

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 2000 recommended by the Committee of Conference, with comparisons to the fiscal year 1999 amount, the 2000 budget estimates, and the House and Senate bills for 2000 follow:

[In thousands of dollars]

New budget (obligational) authority, fiscal year 1999	\$14,297,803
Budget estimates of new (obligational) authority, fiscal year 2000	15,266,137
House bill, fiscal year 2000	13,934,609
Senate bill, fiscal year 2000	14,055,710
Conference agreement, fiscal year 2000	14,533,911
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1999	+236,108
Budget estimates of new (obligational) authority, fiscal year 2000	-732,226
House bill, fiscal year 2000	+599,302
Senate bill, fiscal year 2000	+478,201

RALPH REGULA,
JIM KOLBE,
JOE SKEEEN,
CHARLES H. TAYLOR,
GEORGE R. NETHERCUTT,
Jr.,
ZACH WAMP,
JACK KINGSTON,
JOHN E. PETERSON,
BILL YOUNG,
JOHN P. MURTHA
(Except for NEA funding, Sec. 337 (mill-sites) and Sec. 357 (hard rock mining),

Managers on the Part of the House.

SLADE GORTON,
TED STEVENS,
THAD COCHRAN,
PETE V. DOMENICI,
CONRAD BURNS,
R.F. BENNETT,
JUDD GREGG,
BEN Nighthorse
CAMPBELL,
ROBERT C. BYRD,
PATRICK J. LEAHY,
ERNEST F. HOLLINGS,
HARRY REID,
BYRON L. DORGAN,
HERB KOHL,
DIANNE FEINSTEIN,

Managers on the Part of the Senate.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate agrees to the report of the Committee of Conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2670) "An Act making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 2000, and for other purposes."

THE BUDGET SURPLUS, GENERAL REVENUE SURPLUS, SHOULD BE USED TO SHORE UP SOCIAL SECURITY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from New Jersey (Mr. PALLONE) is recognized for 60 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, I am pleased that my Republican colleagues preceded me this evening because as much as I respect them dearly, and they are actually two very good gentlemen who I respect quite a bit, I have to disagree very much on what they said about the President's intentions, particularly with regard to Social Security.

The bottom line is from day one, during his State of the Union address earlier this year, the President made it quite clear that whatever budget surplus existed and appeared over the next 5 or 10 years, that he was determined that that budget surplus, general revenue surplus, be used to shore up Social Security. President Clinton has repeatedly said that whatever surplus is generated primarily has to be used for Social Security and, if not, for Medicare.

What the gentlemen are confusing is they are suggesting that somehow the Social Security surplus is being spent by the President when, in reality, they are the ones that are doing it. The Republican leadership, the appropriations bills, the so-called budget that the Republicans have put forth over the last few months has repeatedly dipped in to the Social Security surplus.

The interesting part of it is when they started to talk about emergencies and the need to spend money on some of the natural disasters that we have had, whether it be floods or some of the other natural disasters that have occurred, the bottom line is that they have appropriated the money for those natural disasters and essentially taken it out of the Social Security surplus. One can argue whether it is good or bad to do that, but the bottom line is it has been done.

The Republican leadership and the appropriations bills that have passed here, the so-called budget bills, have repeatedly used various gimmicks; but essentially what they are doing is spending Social Security money.

I think it is particularly ironic because during most of the summer what we heard from the Republican leadership is how we needed a huge tax cut bill, trillions of dollars that was going to be spent on a tax cut that was primarily going to benefit the wealthy in America, wealthy Americans; and the reason that the President vetoed that tax cut bill was because it was essentially taking money that was to be used for Social Security, because he wanted to make sure that whatever surplus there was was used for Social Security rather than a huge tax cut primarily for wealthy Americans. That

is why the American people responded overwhelmingly and said they did not want the tax cut because they did not want us to dip into Social Security to pay for the tax cut.

So I just think it is particularly ironic that now that some of the Republicans have suggested that they are going to sit down with the President and try to work out an agreement on the budget that they are suggesting that that means that there will be no more spending from the Social Security surplus. Well, they have already spent it. They have already spent it on emergencies. They have already spent it on a number of items, and they can hardly suggest in any way that they are not going to continue to spend it because that is exactly what their intention is.

I just wanted to say, if I could, and I have to say it over and over again, that what the Republican leaders are doing is carrying out a budgetary charade. They continue to publicly promise not to spend the Social Security surplus; but no one, not even their own budget analyst, still believes them. The only question left to ask them is how much they are spending of the Social Security surplus. They clearly are spending the money, but how much?

Well, let me just give an example of this hypocrisy. We have the Speaker of the House who is quoted as saying recently that we are not going to take money out of Social Security. We have the gentleman from Texas (Mr. DELAY), the Whip, who says, according to the New York Times, the bottom line is we are not going to spend a dime of the Social Security Trust Fund.

But the Republicans' own Congressional Budget Office says Republican promises are bogus. According to their hand-picked budget chief, Republican spenders have already run more than \$16 billion of the Social Security surplus. Even conservative commentators like George Will have said they have no other strategy other than dipping into \$14 billion in Social Security surplus, and the Washington Times, this is from October 1, said Congress has already erased the projected \$14 billion in non-Social Security budget surplus.

What they are really doing is they are using gimmicks, gimmicks to pretend that they are not actually spending the Social Security surplus. They are delaying tax cuts for working families. They are pretending the fiscal year has 13 months. That was one of the cutest things, a 13-month year, and they are calling constitutional requirements like the Census emergency spending.

I just wanted to point to a chart here, if I could, Mr. Speaker. I am glad that the previous speakers included my two Republican friends that were talking about emergency spending. Already emergency spending in the budget bills that the Republicans have passed for the next fiscal year 2000 exceeds the amount of spending in the previous year by 17 percent, or \$24.9 billion.

We can see that some of that emergency has been for FEMA, that is, for the Federal Emergency Management Agency, for disaster aid, fuel assistance, defense O&M, the census, which I mentioned, and agricultural emergencies. Now, I am not going to suggest that some of these expenditures are not important.

My friend, the gentleman from North Carolina (Mr. JONES), previously talked about the need to spend money for people who were the victims of natural disasters, but the bottom line is that this spending has already occurred and has come out of Social Security. They cannot deny it. It is a fact. The other chart, if I could, Mr. Speaker, talks about the other types of budget gimmicks that are being made here. In other words, they do not want to admit that they are taking money from the Social Security surplus, so what they do is they come up with these budget gimmicks.

I already mentioned the emergency. But we have delayed outlays; we have advanced appropriations where they basically say they are going to advance money that is going to be spent in the future and other types of scoring gimmicks here that basically create all of these gimmicks; and they are denying and playing this game that somehow they are not spending the money from Social Security, but in reality that is exactly what they are doing.

I wanted, if I could, Mr. Speaker, to particularly make reference, if I could, to what this strategy is all about, because it was back in August, I think, in the New York Times, Friday August 6, that the majority whip, the gentleman from Texas (Mr. DELAY), basically explained, if I could for a minute, how he was going about this charade.

Basically, what he said is that the plan, the gentleman from Texas (Mr. DELAY) said, was for Republicans to drain the surplus out of next year's budget and force President Clinton to pay for any additional spending requests out of the Social Security surplus, which both parties have pledged to protect. He said, we are going to spend it and then some. From the get-go, the strategy has always been we are going to spend what is left, he admitted.

The Republican strategy, the gentleman from Texas (Mr. DELAY) said, will also force the President to sign the Republican Party spending bills for the next year.

He, the gentleman from Texas (Mr. DELAY), said that even if the spending swallowed up the budget surplus, the Republicans had a plan to use various budgetary mechanisms that would allow them to say they had stuck to the strict spending caps they imposed in 1997. We will negotiate with the President, after he vetoes the bills, on his knees.

□ 2000

Mr. Speaker, let me just briefly summarize again what this charade is all

about based on the statement I just read from the gentleman from Texas (Mr. DELAY). Basically what the Republicans are going to do is they are going to bring up appropriations bills one by one. There are 13 all together. Each of those individually or collectively, if we look at it all, will spend a significant amount of money from Social Security. They already have.

But what they are going to do is they are going to keep sending these to the President. They do not want him to look at the overall strategy of what this all adds up to. What the President said today, which I think was most significant when these negotiations started for the first time with the Republican leadership, and he was willing to sit down with them, he said, "Do not keep sending me these individual bills, like the Foreign Ops, because I am going to veto them."

I think it is the ultimate in hypocrisy that my colleagues who preceded me tonight talk about the President vetoing as if that indicates he wants to spend money. I mean, it is just the opposite. The reality is he is going to veto these bills because he wants to see what the whole budget plan is. He knows that, if it continues at the spending levels that they have already appropriated with these bills that have passed, then it is going to significantly dip into Social Security; and he is saying, "That is not acceptable. I will continue to veto bills until you lay it all on the table and show me what your budget is. And then, at that point, we can negotiate and figure out what is really going on here."

What has been going on so far over the last few months is a continued effort to spend more, to use budgetary gimmicks, and to dip into Social Security Trust Fund.

Mr. Speaker, I yield to the gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Speaker, I want to thank the gentleman from New Jersey for engaging in this effort tonight. I think what we want to do is to kind of just bring some clarity to the debate. Republicans this summer, they spent this summer pushing a tax cut for the wealthiest people in this country and for corporate special interests. They went out on the road, and they talked about how they were going to, in fact, engage the public on a debate on their tax cut. It was nearly \$46,000 for the wealthiest Americans and, in fact, about \$160 for working families in this country. Two-thirds of the GOP tax cuts went to the top 10 of taxpayers.

They went around the country, and lo and behold, the good folks, the good people, the working families of the United States said, we do not buy it. We do not buy it. We do not like it. We do not want it.

Now, these are the same people, this Republican leadership, who told us that they could spend all this money, cut taxes by \$792 billion, never touch

the Social Security surplus. These are folks who cannot be trusted on this issue. The Republican budget plan hinges on gimmickry. There is \$46 billion of gimmicks at last count. What they have done with that is so that they can disguise what it is that they are doing in already spending the Social Security surplus. The hypocrisy is mind boggling. The plan is phony, and it is a sham to its core.

As the gentleman from New Jersey (Mr. PALLONE) pointed out, it calls the census an emergency. They cook the books with directed score keeping and by moving tens of billions of dollars for this fiscal year into 2001.

The Republican Congressional Budget Office, we make this point over and over again, it cannot be made often enough, that is, the Republican Congressional Budget Office made it crystal clear that the Republicans have already spent \$13 billion of the Social Security surplus. They are on their way to spending a whopping \$24 billion chunk of it. That is a fact. That is not my commentary, the commentary of the gentleman from New Jersey (Mr. PALLONE), the commentary of the gentleman from Oregon (Mr. DEFAZIO) or the gentlewoman from Texas (Ms. JACKSON-LEE). This is the Republican Congressional Budget Office.

To add to this effort, I think we need to get into another level of this debate; and that is, it is outrageous for the Republican leadership to pose as defenders of Social Security.

I want to deal with several quotes here. I think it serves us well to remember who some of these folks are. In fact, they are the enemies of Social Security. They want to eliminate it. They do not like it. They have wanted to privatize it.

The Majority Leader of the House, I want to talk about several of his quotes. This bears repeating over and over and over again. He ran for Congress proposing to abolish Social Security.

This is United Press International, 1984: "Ultra-conservative economics professor DICK ARMEY who has based his campaign on his support for the abolition of Social Security, the Federal minimum wage law, the corporate income tax, and Federal aid to education." These are not my words. These are not my words. Here it is in blue and yellow in this poster here.

Second, Majority Leader DICK ARMEY believes that Social Security should be phased out over time. "In 1984, ARMEY said that Social Security was, 'a bad retirement' and 'a rotten trick' on the American people." He continued, "I think we are going to have to bite the bullet on Social Security and phase it out over a period of time."

This is someone who is a defender of Social Security? Wants to save the Social Security surplus? Give me a break.

If my colleagues want to fast forward now to 1994, Majority Leader DICK ARMEY on cutting Social Security. This is CNN's Crossfire, September 27,

1994. "Are you going to take the pledge? Are you going to promise not to cut people's Social Security to meet these promises?"

DICK ARMEY: "No, I am not going to make such a promise."

In 1994, September 28, DICK ARMEY, Majority Leader of the House of Representatives, "I would never have created Social Security."

I think above all, that says who is willing to do Social Security in and who is willing to expend an effort on protecting and strengthening Social Security for the future of retirees in this country. Their words are hollow. They have raided Social Security. They are doing it continuously. They do not like the program. If they have had their druthers it would be gone.

I think we need to keep on and let the public know exactly what the score is on this issue.

Mr. PALLONE. Mr. Speaker, when I was here earlier and the gentleman from Georgia (Mr. KINGSTON) made a statement, and again the gentleman is a friend of mine, but he made a statement about how the President of the United States was the one who wanted to spend the Social Security surplus. I grimace when I hear it because, from the very beginning of this year, President Clinton said very emphatically that whatever general revenue surplus is generated over the next 5 or 10 years as a result of the Balanced Budget Act, and we are not talking about the Social Security surplus now, we are talking about the general revenue surplus that is basically generated because of the Balanced Budget Act that he spearheaded and that is going to be available in the next 5 or 10 years, he said he wanted to take that general revenue surplus and use it to shore up Social Security long-term.

So we have the Republican leadership like ARMEY who wants to abolish Social Security. We have the President of the United States, President Clinton, who says that whatever general revenue surplus is generated over the next 5 or 10 years, he wants to take that money and put it into Social Security to guarantee the long-term viability of Social Security for future generations.

Okay. The President was not just talking about not spending the Social Security surplus. He was going way beyond that in saying that the surplus that generated through general revenue was going to be used to shore up Social Security for the future.

Also, if my colleagues notice, his budget had all the offsets, what additional spending was there was going to be offset with cuts. Also, he had even proposed the tobacco tax increase to pay for some of the additional spending. He was very clear that we were not going to spend the Social Security surplus. The general revenue surplus was going to be used to add to the Social Security surplus, and just the opposite of what the Republicans are saying.

Ms. DELAURO. Mr. Speaker, just one quick point because colleagues need to

get into this discussion, the fact the President said let us wait to see what we need to ensure the long-term security of Social Security to protect it and to strengthen it before we start dipping into the surplus. The fact of the matter is that Democrats have talked about extending the life of Social Security. The Republican leadership has offered zero, nothing, not one dime to extend the future of Social Security.

Mr. PALLONE. Mr. Speaker, they want to privatize.

Ms. DELAURO. Mr. Speaker, again, we can go to any chart, anybody's analysis of this issue, they have not one dime in their budget for extending the life of Social Security. But they have a \$792 billion tax cut for the wealthiest people in this country.

Mr. PALLONE. Mr. Speaker, I yield to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentleman very much for yielding to me. I think this is a worthy discussion. I would like to pick up from where the gentlewoman from Connecticut (Ms. DELAURO) just left off.

We apparently have heard from our constituents, she in Connecticut, I in Texas. Why do we not begin with the history of why we are where we are today; and that is because our Republican friends spent a good part of the summer and the spring debating the \$792 billion tax cut.

What befuddles me is, at the time that they were debating the \$792 billion tax cut, Democrats were arguing that that clearly had to bust open Social Security. We could not imagine where those funds were coming from.

In addition, it is very clear that the President does not want to raid Social Security, but he was out front and center on the issue of vetoing the tax offering that our friends had.

It is disappointing to think that we wasted the spring and the summer, and now it is October 20. We are some eight appropriations bills behind, which responds to the point of the gentleman from New Jersey (Mr. PALLONE) that we have a puzzle with missing parts.

That is what the President is asking. He wants to help those in North Carolina. I know I do. He wants to ensure the farmers who have suffered disasters this year be helped. He wants to make sure that we have our community health clinics open and the WIC program survives and various training programs survive. But we must be insistent on the truth, and we must work with the facts.

Let me cite for my colleagues a book that many of us were assigned to read in our years of learning. Unfortunately, I think it captures where I believe we are today, the 1984 novel that Orwell wrote that a government that declared war is peace; obviously the opposite. Freedom is slavery; obviously the opposite. Ignorance is strength; obviously the opposite.

Here we have our Republican majority declaring we do not raid Social Security; obviously the opposite. I think they do. The reason is, of course, if my colleagues would just look at, and I think in order to avoid any glazing of the eyes as we debate this, I think that when the gentleman from New Jersey (Mr. PALLONE) mentioned gimmicks, though I do not want to reflect negatively on emergency spending, but what emergency spending does is it takes it outside the caps, and it allows my colleagues to bypass the stop light. We need to use that in this government to help the least of those when there are crises in our Nation, when there is no other way of dealing with it.

But look where we are with the Republicans in fiscal year 2000. They have gone through the roof on emergency spending. They have declared everything emergency spending. They are 17 percent over the 1999 omnibus bill which says to me that we are dangerously near raiding Social Security.

Important issues, yes. Important needs, yes, some of them. Some would argue about our defense spending here. But they have been declared emergency.

What that means to the American public is they are spending their money, and they are calling it an emergency, and that is how they are able to argue that we are not raiding Social Security. In fact, that is how they are, I believe, in Orwellian mindset, to say one thing and it is the complete opposite.

□ 2015

So I would simply say that we face an opportunity to be the truth squad. I would frankly like to join my colleagues in being the right squad. And when I say that, I mean to do the right thing, and that is that we put on the table what is the budget plan of the majority and then let us argue over that budget plan. Show us that it is not doing damage to the way we spend our money here in the Federal Government. Let us seriously look at the appropriations bills from the perspective of trying to serve the most American people.

And, for goodness sake, the other two things I want to say, let us not have the sneak attack of the lingering tax cuts that we hear about. And as well let us ensure that we do not have the gimmickry of the earned income tax credit being held hostage, which is something that helps working men and women, in order to supplement this emergency spending, and which thereby gets them in the hole further, and as well puts them in the position of having to invade Social Security. So let us not use the earned income tax credit, utilized by hard-working families who need those monies, and legitimately it has been budgeted, to be utilized to violate the rules of invading Social Security.

I would simply thank the gentleman for allowing us the time to engage in

this. I hope we can do more of this truth squad, and maybe someone will listen to what the American people are saying and get on with the business of real budgeting and stop raiding Social Security.

Mr. PALLONE. Mr. Speaker, I appreciate what the gentlewoman has said. And this whole idea of a truth squad is what is so crucial here. The gentlewoman is pointing out that what the Republicans are doing, and this is the strategy of the gentleman from Texas (Mr. DELAY), and he said it back in August, his strategy is spend, spend, spend, call everything an emergency, spend all the money, and then force the President to sign some omnibus bill at the end.

I just find it so ironic that my colleagues earlier on the Republican side came to the floor and criticized the President for vetoing a spending bill. What the President has said is that he wants to see what they are up to. He wants to see where all this spending is, all these emergencies, all these bills that are out there. And he is very much afraid that when it all adds up, it is going to add up to a lot of money that is dipping into the Social Security surplus. And he is basically saying, I am going to put a stop to it. We are going to see what they are up to. We are not going to just let them spend, spend, spend as the gentleman from Texas (Mr. DELAY) said.

It is really ironic that they are the ones that are suggesting that somehow we are spending the money. They are in charge. The Congress appropriates the money. The Congress does the spending, not the President. They are passing the bills that spend the money.

I want to thank the gentlewoman.

Ms. JACKSON-LEE of Texas. And if I could, just one last sentence. I do not know how in good conscience we could have spent 6 months on planning, on debating, on strategizing for a \$792 billion tax cut, and we come now in October and there is representation that, oh, we are saving Social Security, when in fact there is a whole history that they were going in completely the opposite direction.

I hope we have awakened both my colleagues on the other side of the aisle. I know we have awakened the American people.

Mr. PALLONE. I appreciate that. Not one of those bills that they sent to the President for his signature would ever have passed here without the Republican majority's support. They are the ones spending the money.

Mr. Speaker, I yield now to the gentleman from Oregon (Mr. DEFAZIO).

Mr. DEFAZIO. Mr. Speaker, I thank the gentleman from New Jersey for yielding.

I think the American people are often puzzled in listening to our debates, and let us just try to distill this down a bit. What do most families consider to be an emergency? Now, in my case, I have a little bit of money set aside, like other people do, for emergencies.

Now, my property tax bill, which I know is going to come on November 15 of every year, is not an emergency. My bills for my insurance, my homeowners insurance, my mortgage, which comes on a monthly basis, these obviously are not emergencies. I think all Americans would agree we would not consider these sorts of anticipated expenditures, whether they are annual, monthly or biannual, in the case of my insurance, as emergencies.

But somehow, strangely enough, the Republican majority has decided that things that are eminently predictable, such as the census of the United States, something required since the founding of our Nation in the Constitution to be conducted once every 10 years, next year is the year 2000, everybody has known since they wrote the Constitution that if the Republic stood, we would conduct a census in the year 2000; but they have declared those funds to be an emergency.

Now, that is probably puzzling to a majority of the American people. Why would they do that? Why would they declare something like the census or expenditures in the Department of Defense as emergencies, when their annual operating costs, in the case of the Department of Defense, are a required expenditure once every 10 years by the Federal Government? Because they do not count. It is money that because of the Budget Act does not count.

Well, it has to come from somewhere. These emergency funds have to come from somewhere. Guess what? They come out of American taxpayers' wallets that are paid in taxes and go to the Federal Treasury. Now, in this case, the money is, in fact, going to come out of, since they have already spent the general fund surplus, the Social Security surplus. It is just a fact.

They have already, in their wild spending spree here, like the aircraft carrier that the majority leader of the Senate wants and that the Pentagon does not want, they have already exceeded the budget. They have exceeded it. They have spent all the available money and the projected general fund surplus. So where is this emergency money coming from? The emergency money can only come from one place, either thin air, I suppose they could call downtown to Alan Greenspan and ask him to print up some million dollar bills, or it comes from Social Security. The Social Security surplus.

They have already spent it. They have spent it in spades. And they are spending again and again. As these bills come to the floor, more and more things are declared emergencies.

Let us talk about one other way they are spending it. There is this other kind of funny money out there. What is two plus two? Well, everybody knows. The gentleman can answer.

Mr. PALLONE. Four.

Mr. DEFAZIO. Four. No, no, no, the gentleman is wrong. In the world of the Republican budget, two plus two can be

any number that they direct it to be. It is called directed scorekeeping. So if they get a result they do not like from their own Congressional Budget Office, which they have appointed, they direct that in fact two plus two is one, or zero, or maybe minus eight, or whatever they need to do to add up to budget.

But the hard fact is that the money they are spending, which is actually going to be spent by these appropriations bills passed by the majority, originating in this chamber by the Republican majority, that money has to come from somewhere; and that money is coming from the Social Security surplus.

Every time they do one of these funny tricks, yes, it makes it look okay in terms of the Budget Act, emergency spending, directed scorekeeping; but it is coming out of Social Security. So let us drop the charade and develop an honest budget and admit we are probably going to run a real deficit this year. That is where we are headed. Because they have loaded up these bills so much, if we go to the real priorities of the American people and keep all the junk they have loaded into the bills, we are going to be running a deficit. Unless they want to pull out some of those things, the aircraft carriers the Pentagon did not ask for and some of those other things, they are up the creek without a paddle, or a boat or a life jacket.

Mr. PALLONE. I want to thank the gentleman. He has said it all.

I would like to yield at this time to my colleague from the district next door to mine, the gentleman from New Jersey (Mr. HOLT).

Mr. HOLT. Mr. Speaker, I thank the gentleman for yielding to me, and I would just like to follow on the comments of my friend from Oregon.

These budget gimmicks that the gentleman has been talking about can be used to explain that, well, maybe we are adhering to the caps that were part of the Balanced Budget Agreement, maybe we have not dipped into Social Security, but in point of fact, let me give my colleagues a very simple explanation of why we are now doing what the majority party claims we are not doing.

We are spending Social Security because we are operating now under a continuing resolution, are we not?

Mr. PALLONE. We are.

Mr. HOLT. And in this current fiscal year, which began in the beginning of this month, we were supposed to be spending a lower amount of money, but we are spending at last year's rates. That is what the continuing resolution means. If we are spending at last year's rate, we are spending Social Security money now.

And we can use any gimmicks we want to talk about it, but the point of fact is we set a goal for ourselves, Republicans and Democrats. We said it would be advantageous for us to take this Social Security tax money that is

collected and use that to pay down the debt. If we did that, we would not only shore up Social Security, but it would result in lower interest rates, which of course would be more money in the pockets of every American, far more than would come from these crazy tax cuts, for most Americans, that is. Now, for some very wealthy Americans in some very special situations, maybe the tax cut would help them somewhat more; but for most Americans paying down the debt would help us. And so we set this goal of not using Social Security.

But the majority party has been unable to get their appropriations bills done this year. They have strung them along and strung them along, and pretty soon the end of the fiscal year came and we had to go into a continuing resolution. The result is not only are we not laying out the full financial picture for the country so that the President can make his decisions of what bills to sign and which bills to veto, but the American public does not know where we stand. From their point of view it must look very much like a shell game. And that is the result of these budget gimmicks. And it just further erodes public trust in government, which is what many of us are fighting so hard to try to restore.

It is a shame. It is a shame that we have come to this state. But I hope in the next week or two the other side will come to their senses and will try to bring us back on an even keel with straightforward accounting.

Mr. PALLONE. I want to thank the gentleman for bringing up the paying down on the national debt, too, because, again, before I started the hour special order we had two of my Republican colleagues, and the gentleman from Georgia (Mr. KINGSTON) specifically talked about he and the Republicans wanted to pay down the national debt. And I laughed because we know that if that tax cut that the Republicans put forward that the President vetoed had actually been signed into law and would be in place, the opposite would have happened. We would have been spending Social Security. We would not have had any money to pay down the national debt.

And President Clinton, from the beginning of the year, said what he would like to do with any general revenue surplus that was to be generated over the next 5 or 10 years was that he wanted to take 60 percent of it and use it to contribute to Social Security, to shore up Social Security for the future; and he wanted to take, I think 15 percent for Medicare, and then he talked about also paying down some of the national debt. In fact, that was already done a few months ago. He actually did spend some of general revenue surplus to help pay down the national debt or to transfer the bonds in some ways so that the debt was being paid off.

And I just listened to my Republican colleagues somehow turn that around and say, oh, no, the President wanted

to spend the Social Security surplus. Just the opposite was the case. He was saying we, over the next 5 or 10 years, we are going to generate some general revenue surplus. Let us take that and use it for Social Security. Let us take that and use it to pay down the national debt. And the total effort to confuse the public in the debate by somehow suggesting that by using general revenue surplus to help Social Security that that was somehow using Social Security surplus, it is just the opposite.

Mr. HOLT. If the gentleman will continue to yield, any magician knows that in playing a shell game or trying to use sleight of hand, the trick is to hide something in the most obvious place, and that is what is used for misdirection. Well, the other party is using that trick, trying to say that Social Security is what the Democrats are playing around with; that Social Security is what Democrats are undermining.

But Social Security is the creation of the Democratic party. It was one of the great accomplishments of the New Deal. Of course, it is one of the great accomplishments of government in the 20th century.

□ 2030

I am sure the American public understands that we, as a party, hold Social Security in the highest regard and intend to do everything we can to preserve and shore up Social Security for the future generations, not just for this year's seniors, not just for next year's seniors, but for this year's young, working people, for this year's toddlers.

Mr. PALLONE. Mr. Speaker, I appreciate the comments of the gentleman.

Mr. Speaker, I yield to the gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Speaker, I think the point that has been made about the tax cut should not be lost in this debate. I think it is at the core of what we are talking about today, tonight, tomorrow, and as the days go on, because this \$792 billion, of which \$46,000 in a tax cut was going to the wealthiest people and it wound up to be about \$160 for working families, but the point of being able to pay down the debt, again, this is not our manufacturing this notion.

Alan Greenspan, head of the Federal Reserve, in commenting on the tax cut, economists from all over the country who said that this is not the direction that we ought to be going in and that in fact what you would do by not lowering the debt was to increase the interest rates. Very critical, very important to what people are paying for mortgages, for car payments, for student loans, et cetera.

At the core of this debate is the desire of the Republican leadership to pass a \$792 billion tax cut that throws everything else in the process that we are engaged in disarray.

Mr. DEFAZIO. Mr. Speaker, if the gentleman will yield.

Further on the tax cut. Now, just like the emergency spending, where would the money for the \$792-billion tax cut come from? Now, if indeed we were running huge and growing general fund surpluses, it would come potentially out of that. But, in fact, because of the numbers that were used to project this not yet realized, contingent, possible, sometime future, maybe surplus, they wanted to lock in \$792 billion of tax cuts today heavily weighted towards the largest corporations and the most wealthy Americans, those families earning over \$300,000 a year; and if everything did not come out in the rosy scenario, record growth, record low inflation, we have already exceeded those estimates and growth is already dropping off the charts, in huge and growing surpluses, it would have come out of Social Security, out of the Social Security surplus.

So lock in a tax cut today. The same party, of course, who has the majority leader who has said for 2 decades he does not believe in Social Security, and maybe they can kill Social Security tomorrow. Because, well, we do not have enough money to meet the obligations of Social Security because, well, gee, we gave it back to the most wealthy people in America and to the largest corporations.

No. The bottom line is that was the most irresponsible proposal. \$792 billion of tax cuts, most probably coming out of the Social Security Trust Fund, and now that same party, the one that did not vote for the original Social Security Act, has proposed to privatize Social Security, has a majority leader who says he does not believe in it, did not vote for Medicare, and now wants the American people to believe that they have had sort of a death-bed conversion or whatever we would call it here, that now, suddenly after this history for 60 years and a proposal a month ago to cut a surplus that does not exist by \$792 billion jeopardizing Social Security, suddenly now they are the great defenders of Social Security.

I do not think the American people are going to buy it. I hope they spend all of their campaign funds on those stupid ads. Because I do not think they have any credibility with the American people, that the people who have consistently attacked Social Security now are its greatest saviors. I beg them to run those same ads in my district. I ask them to run those ads in my district.

Mr. PALLONE. Mr. Speaker, reclaiming my time, I agree with the gentleman. I want to say I was amazed when my two Republican colleagues earlier this evening criticized the President for using his veto pen on appropriations or a spending bill. Because I see veto, veto, veto. They keep sending over these bills that spend all this money, and the most responsible thing the President can do is to continue to veto those bills until we have some

idea of what this all adds up to. Because it is clear that when we add it all up, it is going to be a lot of money out of the Social Security surplus; and it is just the opposite, if you will, of what they are suggesting.

Mr. Speaker, I yield to the gentleman from Connecticut (Ms. DELAURU).

Ms. DELAURU. Mr. Speaker, I think again another quote from the majority leader was just a few days ago where he was quoted as saying that if you are going to demagogue, do it shamelessly, the notion that the party who was opposed to Social Security that has continually talked about its abolition or its phasing out or its privatization, is exactly what is being done. It is shameful demagoguery.

But I truly do believe, as my colleague from Oregon said, the American people gets it. They know it. They did not buy the tax cut plan this summer. They are not going to buy this notion that the Republican House leadership is the savior when it comes to Social Security and Medicare. It just defies imagination.

Mr. PALLONE. Mr. Speaker, I would suggest that perhaps today when the President vetoed, or whenever it was, yesterday he vetoed the foreign ops bill and said that he is going to continue to veto until he sees and the Republicans lay out their entire budget, maybe he should even go so far as to suggest that he will not sign anything until they actually address the long-term needs of Social Security and Medicare. Because so far they have completely refused to do that.

I would not have a problem if he says, I am not going to sign any more of your bills unless you address Social Security and Medicare long-term and show how over the next 5 and 10 years you are going to use whatever general revenue surplus that might be generated to shore up those programs.

I do not know if he mentioned that or not. But I do not have a problem if he goes that much further. Because I think what they are doing is setting the American people up for an incredible spending plan that is ultimately going to spend the Social Security surplus.

Mr. Speaker, I yield to the gentleman from New Jersey (Mr. HOLT).

Mr. HOLT. Mr. Speaker, of course, my colleagues will recall that the President did say in each of the last two State of the Union addresses when he said save Social Security first.

We should have acted on that instead of cooking up seven or eight hundred billion dollar tax cut schemes, plans, follies. But Social Security should be shored up. We should restore the trust in Social Security to the American public before we go on to any new tax cuts, any new spending. This is one of the great accomplishments of the 20th century, and we really should get that in place.

But that is a longer term issue. In the short term now, of course, the pub-

lic can watch; and they will see that the strategy of the majority party here is to come out piece meal with appropriation bill after appropriation bill and not let anyone, the general public, the President, the rest of the Members of Congress, see what the bottom line is.

We should demand, as we should join the President in his demand, that all this be laid out clearly for the public to see and not be hidden behind claims that are really, as my colleague has shown, false claims that it is the minority party that is somehow scheming to spend Social Security, as preposterous as that may sound.

Mr. PALLONE. Mr. Speaker, I was looking at the original Democratic budget plan, the one that was presented at the beginning of the year that looked at Social Security and Medicare and the national debt long-term; and basically, in setting aside the general revenue surplus, it would have extended the life of the Social Security Trust Fund beyond 2050 and the life of the Medicare trust funds until 2027 and would also use the projected surpluses, and again, as the gentleman from Oregon (Mr. DEFAZIO) said, who knows if these surpluses would be there, but if they were, the Democratic plan would completely eliminate the national debt by the year 2015 by using a certain percentage of that general revenue surplus to pay down the national debt.

Mr. DEFAZIO. Mr. Speaker, if the gentleman will continue to yield, better to prudently plan on funds that are funds that do not yet exist, and that is saying, okay, if they do show up, we will save them, then to say, no, let us commit to spend them today to help out the wealthiest and the most powerful, mainly their campaign contributors, and not leave any for contingencies or for Social Security should it ever crop up.

I do not believe those numbers. I do not believe the White House or the Republican majority on those numbers. I do not believe we are going to run a trillion-dollar surplus. And it would be more prudent to wait until we have got a trillion dollars in the bank and then figure out how to spend it, whether we want to give it to the wealthy in tax cuts, if they get enough votes for that, then they win, or they want to invest it in our kids in an education and other needed programs, then we win.

But the point is, until that money exists, do not spend it because there is only one place it can come from if it does not crop up fortuitously in the future and that is out of the Social Security Trust Fund. They were committing and spending those funds just as they have for emergencies, just as they have for directed spending, just as they have for an unneeded aircraft carrier and other boondoggles in this year's budget.

Ms. DELAURU. Mr. Speaker, it is just so amazing. I think we have a Republican majority that has found

themselves at this juncture truly unable to get its work done. They cannot get their work done. They are in charge. They cannot get it done.

So what do they do? They try to cover their tracks, look at budget gimmicks, directed spending, directed scoring, whatever they want to deal with, whatever they want to call it. And they think if they say something often enough and over and over again that a fallacious statement, even if they say it over and over again, does not make it true. And they want to hide the fact that in fact they have dipped into Social Security.

We should not be cowed by their argument or their comments. We should just continue as point of fact to go after it every single day to talk about what it is that they are doing.

It is a pattern. It is a pattern. The patients' bill of rights they do not want to pass. Campaign finance reform they do not want to pass. They do not want to extend and strengthen and protect the life of Social Security. What they do want to do is have a \$792-billion tax cut. That is the heart and soul and the center of the agenda.

And even though we have all these issues in this body, which, in fact, a number of rank-and-file Democrats and Republicans have supported, they will not let them see the light of day because that is not what the agenda is all about.

I am proud to stand with an agenda that says let us strengthen and protect Social Security in the future, let us provide people with a patients' bill of rights so that they can get good quality health care in this country, let us do something about campaign finance reform so we do not have the special interest influence in this effort.

In fact, I would say that some of my own party would not agree with it, but there are people on both sides of the aisle, let us see good, solid gun safety legislation in this country. These are issues the American public care about. And our colleagues on the other side of the aisle, really, that is not what they are about.

Mr. PALLONE. Mr. Speaker, I watched the President over the last few weeks and he has repeatedly said, look, this process of sending me bills that the Republican leadership know do not make any sense has to stop. So sit down with me, meet with me. Let us see if we can iron out our difference and hopefully, that process will lead to that.

But the bottom line is that they, as the Congress and as the appropriators and the ones who have to pass the spending bills, they cannot act as if that is not their responsibility and that they are not responsible for sending him these bills that do all this emergency spending and that take the money out of the Social Security surplus.

I think we just have to keep their feet to the fire. We have to come here every day, every night if necessary,

until the budget process is finally arrived at in some sort of consensus. But the bottom line is that they cannot continue to argue that somehow by passing these bills and sending them to the President that they are not spending more and more money. That is the reality. That is what they are up to.

And I am going to say it again, I encourage him to veto the bills because we know that if we add them up, they are going to add up to a lot more spending and a lot more money coming out the Social Security surplus.

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OVERVIEW OF REPUBLICAN BUDGET PRIORITIES

The SPEAKER pro tempore (Mr. ISAKSON). Under the Speaker's announced policy of January 6, 1999, the gentlewoman from New Mexico (Mrs. WILSON) is recognized for 60 minutes as the designee of the majority leader.

Mrs. WILSON. Mr. Speaker, I watched with interest the debate that we have seen this evening here, and I think we need to set the record straight on a few things and talk to the American people a little bit about where we are and where we are going to go.

We are now close to the end of the budget process for this next fiscal year and we have set some parameters. They are pretty clear. We are going to keep the budget balanced. There is going to be a real balanced budget for the first time since 1969. We are going to stop using Social Security for this year's government programs. We are going to prevent new taxes from being put on the poorest of American people. We are going to pay down \$150 billion of publicly held debt next year.

Within those parameters, the content of the bills is largely negotiable, but those principles are inviolable. Stop the raid on Social Security, no new taxes, keep the budget balanced.

How did we get here and what are the priorities within those bills? In 1997, before I was elected to Congress, the people here before me passed the Balanced Budget Act. At the time they were called foolhardy for expecting that we could actually balance the Federal budget by 2002. The reality is that because of good economic times and a real will by this body to control Federal Government spending, we have balanced the budget early. Last year, we paid down \$60 billion of publicly held debt and \$140 billion this year. Last year we were able to balance the budget if you count Social Security, and the Congressional Budget Office just announced last week after closing all the books that because tax revenue was coming in at a much higher rate than was anticipated, we actually had the first real surplus in Federal spending since 1969. We have turned the corner with respect to Social Security, we have stopped using Social Security for this year's government programs, and there is no turning back.

In January of 1999, the President came here to this room to give his State of the Union address. He talked about his vision for this country and what he wanted to see and explained the budget that he was about to send up to this Hill. That budget planned on spending 40 cents of every surplus dollar for Social Security this year. It also included \$19 billion in new taxes and fees this year alone with a 10-year projected increase in taxes of \$260 billion. For those of you who think that that was just about a tax on cigarettes, we are really talking about a 55-cent tax on cigarettes and who could be against sin taxes, that is not true. If you go through the budget that the President sent up here, in addition to increases on tobacco taxes, which do affect generally very poor people, there was half a billion dollars for a harbor service fund, there was \$1.1 billion for an increase in aviation fees, there was \$1.5 billion in Superfund taxes, there was half a billion dollars on food safety inspection user fees, there was another \$108 million for agriculture fees, there were FDA fees and justice and bankruptcy filing fees and Coast Guard fees and Federal Railroad Administration rail safety inspection fees, customs fees, National Transportation Safety Board fees, Social Security Administration fees, all of these adding up to \$19 billion in new taxes and fees.

The President and his spokesmen said that their budget was responsible and they made the hard choices by using 40 cents of every dollar that was surplus for Social Security and adding on \$19 billion in new spending with new taxes and fees. Well, we put that to the House yesterday. We voted here on the President's taxes and fee increases. Was that what we wanted to do at a time of economic plenty? Not one Member of this House was willing to stand up and say yes, we want to increase taxes, we want to support the President's proposal for increased spending and increased taxes. There is no will in this House or in this country for an increase in taxes. And there should not be, because we can control spending and do it responsibly.

We passed a budget earlier this year that set out some priorities, that said we were not going to touch Social Security, we were not going to increase taxes or fees, and we were going to put the priorities in that budget in two particular areas: Education and national defense. Then we began our annual process of passing 13 spending bills that reflected those priorities. If there is one thing Speaker HASTERT has done around here, he has told us again and again and again, "Let's just get the job done." Our job is to legislate, our job is to pass these bills, our job is to get these spending bills done no matter what. He has done a very good job of keeping us on task.

Where are those 13 bills? The President has vetoed the District of Columbia bill, and we are now working on the second version of that. The Energy and

Water bill became law on September 29. The Legislative appropriations bill was signed by the President on September 29. Military Construction has passed both houses. The conference report was done. It was signed into law on August 17. The Transportation bill, signed on October 9. The Treasury-Postal bill, signed on September 29. The VA-HUD bill was signed today, and I appreciate the President's commitment and willingness to sign that bill and not hold it up for some omnibus appropriations bill yesterday.

Just today we passed out the conference report from the House on Commerce, State, Justice and the Senate should be doing it soon and it will be to the President. The Agriculture bill is with the President as is the Defense bill. He has not chosen yet to sign or to veto those bills. The Interior bill is very close to coming back to the floor of the House in a conference report and being sent to the President. All of these things have been done on a much faster schedule than in the 103rd Congress which was the last time that my colleagues from the other side of the aisle were in charge here. But at that time, they were in late October or early November when they were passing the bills and they used all of the Social Security surplus. We are trying to be responsible here, not use a dime of the Social Security surplus, be responsible in our spending, put the emphasis on education and national security, and get the job done.

I was very disappointed to see that the President vetoed the Foreign Operations bill. In his budget that he brought up here in January, he proposed a 30 percent increase in foreign aid. Now, most folks when they hear people talk on a national level about the commitment to national security do not really know what is in the foreign aid bill. The foreign aid bill does not include America's national security programs. It is not the Defense bill. It also does not include funding for the State Department which is where most of our diplomatic work is done. It does include some other programs that have to do principally with foreign aid. When I read the President's veto message, it is almost as if he is talking about another piece of legislation. He is talking about another sign of a new isolationism and that it fails to address critical national security needs.

There is no element of this bill that addresses America's national security. That bill is still waiting on his desk for signature. But the rub really comes in the third-to-the-last paragraph of his veto message, where he says the overall funding is inadequate. The President asked for a 30 percent increase in foreign aid and wanted new taxes to pay for it. We are not willing to raise taxes, we are willing to do the responsible thing, and we have level-funded the foreign aid budget. He vetoed it because he wanted more money in the bill. Where is that money going to come from? It is going to come from