

do to supposedly help school districts. What they have done is something that will cost the Federal Government over \$2 billion, but is actually worse than nothing for our school districts. They have announced to school districts that they should not use school bond proceeds to build schools for about 4 years; that, rather, they will be allowed to play the market with that money and keep the proceeds.

This will be tempting to school districts who are told, look, you can borrow money at only 5 percent interest, lower than anybody else who is playing the market, and then you can play Wall Street with that advantage. Is that the way we should help school districts build schools? I think not. We should be trying to build a school on Elm Street, not a skyscraper on Wall Street.

We should remember how Orange County, California, went bankrupt, when it decided to play the market with funds in the county treasury, and we should not tell school districts that our way of helping them is to encourage them to use school bond proceeds to play the stock market. We should provide more to school districts than a free ticket to Las Vegas, and a chance to take the school bond proceeds and bet them on the pass line or the do not pass line.

Where does the impetus for this phenomenally bad idea come from? It comes from my friends, the Tax Bond Council.

Now, I practiced tax law for a dozen or more years, and it was a kind of boring job. But when I emerged from reading the regulations in the smallest type I had but one solace; at least my job was not as boring as the subspecialist tax lawyers who worked with tax exempt school bonds. They need some excitement, but not a free trip to Wall Street with the tax exempt bond proceeds.

MEETING HALFWAY ON THE BUDGET

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

Mr. GUTKNECHT. Madam Speaker, last week my wife went out to lunch with some of her friends and she told them that Gil was still in Washington and that they were still negotiating the final details of the budget, and they were surprised to learn that. In fact, we now know that most Americans are somewhat surprised that Congress is still in session.

The rumor started back in September that perhaps the President would hold the Congress hostage here in Washington, perhaps to gain some political advantage, perhaps to force some kind of a showdown and perhaps even a government shutdown. But, to the credit of the leadership here in the Congress,

we have been pleasantly persistent, we have been negotiating in good faith, and, as a result, we have many of the details worked out. Frankly, I think the ones that are remaining are more about partisan politics than anything else, and simply trying to embarrass the Congress.

As you can see by this chart, these numbers are kind of small, but, frankly, in terms of what we have appropriated versus what the President requested, the differences really at this point do not seem to be very large. We have appropriated more for national defense than the President originally requested and a little bit less in a few other categories, and, as a budgeteer, I have to say I am a little surprised we are actually spending more than we originally said in our original budget document. One of the things I thought was important was we ought to make it clear that the Federal budget should grow at a rate slower than the average family budget. For the most part, that has been what has happened.

But this year, of course, Washington has a big budget surplus, and, guess what happens when Washington has a big budget surplus? People want to spend it. This is not a partisan issue either. There are Republicans who want to spend the surplus, there are Democrats who want to spend the surplus, and certainly the people down at the other end of Pennsylvania Avenue want to spend that surplus.

So what has happened is the Congressional leaders have said that at least 90 percent of that surplus ought to go to pay down debt, because all of us believe there is something fundamentally immoral for this generation to leave a debt to the next generation. As a result, we will have paid off \$350 billion in publicly held debt, in fact, we have right now, and by the end of next year that number could well exceed \$500 billion worth of debt held by the general public that this Congress will have paid off.

That is good news. But the President seems to be a moving target, because as soon as we agree to one thing, the President says, oh, no, what I really want is more money here. We really need to spend more money on this.

Now the issue of school construction comes up. As you can see, in terms of education we are spending about exactly as much money as the President requested. The problem is not how much are we going to spend on children, the question is who gets to do the spending?

Many of us feel very, very strongly that if you are going to authorize more money to be available for school construction, that those decisions ought to be made by the people who know the children's names. We do not think it ought to be done by the Department of Education, because the record of the Department of Education is not good.

For the third consecutive year, the Federal Department of Education has failed its audit. In fact, last year we

are told by our own accounting office, the General Accounting Office, there is about \$100 million that the Department of Education cannot account for. Now, we do not think it is a good idea to turn even more authority over spending school bond money to the Federal Department of Education. We feel pretty strongly about that.

We also feel pretty strongly that it would be a huge mistake to grant blanket amnesty to millions of illegal aliens. Now, we are willing to allow families to be reunited, we are willing to make accommodations. We are willing on spending and policy issues to meet the President more than halfway. But sometimes he will not even accept "yes" for an answer.

Clearly, some people in this town are putting partisan politics above the needs of the American people. The real question comes down to this, and we have never gotten a clear answer from the administration or from our friends on the left here in Congress: How much is enough? We are willing to spend, and we believe that \$1.9 trillion is more than enough to meet the legitimate needs of the American people, the Federal Government and those who depend upon it. We believe that \$1.9 trillion is fiscally responsible. We are still spending more than I would like to see spent.

But the President continues to say, well, that is not quite enough. But he will not give us a number. We are more than willing to meet the President more than halfway, but we are not willing to compromise America's future. We want to take at least 90 percent of that surplus to pay down the publicly held debt. Most importantly, that is what the American people want us to do.

We are more than willing to compromise and meet with the President and work out some agreement that is in the best interests of the American people. The real question is, is he?

GETTING THE WORK DONE

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

Mr. DEFAZIO. Madam Speaker, today on the floor and last night I have heard a lot of creative rhetoric and whining from the Republican side of the aisle. They are whining that highly paid Members of Congress, themselves, are here in Washington actually having to work, to be a bit inconvenienced, to even work on a weekend.

Well, why do they have to work? They say the president is guilty. Well, in fact, the President is a little bit guilty in this matter. He is guilty, as is any lenient parent in dealing with spoiled children.

The budget is due October 1. It is set by law. We all know that. The budget was due on October 1. Were the appropriation bills done on October 1? Heck

no. And what did Congress do right around October 1? It went home for a 5 day weekend, and then it went home the next week for a 5 day weekend, and then the next week.

How did they get away with that? Well, the president, as I said, being, unfortunately, a little too lenient with the other side of the aisle, allowed them to go home with their work undone by giving them longer term continuing resolutions.

I voted against every one of them. I felt they should have been held to a one day standard at the beginning. I think they should be held to a one hour standard now. If Congress has to stay in session 24 hours a day to get the work done, get it done.

Now, they say, well, it is the President's fault. Well, gee, how can it be his fault, when you have not even sent two of the largest spending bills downtown yet? He has not seen them. The Senate has not passed them. He has not even had an opportunity to veto them, if he is going to.

No, that is awfully strange creative rhetoric. It reminds me a lot of teaching a class, and the kids come in, and they knew all along there was a term paper due, June 1. Well, excuse me teacher, we just did not get it done.

Well, gee, I am sorry, someone sick in the family, you sick, death in the family or something?

No, we just did not get it done. We would like another week.

If the teacher gives them another week, what are they going to say the next week?

Hey, Teach, it was really nice; it was early June, the weather was great, we did not get it done. Give us another week.

You cannot do that, and that is finally what the President is doing here. He is telling the Republicans, get your work done, one day at a time. You are going to stay here until the work gets done.

It is inexcusable to be almost on the first of November. I mean, if they want to score their political points, they can send down defective bills that the president will veto, but they will not even do that. They will not even allow him to veto the bills with the concerns he has. They are just holding them here.

So if anybody is holding them hostage, the Republican majority in Congress is holding itself hostage and whining about it. That is kind of pathetic.

I heard some awfully interesting things about prescription drugs. Let us get one thing clear: The Republican plan that passed this House gives a subsidy to insurance companies in the hope that they might, might, offer a prescription drug only benefit plan to seniors. However, the head of the Health Insurance Industry Association has already said they are not interested in that. They cannot make enough money on something like that, and, if they did, besides that, the drugs would be really expensive.

So the Republican plan not only provides subsidies to the insurance industry, it provides subsidies to the pharmaceutical companies. This is a great plan. But, guess what? If does not put any cap or set any conditions on the premiums that might be offered to seniors if plans were offered under their grand plan.

It is a way to shovel more billions into the insurance industry and more billions into the obscenely profitable pharmaceutical industry at the expense of America's seniors, while pretending to address a real concern of America's seniors.

That is outrageous. We take a program that is successful, which the Republicans opposed, Medicare, and add an optional, optional, prescription drug benefit. And then, God forbid, they do not like this part at all, we use the market power of Medicare, with 33 million seniors in it, to bargain down the price of drugs. We use the market. The Democrats use the market.

That is not price controls. The VA is doing that take today. Blue Cross-Blue Shield is using that today. They use their market clout. They drive down the cost of prescription drugs by saying, hey, we have millions of people in our plan. We want a discount.

But they are saying we should not do that. In fact, they are saying we should give subsidies to the pharmaceutical companies. God forbid we should bring down the prices in this country.

The prices on pharmaceuticals are more expensive in the United States than any other country on Earth. That is why Americans go across the border to Canada to buy American manufactured drugs for half the price, why they go across the border to Mexico to buy American manufactured drugs for half the price.

What do they want to do? They want to give a subsidy to the pharmaceutical industry and a subsidy to the insurance industry. That solution is outrageous.

NATIONAL SECURITY AT A LOW EBB

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

Mr. HUNTER. Madam Speaker. In answering my colleague with respect to getting out of town, I think a lot of us, Democrat and Republican, have come to the conclusion that the president will not take "yes" for an answer until it is politically expedient to do so. You can make an agreement in 5 minutes or 5 days or 5 months, and we obviously have great resistance at the White House right now.

Madam Speaker, let me talk about an aspect of this administration which needs addressing in a very short period of time after the new President takes office. Today, national security is at a low ebb. I reflect back on Vice Presi-

dent GORE's new invention that he came up with in the last debate, in which, along with inventing the Internet and various other American inventions, he invented four Army divisions. He stated that when he came in as vice president, the Army had gone down, but that he increased the number of divisions.

Well, in fact in January of 1993, when Vice President GORE took office, there were 14 divisions in the United States Army. A division is a big group. It is a large number of people, a lot of equipment, in some cases upward of 20,000 personnel.

Today, after the Clinton-Gore administration has run down national security, I might say, for 6 years, there are only 10 divisions in the United States Army. So when Vice President GORE came into office, there were 14 divisions. He claims he increased the number of divisions, but today it is down to 10 divisions. So somewhere along the line the vice president has invented four Army divisions, which is not an insignificant thing.

Now, if you look across the array of military equipment shortages and ammunition shortages, a number of things jump out at you. One thing we need to know is that since the vice president and President Clinton took over in 1992, we have cut the military almost in half. We have gone down, as I said, from 14 Army divisions January 1, 1993, to only 10 today, so we have cut the Army by a good 30-35 percent. We have cut the Navy from 546 warships to only 316 warships, so we have cut the Navy in numbers by about 40 percent. We have cut our fighter air wings from 24 fighter air wings to only 13 fighter air wings. So we have cut air power almost in half under this administration.

Now, the interesting aspect of that, and I think the real tragedy of this slashing of national defense, is this: Usually when you cut an organization, whether it is a sports organization or a business organization, when you decrease it, when you cut it back in size, Americans presume that the core that is left after you have made these cuts is going to be well-trained, well-equipped and ready to go. The sad facts are that the small military that is left after Vice President GORE and President Clinton have taken the action to it, the small military that is left, this half a military that is left, is not as ready as the big military that we had that won Desert Storm in the early 1990s.

Let me give you some examples. They are tragic examples. A few weeks ago we had the Chief of Staff of the Army, General Shinseki, testifying to us. He had to report to us that the Army is \$3 billion short of critical ammo supplies. Ammunition. Now, you may not agree with the B-2 bomber, you may not agree with the F-22 fighter. Every American feels that it is good for our troops to have ammunition, because they may need it.

This \$3 billion shortage was not measured against any requirement