

CONGRESS' MOST IMPORTANT TASKS: TO BALANCE THE BUDGET AND PAY DOWN THE DEBT

The SPEAKER pro tempore (Mr. BALLENGER). Under the Speaker's announced policy of January 19, 1999, the gentleman from Washington (Mr. SMITH) is recognized during morning hour debates for 5 minutes.

Mr. SMITH of Washington. Mr. Speaker, as I went around my district during the August recess and listened to my constituents about what their primary concerns were, I heard the same statement, the same issue, over and over again in different forms but with the same message. That is that the single most important thing the Congress can do is balance the budget and pay down the debt.

As we head into September and October, the last 2 months of our session, that should be our number one priority. The budget is on the table. It is up for us to negotiate it and figure out what we ought to do with it. But the top priority in that process ought to be balancing the budget and paying down the debt.

We have an incredible opportunity to do this. When we think about where we were 5 or 6 years ago, the fact that deficits were over \$200 billion, approaching \$300 billion, with projections that they would get as high as \$500 billion, running the overall debt up over \$7 or \$8 trillion, to have us down to the point where we are just this close to balancing the budget is a tremendous accomplishment.

I rise today primarily to urge this body to not snatch defeat from the jaws of victory as we negotiate this issue and all of the issues that have to do with government spending over the course of the next 2 months, let us stick to that goal of making sure that we balance this year's budget and get ourselves in a position to start paying down the debt.

There are a couple of issues that always challenge us on that. I think the biggest one is the so-called surplus. I saw ads on television over the break brought to us from Washington, D.C. talking about how there is a surplus in Washington. I hear this conversation continually.

One of the rules that I think we should pass in this body is to require all Members to accurately state the budget situation before they talk about any subject, any spending program, any tax cut. The budget situation is basically we have a \$5 billion debt or deficit for the year, the fiscal year that will end on October 1. In fiscal year 1999 we are looking at a \$5 billion deficit.

As I mentioned, that is a significant improvement, but it is still a deficit. All of those surpluses that we are talking about are projected out into the future. So let us not spend them before they actually show up, let us give an accurate picture of where we are at in the budget process, because if we go around telling people that we have

some \$6 trillion in surpluses, there is going to be momentum built to spend money. I think we need to give an accurate picture of where we are at fiscally.

Paying down the debt is the best thing we can do for this country. It can reduce interest rates, which will help business and individuals alike. All we need is the discipline to do it.

What I am asking in the next couple of months is that we actually do something historic and change the culture of this place. For too long people have looked to Congresspeople, or Congresspeople have thought this, anyway, and thought, the way I please my constituents is by passing out something to them, a program, a check, a tax cut, something. Whereas I think the single best thing that a Member of Congress can give to his or her constituents is a fiscally responsible, efficient government.

Let us make that the standard by which we judge our Members of Congress. Let us not do it program by program, check by check. Let us do it by the overall competence with which we run our government.

I will tell the Members, after having talked to my district and listened to my district for the last 3 years, there is a hunger for that type of leadership in this country. People want a Congress that talks to them straight about the fiscal picture, that performs their job in a responsible and efficient manner, does not simply come along and promise big, grand, high things for all the years to come. They are looking for that efficiency, for that responsibility.

As a Democrat and as a member of the New Democrat Coalition, I want my party, obviously, to be the one that gives it to them. But actually, my biggest hope is that both parties will recognize the desire for that and we will both give it to them, as we head towards the October 1 deadline for the next budget.

We have a great chance to get there. We have a strong economy, high growth, low unemployment, low inflation. We are headed in the right direction. I urge this body and my colleagues to do the work over the course of the next 2 months that gets us there, so we can all go back to our constituents and I think give them the most significant thing that any congressional body has given their delegation in years, and that is a balanced budget and a step towards paying down that huge Federal debt that many of us thought we would never have a chance to pay down.

Let us seize this opportunity and do what is right for the American people: balance the budget and pay down the debt.

THE SENATE GOP'S PROPOSAL FOR A 13-MONTH FISCAL YEAR

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from

Washington (Mr. McDERMOTT) is recognized during morning hour debates for 5 minutes.

Mr. McDERMOTT. Mr. Speaker, there are some times when we pick up the paper and we cannot believe what we are reading. I am looking at the Washington Post. The article is called: GOP Seeks to Ease Crunch With a 13-month Fiscal Year.

I came over to this floor because I want to put my name on record right here and now against this. I will tell the Members why. This is *deja vu*, for me. I was in the Washington State legislature in 1972 when they did what we call the light bulb snatch. We took the first month of the next year and pulled it into this year and said, now we have 13 months of money to spend in 12 months. That is exactly what some brilliant theorist over in the other body has conceived of as a way of avoiding being honest about this budget.

What happened in the State of Washington was that ultimately we lost our bond rating, and when I became chairman of the Committee on Ways and Means in 1983, I had to raise taxes to pay off this 13-month so we could get our bond rating back. When I read that they are going to do it in the United States Senate, that Republicans, the party of fiscal responsibility, those people who are really close with our money, they want to give it all back to us, are now going to create a fictitious, that is the word they use, "By creating this fictitious 13th month, the lawmakers would be able to spend \$12 to \$16 billion more."

This is Alice in wonder land run by the Republican party. When the Committee on Ways and Means in the year 2001 is in Democratic hand and I am sitting there, I do not want to have to clean up a mess created by people who will not be honest about the budget process.

I just was in my district, like the gentleman from Washington before me. I went to a liberal church talking about violence, and we talked about a variety of things in a forum. I asked them, how many of you want a tax break? Not a single person raised their hand, out of 150 people. They began to talk about it, and what 90 percent of them wanted to do was to pay down the debt. But no, what we see in the Senate is we do not want to be honest about doing what the President said, pay what we need in social security first, then strengthen Medicare, and then deal with whatever else we have to deal with.

I personally think the American people are ready to pay down the debt. They all understand that when they get additional money and their credit card is at \$5,000, they do not go out and buy more, they pay down that credit card debt.

We have an enormous debt, and yet what we are doing here is like the county fair. There is a guy there with three walnut shells and a pea, under it

and we move it around real fast and you are supposed to guess where the pea is. What this is is a shell game so that the American people will never understand what is happening here, except for the truth is right here, by creating this fictitious 13th month.

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The people who thought it up ought to be ashamed of themselves. I do not know how they can go around and say that they are fiscally conservative and throw rocks at people like me who they call liberals.

I paid one of these off. I did what I had to do to be fiscally responsible. It makes me angry to see people starting down this road and if they lose control in here or lose control in the Senate, then suddenly it will be the Democrats' problem, we will have to fix it. And I object to that, and I object very strongly.

I think every Member ought to read this article and ask themselves do they want to be put in that kind of a box. Because at some point they have to pay it off. That debt is out there, and it has got to be paid; and by increasing it by 12 to \$16 billion, we do not fix anything; we just make it worse.

So I urge everyone, Mr. Speaker, to read that article. And I will put this article in the RECORD so that we can have it there and everybody can see it and remember when we decided to start down this stupid path. There is no excuse for this. There can be an honest budget discussion in here, but it is going to require that the majority party talk to the minority party, have conferences, talk about what the issues are.

It can be done, but it is going to have to take both sides working together. And if it does not happen that way and we start down this path, they are on their own. I am against it from the very first day I see it in the paper.

Mr. Speaker, I include for the RECORD the article to which I referred.

[From the Washington Post, Sept. 14, 1999]

GOP CONSIDERS 13-MONTH FISCAL YEAR

(By Eric Pianin)

As they struggle to live within tough restrictions on how much they may spend, Senate Republicans have found another creative way to shoehorn popular domestic programs into next year's budget: declaring the coming fiscal year 13 months long instead of the usual 12.

By creating this fictitious 13th month, lawmakers would be able to spend \$12 billion to \$16 billion more for labor, health, education and social programs than they otherwise would be permitted under budget rules. Because the additional funds would not be technically released until immediately after the fiscal year ends, they would not count against the overall limits on federal spending next year.

"We all know we engage in a lot of smoke and mirrors," said Sen. Arlen Specter (R-Pa.), chairman of the Senate Appropriations subcommittee with jurisdiction over the programs. "But we have to fund education, NIH, worker safety and other programs. It's a question of how we do it."

The proposal—which has been embraced by Senate leaders—highlights how difficult it is

for congressional Republicans to cut spending and live within tight budgets without resorting to what many experts describe as fiscal gimmickry. With the government awash in surpluses, there is certainly the money to pay for extra programs next year. But to do so would require breaking existing spending limits and, more than likely, dipping into extra money generated by the popular Social Security program—something both parties have pledged not to touch.

As a result, GOP lawmakers have struggled to find ways of spending money without technically breaking those limits. For instance, lawmakers already have classified spending on farms and the 2000 census as "emergency" spending not subject to existing rules. All told, lawmakers already have exempted nearly \$28 billion in proposed spending next year from the existing budget limits.

The 13th-month gambit promoted by Specter has been used before on a smaller scale, but fiscal experts expressed concern that Congress would simply be putting off its day of reckoning by employing it on so large a scale.

"It avoids the problem, it doesn't solve the problem," said Robert Reischauer, former director of the Congressional Budget Office. "We will have spending caps in 2001 and 2002 as well, so all you've done is postponed and magnified the problem."

"They're degrading themselves and degrading the budget process by resorting to these budget gimmicks," added Robert L. Bixby, policy director of the Concord Coalition, a budget watchdog group.

While it is far from clear whether House Republicans or the White House will go along with the plan, the Senate's so-called "advance funding" proposal underscores lawmakers' desperation in trying to pass the largest and traditionally most contentious spending bill without breaking the budget deal that President Clinton and Congress agreed to in 1997.

Spending in the Labor-Health-Education bill includes funding for health and human services programs, the National Institutes of Health (NIH), job training, Head Start for disadvantaged youth and Pell grants for college students. Last year Congress could not come up with a bill that was acceptable to the administration until the last minute, when GOP leaders and the president negotiated a giant package that included nearly \$20 billion of additional spending for domestic programs. GOP leaders felt burned by the arrangement and have vowed to avoid such a deal this year.

Not counting mandatory entitlement programs, spending for Labor-Health-Education programs totals roughly \$92 billion this fiscal year. For next year, House leaders have essentially used the Labor-HHS bill as a piggy bank to finance other spending bills and have set aside only \$73 billion for the bill itself, a cut of roughly \$19 billion. Senate leaders have set aside a little more, \$80.4 billion, for those programs.

If such reductions were sustained, House Democrats have warned that across-the-board spending cuts of as much as 32 percent would be required on education programs, Head Start, NIH grants, Job Corps, AIDS research and scores of other programs. Republicans and Democrats alike agree that the bill will have to be beefed up substantially—probably to this year's levels—to win passage and the president's signature.

The bill as it is set up right now falls impossibly short of funding levels that are necessary to ensure even basic services in education, health and labor," said Linda Ricci, a spokeswoman for the Office of Management and Budget.

In the House, Majority Whip Tom DeLay (R-Tex.) is leading an effort to try to iden-

tify \$16 billion or so of offsetting reductions in mandatory programs and other areas to finance the additional Labor-Health-Education programs, but so far he has reported little progress.

Rep. John Edward Porter (R-Ill.), Specter's counterpart on the House Appropriations Committee, has grown frustrated with the process and contends that Congress and the administration must face the reality that the 1997 budget agreement is no longer practical.

"I still believe in the end the caps are going to have to be raised, and the question is whether you do it honestly or whether you put into place all kinds of gimmicks, including emergencies and forward funding and the like," Porter said.

But Specter, Senate Appropriations Committee Chairman Ted Stevens (R-Alaska) and other Senate leaders see virtue in a budgetary maneuver that would ensure adequate funding for education and other programs next year and that meets the letter—if not the spirit—of the budget law. Because the non-Social Security budget surplus is supposed to be even larger in the following year, such a move could also make it easier to finance ongoing government programs without dipping into Social Security reserves.

"If the money can be pushed off to expenditures in 2001, that would give us the latitude of using that year's surplus without breaking the caps," Specter said.

CAMPAIGN FINANCE REFORM

The SPEAKER pro tempore (Mr. BALLENGER). Under the Speaker's announced policy of January 19, 1999, the gentleman from Texas (Mr. DOGGETT) is recognized during morning hour debates for 5 minutes.

Mr. DOGGETT. Mr. Speaker, today the business of this House will focus on the question of campaign finance reform. It is indeed an important debate because the agenda of this Congress is being set by the special interest contributors that increasingly dominate our elections.

It is the American people who have to foot the bill for those special interests, and they foot it in many ways. Without a vote for genuine campaign finance reform, and that is the Shays-Meehan bipartisan campaign finance bill, which represents the only true reform, if it can be approved today without amendments. Without a vote for genuine campaign finance reform, pharmaceutical companies, who contribute to campaigns will determine whether our seniors ever get access to affordable prescription drugs.

Without a vote for genuine campaign finance reform, insurance companies will determine whether folks in managed care ever get their rights in a true, meaningful patients' bill of rights to hold the insurance companies accountable for their misconduct.

Without a vote for true and effective campaign finance reform, it will be the tobacco companies, who through their contributions determine whether we ever do anything to address the increase in nicotine addiction among our children.

Without an effective campaign finance reform embodied in the Shays-