children have working parents, and oftentimes these parents must choose between paying rent or buying private insurance or quitting their jobs to qualify for Medicaid. Let us seize this opportunity.

POLITICIZATION OF THE JUDICIARY

(Mr. DUNCAN asked and was given permission to address the House for 1 minute.)

Mr. DUNCAN. Mr. Speaker, before coming to Congress I spent 7½ years as a circuit court judge in Tennessee. I tried the felony criminal cases, the murders, the rapes, the armed robberies, burglaries, drug cases, the attempted murder of James Earl Ray, many serious cases.

I have several years of experience with our criminal justice system. Yet never have I seen such a partisan political use of our legal system as is presently going on.

The worst is the action being taken against the gentleman from Indiana [Mr. BURTON], the chairman. His committee subpoenaed records from the Justice Department on July 8. Then his campaign records were subpoenaed just 3 days later. Blatant political retribution just because he was trying to do his job.

The Justice Department should not be used as a tool for partisan political purposes. Attorney General Reno should be embarrassed by this politicization of her department, and she should not allow to it proceed any further.

The White House enemies list from many years ago was just talk and did not come close to the partisan political use of our legal system that is being done against the gentleman from Indiana [Mr. BURTON] today, or, I might add, the political IRS audits of the Heritage Foundation and 11 other conservative think tanks while no similar action is being taken against liberal think tanks.

FOUR YEARS' DIFFERENCE

(Mr. GUTKNECHT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUTKNECHT. Mr. Speaker, what a difference 4 years can make. Four years ago, with the other team in charge, they were about to vote on the largest tax increase in American history, while the other problems of welfare and Medicare reform were being ignored. The Congressional Budget Office was projecting \$200 billion deficits as far as the eye could see. As we speak, negotiators are putting the finishing touches on a plan that will guarantee the first balanced budget in a generation and the first tax relief for working families in more than 16 years.

We have reformed welfare, and 1.3 million families are on payrolls rather than on the welfare rolls. Medicare is being saved. Mr. Speaker, what a difference 4 years have made.

MEDICARE

(Mr. STEARNS asked and was given permission to address the House for 1 minute.)

Mr. STEARNS. Mr. Speaker, I call all my colleagues' attention to the Medicare spending graph I have here. In 1995, this is what the President said. He said the plan of the Republicans was excessive, and he vetoed our bill because of these excessive cuts.

Now in 1997, he says, this budget over here keeps our fundamentals intact, protects Medicare for our parents, preserves and protects the program. Notice that this program is less spending than the one he vetoed in 1995. Let us review, Mr. Speaker. He vetoed a welfare bill three times, calling it extreme; yet he signed the identical welfare bill and tries to take credit. Then he goes on and talks about this Medicare program, this one with less spending, and says it protects our seniors whereas this one, which he vetoed, says it is extreme.

Now he goes on to say, our tax cuts are excessive and will blow a hole in the deficit. Mr. Speaker, I think the President has credibility problems. Let us remember this history in this budget debate.