

The SPEAKER pro tempore (Mrs. BIGGERT). Under a previous order of the House, the gentlewoman from Michigan (Ms. KILPATRICK) is recognized for 5 minutes.

(Ms. KILPATRICK addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida (Ms. BROWN) is recognized for 5 minutes.

(Ms. BROWN of Florida addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

(Ms. JACKSON-LEE of Texas addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

COMPUTERS ARE NOT NECESSARILY THE ANSWER TO EDUCATION CRISIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mr. DUNCAN) is recognized for 5 minutes.

Mr. DUNCAN. Madam Speaker, usually when I rise to speak in the period of special orders it is to talk about some specific bill or specific legislation. Tonight I am doing something a little different and discussing something that I think has the potential of becoming a problem in some ways, and I would just like to call some attention to it and get some people, hopefully, to start thinking about it.

In doing so, I will start by reading a quote that I read, I think sometime last year in, I believe, an Associated Press story, and it was a quote from David Geleanter, who is a professor of computer science at Yale University. He said this. "Computers themselves are fine. But we are in the middle of an education catastrophe. Children are not being taught to read, write, know arithmetic or history. In those circumstances, to bring a glitzy toy into the classroom seems to me to be a disaster. It reinforces our worst tendencies. The idea that children are in educational trouble because they do not have access to enough glitz and what they really need is a bigger database is staggeringly ludicrous. They need practice in the basics." That is a quote by a professor of computer science at Yale.

What I am saying tonight is let us do not forget the basics in education. Sure, it is important to learn about computers, but we seem to be worse off with the computer today in thinking that it is the end-all of education and we are neglecting the basics in many, many ways. Children still need to learn to read and write and know arithmetic and know history and the basics.

Secondly, along this same line, I heard Tony Kornheiser, one of the sports columnists for the Washington

Post and on ESPN and so forth, and he mentioned in a column, and also I heard him on the radio talking about this one time, about three young men who had called him at different times during the time of the last World Series, and he said they each asked for Tony Kornheiser's e-mail address. He said when he told them that this was Tony Kornheiser to whom they were speaking, he said they got so flustered that a couple of them hung up, and one got so nervous that he could hardly speak. He asked the question, are we raising a generation of young people who are spending so much time in front of the television set and so much time in front of the computer screens that they are not developing the social skills that they really need or that people have developed in past years.

We became concerned as a society because children were spending so many thousands and thousands of hours in front of the television set. So we took them from in one of one screen and placed them in front of another screen called a computer, and I am just wondering if they are not isolating themselves. It is getting where people can shop at home, work at home, and we can all become Unibomber hermits if we want to, I suppose, but I do not think it will be good for society.

I tell young people at home to watch a little television. I have no objection to that. Learn the computer. We all have to do that today. It is an important and valuable thing. But every once in a while get out and get involved with a real life human being. Life will mean more if you do. Unfortunately, we are having fewer and fewer people who are joining the American Legion and the Kiwanis and the Shrine and all the various civic and charitable organizations that have been so very important to this country for so many years.

Thirdly, Madam Speaker, I heard a few months ago Barbara Walters on 20/20 one night saying she was going to present the most important hour she had ever presented on television. That got my curiosity up because she has been on television for so long. And what it was, it was a program devoted to warning parents about the sick, evil things that are on the Internet. There again, that is another facet of this same problem.

I am not against computers. I am all in favor of computers. But what I am saying is we still need to make sure our young people learn the basics in school, like reading, writing, and history. We still need to make sure that our young people develop the social skills that they need to survive.

My father told me many years ago, half jokingly and half seriously, that the problems of this country grew worse when they stopped putting front porches on the houses. People stopped visiting with each other. They tell us many people do not know their next door neighbors. All I am saying is we need to make sure we do not get isolated unto ourselves to where we do not really know people and get in-

volved helping other people in their lives.

During this program by Barbara Walters, she told the story of a little boy who had actually become involved with such terrible things over the Internet that he ended up with such rage built up in him that he killed another child. Barbara Walters thought it was so very important to warn parents about some of these horrible things that are on the Internet and that children are exposed to that they were not exposed to so many years ago.

So all I am saying tonight is we need to be aware of those three things, those three concerns, because it is very, very important to this country and to its future that we make sure that young people get the benefits of all this new technology but are not harmed by it.

TRIBUTE TO THE LATE SENATOR CHAFEE

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

Mr. MORAN of Virginia. Madam Speaker, I rise in great sadness to offer my sincere thanks to a man known as an outstanding example of a true leader among his colleagues in the Senate and indeed in life.

Senator Chafee was known as an old-fashioned legislator. He took his job very seriously but he eschewed politics. He cared about public policy and doing his best for the people of this Nation, never cowing to the partisanship in which we so often becoming entangled.

I knew him best as a modern man in the Senate, as the co-chair of the Congressional Prevention Coalition. As its co-chair, Senator Chafee worked to spread crucial health information to Members of the House and Senate so that they could spread the word to their constituents throughout the United States.

That was just one of the many ways Senator Chafee reached across the aisle to make America a better place to live. We are all better people for his efforts. As the Washington Post said this morning, the Senate will be a lesser place without him. He will be sorely missed by us all.

THE BUDGET PROCESS

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

Mr. PETERSON of Pennsylvania. Madam Speaker, I and a group of colleagues come here tonight to discuss the approaching conclusion of the budget process. A lot of people do not get too excited about budgets, but that is really what it is all about. Whether it is our family, our business, or the

government, the budget is the working document of how we are going to spend our money, how we are going to use our resources, and what our priorities are.

I find it pretty exciting this year, as we come down to this budget conclusion, that we really have the mechanism in place to balance the budget and not use any Social Security. That is going to be historic, because for decades the Social Security fund has been used routinely to fund general government.

Now, this process has been going on for a while. It started back in February when the President came and addressed us and he gave us his State of the Union message and presented us with his budget proposal. That proposal is a lot different than I think what we are going to end up with, I hope, because he had \$42 billion of new spending. He had \$19 billion of tax increases. Not tax cuts, increases. And those were soundly rejected here a short time ago by this body, and should have been.

The budget framework was created by the Committee on the Budget, and this process started right after the President's message. And, actually, they held hearings and worked on it for many weeks. On March 25, both the House and Senate Committees on the Budget presented their budgets to this House, and the House and Senate both approved a budget proposal on March 25. Now, there were differences between the House and the Senate, which there always is, but they brought their programs together and, on April 15, we passed a conference report that was sent to the President that was our budget outline for this year.

The Committee on Appropriations then started their work. And as a member of the Committee on Appropriations, I can tell my colleagues that hearings are held. I do not think a lot of people realize the work that goes into it, to outline where the cuts should be, where the increases should be, what the changes are, what are the changes in priorities. There are 13 working subcommittees in the Committee on Appropriations that work on each of their part of this process.

So we are close to completing that process today without spending Social Security. Unfortunately, most Congresses have not completed this process of sending 13 bills to the President for him to veto or sign. They usually do four, five, or six, and then when it gets tough and short on time, they go to the proposal of having an omnibus bill. This is where the majority leader and minority leader of the Senate, and the Speaker and the minority leader of the House would go up to the White House and sit down with the President and negotiate this omnibus spending plan.

□ 1815

Now, I guess the problem that I have had with that since have I been here is that that throws away all the work that the appropriators did, that throws away all the information that came in the hearing process.

Four or five people write our spending plan. And, of course, using Social Security to balance the budget, it was easy to do. But it has been tougher this year because the Social Security lockbox that we passed earlier took a hundred-some billion dollars away from this process.

So it is, again, why I am excited about this year's process that we are not allowing the President and four or five leaders of Congress to just sit down and decide how we are going to spend the people's money.

This year, I believe, and this week we will complete our work of having all 13 bills in front of the President. He has had 12, he signed 8, and he has vetoed four, if my information is correct. And, hopefully, tomorrow or Thursday he will get that 13th bill up to him.

Now, that is pretty good. We have had two signed for every one he has vetoed. So the President has agreed with Congress on two-thirds of what work we have sent him. And from what I read, the differences are not real big. I think they are not insurmountable. So I think we are chugging down that rail to again having this budget process completed without spending Social Security. Bill by bill, we will negotiate and finalize this process.

Now, to make this work there has not been a lot of cash sticking around, there has not been a lot of money to spend. In fact, we have had to say, how can we look for 1.4 percent savings?

Now, my colleagues, is there any House budget, is there any business budget, or is there any government budget that cannot find 1.4 percent that is in fraud, abuse, or just plain waste or just plain lack of management? I believe there is the ability to save 1.4 percent without cutting programs that affect people out in the hinterland.

Because we all know here in Washington, and I am a product of State government and local government and business, I want to tell my colleagues, I have been surprised at the growth and the size of the Federal bureaucracy. There are a lot of good people there, and I am not here to bad-mouth them. But there are huge bureaucracies. There are huge costs. The Federal Government spends a whole lot more money in managing Government percentage-wise than State and local governments do, in my opinion. Because, historically, Congress has never had any limits on what they spend.

So I think it is exciting when the gentleman from Ohio (Mr. KASICH), the chairman of the Committee on the Budget, came up with a concept of a 1.4 percent savings for each department to look within themselves, within their own operating budgets, and look for ways to save 1.4.

I think that is pretty doable. I think the American public would find that pretty doable in their own household budgets, in their own community budgets, in their State budgets. There just has to be waste, fraud, and abuse of 1.4 percent in every budget.

I am pleased to be joined tonight, and I will call on one of them now, from people from Texas and California and South Dakota and my colleague from Pennsylvania. So we are from all over the country agreeing on what we must accomplish in this budget conclusion process.

Madam Speaker, I yield to the gentleman from Texas (Mr. SESSIONS) who is from the Fifth District of Texas. He is in the Results Caucus, and he is also a member of the powerful Committee on Rules. So I thank him for joining us.

Mr. SESSIONS. Madam Speaker, I thank my colleague very much for bringing this information to the American public tonight.

Obviously, what we are talking about here is the budget process where we are attempting to make tough decisions in Washington, D.C., to ensure that we balance the budget, that we do not spend Social Security, and that we ensure that the Government is fully funded, as we say in the Results Caucus, every single dollar that the Government needs but not a penny more.

Tonight what I would like to do is run through with the American public what we are trying to do now that we have gotten to the very end of this process. And we recognize that we are probably going to perhaps end up being slightly over when we aggregate all the bills together what we would spend. So we are trying to make sure that there will be provisions by which the President and the Congress will act.

What we are talking about here is, if we exceed with all of our 13 budgets, if we go over that amount of money, which we really do not want to do, but if we end up at that, that we will have a provision that says any amount that is over this budget amount, so that we do not spend Social Security, will then come as an across-the-board budget cut. We are estimating tonight that it will be anywhere from 1 to 1.4 percent.

Where does this come from and how much money does that equal? Well, it is about \$3.5 billion in outlays. All the money will come directly from discretionary funds, with the knowledge that here in Washington we work off a mandatory budget.

A mandatory budget is those things that are Social Security, Medicare, and Medicaid. They will be exempted from this 1- to 1.4-percent budget cut, which means we will not deal with any mandatory spending on that side that we will cut but, rather, it will be in discretionary. It will equal about one penny of a dollar that the Government gets. One penny we are asking the Government to give back across-the-board.

Now, what is interesting about this is that when we look at this we are saying that this budget savings will be done to ensure that Social Security is taken care of.

What I would like to now get into a debate and a discussion about with the American public is to talk about those things that today and have been happening in Government that we think

fall under the auspices of waste, fraud, abuse, or waste fraud and error; and that is the large Government programs that we know could be run better, that we know that if we will say to the bureaucrats, that if we will say to the people in the agencies, we want you and expect you to prioritize in a better sense the opportunity to manage your budget, that you would then have a 1-percent savings across the board.

That is what we want to spend the remaining part of this hour to talk about, those opportunities that the Government Accounting Office, GAO, has documented for year after year, good ideas for people to know why this can be done without harming anyone or the essential services of Government.

Mr. PETERSON of Pennsylvania. Madam Speaker, I thank the gentleman from Texas for his comments.

Madam Speaker, I yield to the gentleman from South Dakota (Mr. THUNE).

Mr. THUNE. Madam Speaker, I thank the gentleman from Pennsylvania for yielding and my friends from Texas and California and the gentleman from Pennsylvania (Mr. SHERWOOD) also for joining us here this evening and for the leadership that each has taken the respective ways to address this issue and to help us drive home the message about what we are attempting to accomplish here in this Congress.

I would like to share, if I might, just a statement that the gentleman from Illinois (Mr. HASTERT), Speaker of the House, made today regarding this whole issue of the Social Security Trust Fund and what we are talking about doing in terms of reducing Federal Government spending, doing away with waste, fraud, and abuse, but also as this applies to individual Members of Congress.

Because there have been some questions: If you guys are so serious about taking care of waste, fraud, and abuse of the Federal Government, how about yourselves, how about your own salaries? This is what the gentleman from Illinois (Speaker HASTERT) had to say:

Protecting the Social Security Trust Fund has been the number-one priority of the Republican Congress. In order to further that goal, the Congress will consider legislation that will shave back Government spending in all discretionary budget programs. It will also shave back the pay of Members of Congress by one percent. The pay of all other Government employees in all other branches of Government should not be affected by this legislation.

Republican Members of Congress believe that the Government can find a penny on the dollar in waste, fraud, and abuse in order to protect the Social Security Trust Fund. We also believe that they can set an example by shaving back their own pay by that same percentage.

I hope the President and the Democrats in Congress will drop their opposition to our common-sense plan to protect Social Security.

I would say, Madam Speaker, that this whole debate over the budget re-

minds me a little bit of when I was growing up a conversation I had with my father. My dad told me once, because I had a dog that would not obey, I could not get this dog to do what I wanted it to do, and he said, well, it is the nature of the beast and that in order to tame the beast you have to apply discipline.

Well, it is the nature of the Federal beast to spend money, not because it needs to but because it is there. And it is our job to help tame the Federal beast and to apply the discipline that is necessary to see that we find the waste, fraud, and abuse that exists in Government programs and to root it out so that we can spend our tax dollars on those most important Federal programs and priorities, like Social Security.

It is pretty simple. It is Social Security or it is defense contractors charging the Government \$714 for an electronic bell that you can get at your local hardware store for \$46.

Responsible Government bodies live within their means. Responsible Government bodies know where tax dollars should be spent and where they should not be spent. Tax dollars should be spent on Social Security.

Now let me tell my colleagues a little bit about where their tax dollars should not be spent. They should not be spent on \$850,000 to Ben and Jerry's Ice Cream to help them develop and distribute ice cream in Russia. This comes from an Agency for International Development Inspector General record that \$850,000, Federal dollars, went to Ben and Jerry's Ice Cream to help them develop and distribute ice cream in Russia.

Tax dollars should not be spent on deceased people receiving food stamps. Again, according to the Committee on the Budget report, approximately 26,000 deceased people, people no longer living in this country, received \$8½ million in food stamps. That comes from the Committee on the Budget report.

Tax dollars should not be spent on convicted murderers receiving SSI Disability payments. Again, according to an AP Wire Service story, there is a convicted murderer who received more than \$75,000 in SSI Disability payments during his 14 years on Death Row.

Furthermore, the SSI fraud exceeds \$1 billion annually.

Those are things that we should not be spending taxpayer dollars on. The taxpayer dollars should not be spent on \$1 million outhouses at Glacier National Park.

Now, this may come as a surprise to some people around this country, but there actually was an outhouse built in Glacier National Park at a cost of \$1 million to the taxpayers. I have to tell my colleagues something, that to get there you have to climb 7,000 feet and walk 6½ miles. In fact, the reason this thing cost so much money is because it took 800 helicopter trips to get up there to build the outhouse.

Now, I dare say that if anyone in this country, with the exception of those

who might be an Olympic class athlete, who has walked 6½ miles and climbed 7,000 feet, the last thing they are probably going to need is an outhouse. But, nevertheless, an outhouse was built at a million dollars in taxpayer expense.

Now, I would have to tell my colleagues that some people probably think that a million dollars is chump change in a big Federal budget, but where I come from, in the State of South Dakota, a million dollars is real money, folks. It is real money.

I cannot help but think how one retired person could use a million dollars or, furthermore, how far \$1 million would go if it was left where it belongs, in the Social Security Trust Fund, helping secure retirement for our retirees and for those who are paying into that system.

What we are talking about here, very simply, is million-dollar outhouses or a secure retirement for every person in America who is retiring now or hopes to retire in the future.

I think the choice is very, very clear. Saving one percent in waste, fraud, and abuse allows us to save Social Security. It is that simple. I would also add again in response to some of the suggestions that have been made that the Speaker has announced earlier today that, as an expression of the good faith of this Congress, that that one percent that will be applied to the agencies of the Government will also apply to the salaries of Members of Congress. We believe that we need to lead by example.

Now just let me say, in closing, that I had the opportunity a week ago Saturday to hunt out on a farm near Kimball, South Dakota, hunt pheasants, which is one of my favorite pastimes; and I was hunting with a gentleman who has been farming for 37 years and who is 60 years old and hopes in the very near future to retire. And as I was discussing that with him, I said, what will you do when you retire? He said, well, you know, I hope to take my farm and cash rent it out and use the income off the cash rent for my retirement along with Social Security and that will provide the basis for my retirement.

If he knew that his tax dollars were being used for \$714 electronic bells and \$1-million outhouses at the expense of his retirement by taking away Social Security, I think he would be outraged, like most Americans would.

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Are we or are we not going to protect this man's retirement? That is the question before this House and that is the question before this Nation. We here today say yes. We will protect America's retirement security. Today we are waiting for the President's answer to that very same question. And so are the rest of American taxpayers. Can we find one penny, one copper penny out of every dollar in government spending to figure out a way to root out waste, fraud and abuse out of

the Federal Government? One penny out of every dollar of Federal spending is all it takes to allow us to keep our promise and our pledge to the retirees in this country and to everybody who faithfully year in and year out pays into the Social Security trust fund. That is what this debate is about. I hope the American people will tune in because it is your future that we are talking about.

I thank the gentleman from Pennsylvania for the opportunity to speak to this issue this evening.

Mr. PETERSON of Pennsylvania. I thank the gentleman from South Dakota for his comments.

Madam Speaker, now we go to the West Coast to hear the West Coast message. Out there it is a little early in the evening but we are glad the gentleman from California (Mr. HERGER) representative from the Second District of California, a member of the powerful Committee on Ways and Means and the Committee on the Budget, is here to share with us his thoughts on balancing the budget.

Mr. HERGER. I thank my good friend from Pennsylvania for taking this time on this incredibly important issue. I would like just to say what an exciting time this is for me. I am now in my seventh term, my 13th year in the House of Representatives, representing the Second District of northern California. I am also in my seventh year on the Committee on the Budget and also seventh year on the Committee on Ways and Means which is over Social Security.

A number of years ago in the Committee on the Budget I became aware that not only prior to 1995 when the new Republican Congress came in, in 1994 and prior to that time that we were running 200 to \$300 billion a year budget deficits, spending more than what we were bringing in. But really it was worse than that, because for some 30 years we had actually been spending Social Security and we had been borrowing that and spending it on the budget, on government spending on Federal programs. I began back then to fight, at least on the Committee on the Budget to at least, at minimum, at the first step be honest with the American public. If we are spending this Social Security money dedicated for Social Security out of the trust fund for ongoing Federal programs, then at least let us let the American public be aware of it and let us show them really what our budget deficit really would be.

I am so very pleased that at the beginning of this year, 1999, that the Republican Conference, members of the Republican Party within the House of Representatives and the Committee on the Budget made a commitment that beginning this year we were not going to spend Social Security money as we had been for about 30 years. I authored legislation, the Social Security lockbox legislation, that came before this House back in May, and that legislation passed overwhelmingly, 417-12,

putting this Congress on record that for the first time in more than 30 years we were not going to spend Social Security. We had another bill that came up.

Well, with that let me mention now that in order to have a balanced budget, in order not to spend Social Security, we basically have two choices: Those choices, number one, is that we raise taxes which comes from hard-working Americans, to raise the extra money so as not to spend Social Security. That is choice number one. But there is also another choice. That choice is a tough one. That choice is what Americans do every day in their families, what small businesses do, what every company that stays in the black does, and, that is, there are times when you make difficult decisions, you tighten your belt, you set your spending priorities. If you do not have enough money coming in and you set those priorities and you determine what are some dollars we are not going to spend. Well, that is what this Congress has decided that we are going to do, this Republican Congress that was voted in, took office in 1995.

We had a vote here just about a week ago which put out the tax increases that President Clinton had proposed in his budget. Those tax increases were defeated virtually unanimously in this House. I believe there was only one vote in favor of those tax increases. So, therefore, we know what we have to do. We have to tighten our belts. What does that mean? As the gentleman from South Dakota mentioned, we are talking about one penny basically, one penny out of a dollar that we are somehow going to find in fraud or abuse or in priorities that can be set somewhere else in our government programs, that do not include, by the way, Social Security or Medicare but other spending programs that we are going to trim back. One penny out of a dollar. We are not talking about 10 cents out of a dollar or 20 cents out of a dollar. We are talking about basically somewhere between one penny and 1.4 cents out of every dollar. Can we do that? Of course we can do it.

I would like to continue, as my good friend from South Dakota was mentioning, some examples. These are some examples that have been pointed out to us in our budget this year. Here is the first one. "That's a Big Lost and Found." The most recent government audit found that Federal agencies were unable to account for over \$800 billion in government assets. That is a GAO, General Accounting Office, audit.

Another one, erroneous Medicare payments waste over \$20 billion annually. \$20 billion. We are talking about trimming back about \$3.5 billion. There is 20 right there.

Another one. One out of every \$18 spent in the section 8 housing program is wasted, according to HUD's own Inspector General. Another GAO audit.

Another area we can save, delays in disposing of more than 41,000 HUD

properties cost taxpayers more than \$1 million per day. Let us just get on the ball and do what we are supposed to be doing. \$1 million a day.

Another one, FAA employees are using a program designed to familiarize air traffic controllers with cockpit operations for personal travel, including extended vacations. One employee took 12 weekend trips in a 15-month period to visit his family in Tampa, Florida. Another DOT IG report.

Another one, "Palaces for Park Rangers?" The Park Service spent an average of \$584,000 per home at Yosemite when comparable houses near the park were being built for between \$102,000 and \$250,000. A report from the Department of the Interior IG report.

And then last but not least, "Degrees for Deadbeats?" The government lost over \$3.3 billion on students who never paid back their student loans.

Madam Speaker, in closing, we are all in this together. If every government agency can find just one penny out of a dollar in waste, fraud or abuse, seniors and future beneficiaries can be assured that the raid will end and their Social Security will be protected. We can do it. And despite the moaning and groaning of some who are supporters of big government, we will do it.

Mr. PETERSON of Pennsylvania. I thank the gentleman from California. Recently the General Accounting Office talked about Medicare. It is administered by HCFA, one of the largest agencies in this country and a very important one. But the GAO report estimates that \$20 billion is paid out annually for inappropriate claims. If they could just cut that by 10 percent, they could save \$2 billion.

Madam Speaker, I am pleased to yield to the gentleman from Texas (Mr. SESSIONS).

Mr. SESSIONS. I thank the gentleman from Pennsylvania for yielding. I would like to follow up on what the gentleman from California has talked about, when he talked about one penny savings out of every dollar that is being spent, which I think is very reasonable. What I would like to do is to take just a few minutes to give some real live examples of how the government has not figured out what the right hand is doing and the left hand is doing.

The Results Caucus has spent a great deal of time working with the Committee on Government Reform and Oversight on a lot of legislation which is critical to the success of this government. I would like to go back and point out some of the areas and the statutes, the laws that we operate under and the reason why we have these. One is called results orientation. It is the Government Performance and Results Act of 1993, known as the Results Act. It was implemented so that we would have agencies' missions and strategic priorities that would be established, where we would require government agencies to be able to implement within their

core mission statement. We would have results-oriented goals, we would talk with them about goals that they were expected to achieve; and they would produce performance data, once again so that the right hand would know what the left hand is doing.

We have been engaged in financial management, the Chief Financial Officers Act of 1990, the Government Management Reform Act of 1994, the Federal Financial Management Improvement Act of 1996. These were done so that we would have annual financial statements. They were done so we would have timely and reliable information and data that would help the managers of the government to manage those assets that they have. And it would help us to look at the cost achievement results.

Lastly, we have information technology as a priority area. There was the Paperwork Reduction Act of 1995 and the Clinger-Cohen Act of 1996. This was done to help provide more information for the relationship of investments to the achievement of performance.

What has happened since we have had these laws in place? A lot. The government has improved upon its performance. But even today, we as Members of Congress believe that there is so much more to be done. The GAO in a report that was released on March 31, 1998, cited some examples of those things where the government cannot find from its right hand to its left hand those assets and resources and cited as "missing and unaccounted for" include the following: I will show you a great picture because we have got a reward that we will offer when you can find these. It is the return of two tugboats valued at \$850,000 each to the Federal Government. These cannot be found. The Federal Government cannot tell us where this is.

The next one, once again, we will offer a reward. Have you seen me? This is one missile launcher. This missile launcher comes at a cost of over \$1 million. Once again, we do not know where it is.

The next item. Lost jet engines, two \$4 million aircraft engines. If you happen to find these, the government cannot find it. We need it back. You paid for it. The taxpayer paid for it and we want it back.

We also have a floating crane worth \$500,000. Nobody knows where it is.

Ladies and gentlemen, what I am suggesting to you is that this government as broad and big as it is, it should be better at accounting for those assets and resources that it has been given. We are as Members of Congress trying to provide the correct legislation, the right oversight and enough information to where the government can work properly. But I believe that when we insist upon a 1 percent across-the-board savings that must be given to the taxpayers so that we do not get into Social Security, now what we have done is we have required government to do the same things that is done not

only in our own homes, around our own tables but in small businesses and boardrooms all across this country. It is called prioritize. I am hoping that we will have a government that in the future will look at their assets and resources in a better way that will help us all.

Mr. PETERSON of Pennsylvania. It is a pleasure to welcome my colleague, my neighbor in the northern tier of Pennsylvania. We collectively guard against New York coming down. We cover the northern tier of Pennsylvania. The gentleman from Pennsylvania (Mr. SHERWOOD) of the 10th District has been a great new Member of Congress. He brings strong community leadership credentials with him, a strong businessman, good sense. I have found him a person who is not afraid to speak up. He is very effective. It is just great to have the gentleman from Pennsylvania (Mr. SHERWOOD) here with us tonight.

Mr. SHERWOOD. Madam Speaker, my colleague from Pennsylvania, let us summarize.

□ 1845

This is a very simple solution to a problem that only government could make so complex. We have had 435 people working for 10 months in a bipartisan manner to get 13 spending bills, 13 appropriations bills, put together and live within a budget. We are down to the end of the time, and we have a hole. It is not a very big hole. It is 3, 4, \$5 billion. In the general scheme of things around here that is not a lot of money. In other years we just spend it and take it out of the Social Security money. But we have pledged to the American people that we will not raise taxes and that we will not spend their Social Security money.

Madam Speaker, we all know that Americans pay too many taxes, and we all know that that Social Security fund should be sacrosanct. It is a contract with the American people, and we, as their representatives, must protect it.

So those are our criteria. We will not raise taxes, we will not spend the Social Security money.

How do we come up with this \$4 billion?

Madam Speaker, business solves this problem every day. Family budgets solve it every day.

Several years ago, when one of our great American corporations, Chrysler Corporation, was about to go bankrupt, Lee Iacocca said, "We will share the pain equally." Everybody took a cut or a saving, everybody. It worked. Today Chrysler has repaid their government loans, and they are a very successful, sound American company.

So let us do the same. Let us apply common sense, take an across-the-board budget cut. Only in politics would people argue against an across-the-board budget cut because it is the right thing to do. It is so simple that in the world of politics where everybody

is fighting for their region or their issue we have people that are fighting this very simple proposition.

So we only have to find 1.3 or 1.4 percent savings. What budget could not find a 1.3 percent saving?

You have been given examples tonight that HUD properties, because we are not managing quite well enough, costs us a million dollars a day. That is \$365 million. There is a good one. Does that mean HUD is poorly run? No. It means that there is one thing in HUD that we need to pay better attention to. We need harder work and better management, and in my 30 years in business and two-thirds of that on the school board we always needed to work harder and manage better, and the Federal Government is no exception.

As my colleagues know, 26,000 disabled persons received 8.5 million in food stamps. Does that mean the food stamp program is bad? It is a wonderful program, but we need that \$8.5 million to go to the right people. We do not need it to go to people that are dead, that somebody is cashing their check. Hard work and better management.

Madam Speaker, I could go down through this and talk about \$714 bells that should be \$46. There are many, many examples in this huge Federal Government where we can save money.

Now this is a very, very simple solution. You ask every department to save 1.3 percent, and I agree that we should start with our own salary. Only when the impetus comes from the top can you expect every soldier and every worker to do the same, and we are asking our defense people to do more with less. We need to set the example here in our own salary.

So, Madam Speaker, I think that while we have worked very hard, the appropriators on defense and interior and education, health and human services, agriculture, that work has been done. We just need to get together and take our savings and make this budget come together.

It will be a historic thing. It has not happened in almost 30 years that we have paid down the national debt, lived within the budget and not spent the Social Security money. I think we should come together in a bipartisan manner, find these savings and pass a budget. It is for the American people, and they deserve it.

Mr. PETERSON of Pennsylvania. Madam Speaker, I thank my friend from Pennsylvania, my neighbor who helps me guard the New York State border.

It is interesting this morning when we started the day with our conference many Members said, "Well, does this cut include our salaries?" Well, the announcement was made this afternoon that decision was made, and I agree with it. Decided that across-the-board cut in discretionary spending will also apply to salaries for Members of Congress. Now I think that proves we are serious, we are serious that we are going to live within our means.

He went on, the Majority Leader went on to say:

"Since January House Republicans have stated our commitment to stopping the 30-year raid on Social Security. No one said this would be easy. We've done the heavy lifting. This week we will complete our spending bills and prove that we can fund the government without dipping into the Social Security fund."

"The President said he shares our commitment to stopping the raid on Social Security, and he has vetoed four spending bills, and of course we're going to send him probably another one tomorrow. But we intend to work with him to get the job done, make our commitment real. As the sign of how serious we are we will ask more of ourselves than we are asking of any government employees. While we ask every government agency to root out waste from its budget. Members of Congress will not only root out an equal percentage of waste from Congress' budget, but will also cut their on pay."

Now I think we are sending the President a message also: Mr. President, manage a little better.

As my colleagues know, I have always been frustrated both at the State level with Governors and at this level of Washington with the President. We do not talk much in campaigns about how they are going to manage government. That is not as exciting. It is about what new programs we are going to fund and how these new initiatives are going to make the world better and safer and how everything, all the problems that we know of, will go away if there is one more government program, if the Federal government will build one more bureaucracy and funnel money out to our communities, it will solve all.

Now, we know that does not work. There are thousands of federal programs that funnel money out.

Now one of the differences I noticed, a whole lot more of it gets chewed up in bureaucracy in Washington than it does in most States and local governments because we never challenge our Presidents to manage government. As my colleagues know, we really should be rating the President on how well he has managed each and every bureaucracy.

I have heard Presidents talk recently and in the past as if some agency was something they were concerned about. That agency just must do better, but whoever is President, Mr. President, that is your agency, that is your management that is needed. It is your direction that is needed to say, "Stop the waste, stop the fraud, stop the abuse of taxpayers' money."

We all know that one of our disagreements currently is foreign aid. Now, as my colleagues know, foreign aid is always a controversy. We have Americans who do not think we should have any foreign aid, we should keep all our resources. But we always come to a compromise. But I think the President

who wants 4 billion more in foreign aid is not supported by the majority of taxpayers. I have not had a clamoring to increase the foreign aid budget since I have been here. In fact, I have a lot of opposition to much that we do in the foreign aid budget from my rural conservative district.

But, Mr. President, do we really need 4 more billion in foreign aid? Can we not make do with what is there?

Now the education department. I had the privilege last session of serving on the Committee on Education and the Workforce and found it an exciting challenge. But if you talk about a department that chews up a lot of money that never gets out to our school districts, look at the Department of Education. I mean I believe the figure is maybe 30 percent that is chewed up in bureaucracy. There is a state bureaucracy in every state government that is strictly paid for by the Federal government to manage the Federal programs, 50 of them. Then you have the Washington bureaucracy who we all know that I have found them to be one of the least sensitive departments about what Congress thinks, and when they are insensitive to Congress, I think they are insensitive to the American taxpayers because that is who sent us here, a department that could very easily find more than 1.4 percent in savings in my view.

EPA, 15 or 16,000 employees in a centralized bureaucracy in Washington. Could they squeeze 1½, 1.4 percent? No problem. Now we would have a few less bureaucrats, but we still have all the programs that they run, should have little or no impact out in the districts.

And also I guess the administration. Maybe we are asking. Recently there was a foreign trip, and 1700 people went on that trip. Now I am sure it is necessary to take guests on trips, but could 1,200 have got the job done? Could 1500 have got the job done and saved a few taxpayer dollars? I think so.

So all we are saying is to this part of government that is important to us, that is vital to us, pull in the belt a little bit, cut a few of the excesses, cut a little of the waste like the American taxpayers historically do. They trim their budgets all the time, that is how they balance them. Local governments do. States who are allowed to build deficits have to pay as you go. But here in Washington we have gotten so used to not really worrying about how much money we spend because we just raise taxes enough to pay whatever the bill was when the end of the year comes.

Well, Madam Speaker, that day is over. The day of using Social Security is over, it is done, and it is time for Congress, this administration to sit down and have a good healthy discussion about our spending priorities and balance this budget, conclude it in the next few days with not one penny of Social Security. It is doable, it is workable, and it is just time to bite the bullet.

At this time I again welcome my friend from Texas (Mr. SESSIONS).

Mr. SESSIONS. Madam Speaker, as my colleagues know, what is interesting is that I have heard speakers, four or five of us tonight who have gotten up to talk about why this is important that we do not spend Social Security, why this is important that we find the savings from a trillion \$700 billion plus budget and we are not yelling and screaming. We are here speaking to the American public in a regular voice, a regular tone because I believe we are optimistic. We are optimistic about the positive things that are occurring in Washington, D.C. that we, as a Republican-led Congress, are finding ways to get our work done. We need to give credit to our colleagues on the other side of the aisle because they, too, have done some responsible things. The White House, the President signing these bills as he should. What we are trying to do is to make sure that the American public understands that we will not and must not spend Social Security. This year for the first time in 39 years Social Security was not used to fund the government operations. What we want to make sure is that we make that streak continue so that we do not do it next year, and that is why this 1 percent across-the-board savings to protect Social Security that will save \$3.5 billion must come internally as a result of a challenge, a challenge to the entire government, a challenge that the House of Representatives and the Senate are engaged in, and that is why I welcome the news that we have from the Majority Leader, the gentleman from Texas (Mr. ARMEY) and our Speaker, the gentleman from Illinois (Mr. HASTERT), to say that the Congress should be included in that 1 percent budget.

What it will do is I believe it will mean to a manager of the government that they will now focus more clearly and carefully on their own mission statement, their core and basic functions that they must provide. It will require them with the impetus, the knowledge, the direction, the authority and the responsibility to make sure that they look across their areas and cut 1 percent of their budget.

Why do we need to do this? We need to do it because there is lots of money that can be cut.

□ 1900

Another example that I had not heard one of my colleagues state earlier, but that I found very interesting, it is that the government spends \$1 billion on the Job Corps program, but a survey of the initial employers of former Job Corps students show that 76 percent of students had been laid off, quit or been fired from their first employers after 100 days of starting their new jobs.

Well, you see, if I were in the Department of Labor I would have known about this because it came from my own inspector general. I would be willing to look at my \$1 billion program

and ascertain what is indigenous to our program that is not working? And, if the program does not work properly, if the return to the taxpayer is not there, if the benefit to the beneficiaries, the people who were expected to gain something from this \$1 billion, if it is not working, then they need to do something different. They need to look at the money and the resources and the way they are spent.

So I think that this is going to be yet another opportunity for government bureaucrats, for agency heads, to look inward within themselves, to have the optimism that they can be in control of their own future, to provide services, which is what this government is all about, to people who do need those out-reaches of government, and to do the right thing.

So I am very excited about the opportunity to challenge government. Instead of just throwing more money at them every year and more and more and more, we are now going to challenge them in a way and say we know you can find the 1 percent. We have talked about these savings all across government tonight. They exist in every single agency, and I think it is going to be a wonderful day for every single government administrator and the heads of these agencies to know that with the challenge, that they can accept it and excel, because of the mission that we have of not spending the future retirement of each and every American today, but rather to keep it into a fund that is ready for them in the future, is what will help and benefit all Americans.

I thank you for allowing me the opportunity to be with you tonight. I know the people of Pennsylvania are well served. You have enthusiasm and integrity, coupled with the background and experience, and I want to thank you for allowing me to be here.

Mr. PETERSON of Pennsylvania. We thank the gentleman from Texas.

Tonight we have heard about tug-boats that cost \$875,000 apiece that were lost; a surface-to-air missile launcher that cost \$1 million that was lost; 5 aircraft engines, including two that cost \$4 million that were lost; a floating crane worth \$500,000 that was lost. We heard about Medicare spending \$20 billion annually, or paying \$20 billion annually for fraudulent payments, or what they believe to be fraudulent payments.

You know, it is kind of hard to think that you could not save a penny when you look at all those examples. We have one here of a nice courthouse in Brooklyn, New York, that cost \$152 million. The New York Attorney General's office has arrested 16 individuals suspected of kickback and bribery schemes in the construction of this courthouse, that is from the Citizens Against Government Waste, and \$4.3 million used to tear down 19 naval radio towers. Again, that is another one pointed out by Citizens Against Government Waste. It seems pretty in-

credible to think that you just cannot save a penny, a little more than a penny, out of every dollar.

Now, my experience in state government, this was sort of a routine thing. We often passed budgets that cut general government 2 to 3 percent, and what that was is we said department managers, you have to cut the fat out of your general government line item. You cannot go out there and cut the hand that serves the people, because the same 2 percent, to save 2 percent or 3 percent, you do not need to do that. If state governments can cut 2 to 3 percent of savings out of general government, Mr. President, you can too. Instead of talking about new programs, let us talk about managing the ones you have.

I vividly remember the gentleman who served us so well as Attorney General, Richard Thornburg, who was Governor of Pennsylvania and who was a real good fiscal manager. I served the whole time he was Governor of Pennsylvania in the state legislature.

He was a tough fiscal manager. Every department was asked to become more efficient. Every bureau was asked to reorganize and provide their services, do away with unneeded paperwork and become more efficient.

The state historically had, I am going on memory here, but think I am accurate, about 103,000 employees historically. When he left office after 8 years of governing I believe they had 88,000 or 89,000 employees.

I had a district office in my district, and I want to tell you, the service improved, because not only did we have less employees, paperwork and waste and redundant things were done away with, departments were asked and forced to manage themselves, bureaus were asked to provide the services more cost effectively, and they did.

Government can become more efficient if it has leadership to take it there. Now, I think we have just begun maybe a new cycle. I think this is something we ought to be looking at with some routine. Mr. President, this year trim another percentage out of general government. That is not where people are served; that is where bureaucrats are served.

In my view, this is a very appropriate way to look for savings that could, as happened in Pennsylvania, improve the quality of government, improve the services, because they are managed better.

Mr. President, it is time to manage each and every department a little bit better. It is time to look for waste and incompetency and root it out. It is time to reorganize the structure of government so it can be more efficient and better serve the needs of the people.

Let us save a penny out of every dollar by finding the waste, the fraud and the abuse, and make sure that we never again balance the budget by using Social Security; that we look to live within our needs; that we save a penny

or two pennies, whatever it takes, whenever it is, and pay down the debt.

It is time for the American taxpayers to be assured that their Federal Government is going to live within its means, it is never going to look to the Social Security trust fund again to be used for general government purposes, and we are going to concentrate on making the programs we have work better, or do away with them.

We have had a hard time doing that. But the President should be leading us. His administrators know as well as anyone that there are programs that have lost their usefulness, and it seems ironic that Congress and the President in the past have had a hard time, because times change, priorities change, needs change, and the needs of 1984 may not have a whole lot to do with it. But the programs that were started in 1984 are still running. It is time to squeeze that penny until we have our fingerprint in it, that we save that penny and a little bit more out of every dollar of the taxpayers' money, and that we, once and for all, balance the budget, make Social Security safe and just make government more efficient.

POLITICAL HYPOCRISY ON THE SOCIAL SECURITY TRUST FUND ISSUE

The SPEAKER pro tempore (Mrs. BIGGERT). 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. Madam Speaker, I am pleased to know that my Republican colleagues who spoke before me this evening basically showed, if you will, their hypocrisy on the Social Security issue.

The bottom line is we all know that Republicans have always disliked Social Security, and now they are trying to have the American people believe they are suddenly the steadfast defenders of the Social Security program by essentially distorting their record on the issue of Social Security.

Let there be no question about it: The Republicans have already spent at least \$13 billion of the Social Security surplus. They are trying to give you the impression that somehow that is not the case, that they are going to balance the budget without using the Social Security surplus. The reality is they have already spent at least \$13 billion of it with the appropriations bills that have already passed the House of Representatives.

TOM DELAY, the Republican Whip, said at one time, this was October 1st in the Washington Times, "I will not vote for any bill that spends any of the Social Security surplus." But his own Congressional Budget Office has repeatedly said, and we have said it over and over again, we need to say it as Democrats because of what the Republicans are trying to do to distort the record, TOM DELAY's own Congressional