

regulations, and for other purposes," agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ROTH, Mr. DOMENICI, Mr. KEMPTHORNE, Mr. GLENN, and Mr. EXON to be the conferees on the part of the Senate.

¶20.8 MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Edwin Thomas, one of his secretaries.

¶20.9 COMMUNICATION FROM THE CLERK—MESSAGE FROM THE PRESIDENT

The SPEAKER pro tempore, Mr. LINDER, laid before the House a communication, which was read as follows:

OFFICE OF THE CLERK,  
U.S. HOUSE OF REPRESENTATIVES,  
Washington, DC, February 3, 1995.

Hon. NEWT GINGRICH,  
The Speaker, U.S. House of Representatives,  
Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5 of Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House on Friday, February 3, 1995 at 4:30 p.m. and said to contain a message from the President whereby he informs the Congress of his intent to add Armenia to the list of beneficiary developing countries for the purposes of the generalized system of preferences program.

With great respect, I am  
Sincerely yours,

ROBIN H. CARLE,  
Clerk, U.S. House of Representatives.

¶20.10 ARMENIA-GENERALIZED SYSTEM OF PREFERENCES

The Clerk then read the message from the President, as follows:

*To the Congress of the United States:*

The Generalized System of Preferences (GSP) program offers duty-free treatment to specified products that are imported from designated beneficiary countries. It is authorized by the Trade Act of 1974, as amended.

I am writing to inform you of my intent to add Armenia to the list of beneficiary developing countries for purposes of the GSP program. I have carefully considered the criteria identified in sections 501 and 502 of the Trade Act of 1974. In light of these criteria, I have determined that it is appropriate to extend GSP benefits to Armenia.

I am also writing to inform you of my decision to terminate the designation of The Bahamas and the designation of Israel as beneficiary developing countries for purposes of the GSP program. Pursuant to section 504(f) of the Trade Act of 1974, I have determined that the per capita gross national products of The Bahamas and of Israel have exceeded the applicable limit provided for in section 504(f). Accordingly, I have determined that it is appropriate to terminate the designation of The Bahamas and Israel as GSP beneficiaries.

This notice is submitted in accordance with sections 502(a)(1) and 502(a)(2) of the Trade Act of 1974.

WILLIAM J. CLINTON.

By unanimous consent, the message, together with the accompanying papers, was referred to the Committee on Ways and Means and ordered to be printed (H. Doc. 104-26).

¶20.11 MESSAGE FROM THE PRESIDENT—BUDGET FY 1996

The SPEAKER pro tempore, Mr. LINDER, laid before the House a message from the President, which was read as follows:

*To the Congress of the United States:*

The 1996 Budget, which I am transmitting to you with this message, builds on the Administration's strong record of economic progress during the past two years and seeks to create a brighter future for all Americans.

When I took office two years ago, the economy was suffering from slow growth, inadequate investment, and very low levels of job creation. We moved quickly and vigorously to address these problems. Working with Congress in 1993, we enacted the largest deficit reduction package in history. We cut Federal spending by \$255 billion over five years, cut taxes for 40 million low- and moderate-income Americans, and made 90 percent of small business eligible for tax relief, while increasing income tax rates only on the wealthiest 1.2 percent of Americans. And while we placed a tight "freeze" on overall discretionary spending at 1993 levels, we shifted spending toward investments in human and physical capital that will help secure our future.

As we fought for our budget and economic policies, we moved aggressively to open world markets for American goods and services. We negotiated the North American Free Trade Agreement with Canada and Mexico, concluded negotiations over the Uruguay Round of the General Agreement on Tariffs and Trade, and worked with Congress to enact implementing legislation for both.

Our economic plan helped bring the deficit down from \$290 billion in 1992, to \$203 billion in 1994, to a projected \$193 billion this year—providing three straight years of deficit reduction for the first time since Harry Truman was President. Measured as a percentage of our economy—that is, Gross Domestic Product (GDP)—our plan will cut the deficit in half.

By reassuring the financial markets that we were serious about getting our fiscal house in order, our plan also lowered interest rates while holding inflation in check. That helped to stimulate private investment and exports, and sparked the creation of 5.6 million new jobs—more than twice the number in the previous four years.

Now that we have brought the deficit down, we have no intention of turning back. My budget keeps us on the course of fiscal discipline by proposing \$81 billion in additional deficit reduction through the year 2000. I am proposing to save \$23 billion by reinventing Cabinet departments and two other major agencies, to save \$2 billion by ending

more than 130 programs altogether, and to provide better service to Americans by consolidating more than 270 other programs. Under my plan, the deficit will continue to fall as a percentage of GDP to 2.1 percent, reaching its lowest level since 1979.

Despite our strong economic record, however, many Americans have not shared in the fruits of recovery. Though these Americans are working harder and harder, their incomes are either stagnant or falling. The problem is particularly acute among those with less education or fewer of the skills needed to compete in an increasingly global economy. To build a more prosperous America, one with rising living standards for all Americans, we must turn our attention to those who have not benefited from the current recovery.

My budget proposes to do that.

PROMOTING A RISING STANDARD OF LIVING FOR ALL AMERICANS

I am proposing a Middle Class Bill of Rights, which will provide tax relief to middle-income Americans. The Middle Class Bill of Rights includes a \$500 per child tax credit for middle-income families with children under 13; expands eligibility for Individual Retirement Accounts and allows families to make penalty-free withdrawals for a range of educational, housing, and medical needs; and offers a tax deduction for the costs of college, university, or vocational education. Also as part of my Middle Class Bill of Rights, I am proposing to revamp our confusing array of job training programs by consolidating some 70 of them. In my G.I. Bill for America's Workers, I propose to offer dislocated and low-income workers "Skill grants" through which they can make their own choices about the training they need to find new and better jobs.

The G.I. Bill for America's Workers is the final element of my effort to improve the education and skills of Americans, enabling them to compete in the economy of today and tomorrow. In the last two years, we enacted Goals 2000 to encourage States and localities to reform their education systems; revamped the student loan program to make post-secondary education affordable to more Americans; and pushed successfully for the School-to-Work program that enables young Americans to move more easily from high school to training or more education.

And I am proposing to pay for this Middle Class Bill of Rights with specific spending cuts. In fact, I am proposing enough spending cuts to provide more than twice as much in budget savings—\$144 billion—as the tax cuts will cost—\$63 billion—over five years.

CREATING OPPORTUNITY AND ENCOURAGING RESPONSIBILITY

By itself, the Federal Government cannot rebuild America's communities. What it can do is give communities some of the tools and resources to address their problems in their own way.

My national service program provides incentives for Americans of all ages to volunteer their services in local communities across the country, and earn money for their own education. The budget proposes to invest more in our urban centers as well as in rural areas, and to continue our efforts to build stronger government-to-government relations with American Indian and Alaska Native Tribes. And I will work with Congress to enact comprehensive welfare reform that embodies the principles of work and responsibility for able-bodied recipients, while protecting their children.

My Administration has worked with State and local law enforcement agencies to help retake the streets from the criminals and drug dealers who, in far too many places, now control them. Congress enacted my crime bill last year, finally answering the cries of Americans after too many years of debate and gridlock. We pushed successfully for the "three strikes and you're out" rule for violent criminals, and we are making significant progress on my promise to put 100,000 more police on the street. Congress also passed the long-overdue Brady Bill, which provides for background checks that will keep guns out of the hands of criminals. In this budget, I am proposing new funds with which States and localities can hire more police, build more space in prisons and boot camps, invest in prevention programs for first-time offenders, and provide drug treatment for many more drug users.

My Administration inherited deep-seated problems with the immigration system, and we have gone a long way toward addressing them. This budget proposes the strongest efforts yet, including funds for over 1,000 new Border Patrol agents, inspectors, and support staff. While working to fulfill the Federal Government's responsibility to secure our borders against illegal immigration, the budget also proposes funds to assist States that are unduly burdened with the health, education, and prison-related costs associated with illegal immigrants.

We must redouble our efforts to protect the environment. My Administration has sought more innovative, effective approaches to do so, and this budget would build upon them. In particular, I am proposing to work more with State and local governments, businesses, and environmental groups on collaborative efforts, while seeking more funds for high-priority programs.

Because investments in science and technology pay off in higher productivity and living standards down the road, I am seeking significant new funding for the Advanced Technology Program at the Commerce Department's National Institute of Standards and Technology, NASA's New Technology Investments, the Defense Department's Technology Reinvestment Project, biomedical research at the National Institutes of Health, and research and development at the National Science Foundation. I am also

seeking to strengthen our coordinated efforts through the Administration's National Science and Technology Council and to improve the payment system for federally-sponsored research at colleges and universities.

I remain committed to comprehensive health care reform. The problems that prompted me to send Congress the Health Security Act in November 1993 have not gone away. Health care costs have continued to soar for individuals, businesses, and all levels of government. More Americans are losing their health coverage each year, and many others are staying in jobs only out of fear of losing their own coverage. I am asking Congress to work with me on a bipartisan basis, to take the first steps toward guaranteeing health care coverage to every American while containing costs.

PROJECTING AMERICAN LEADERSHIP  
AROUND THE WORLD

We have begun the post-Cold War era and welcome one of its most significant fruits—the continuing efforts of Russia and the newly-independent states to move toward democracy and economic freedom. We propose to continue our support for this fundamental change that clearly serves the Nation's long-term interests.

My proposals for international affairs also promote and defend this Nation's vital interests in Central Europe, the Middle East, and Asia. The budget supports the important role we play in fostering our historic peace process in the Middle East.

With the global economy offering the prospect of new markets for American goods, we are redoubling our efforts to promote an open trading system in Asia, as well as in Latin America and the rest of the globe. I am, for instance, proposing increased funding for our trade promotion agencies, such as the Export-Import Bank, which strengthen our trade position. I am also asking for continued support for the bilateral and multilateral assistance to less-developed nations that can prevent humanitarian crises, as well as support for a strong American response to these crises.

Our military strength works in synergy with our foreign policy. Our forces defend our interests, deterring potential adversaries and reassuring our friends. My Defense Funding Initiative, a \$25 billion increase in defense spending over the next 6 years, marks the third time that I have raised defense spending above my initial funding plan in order to support and maintain the most capable military force in the world. I am determined to ensure a high level of readiness of U.S. military forces, to continue to improve the pay and quality of life for the men and women who serve, and to ensure that our forces are modernized with new systems that will be available near the end of the century.

MAKING GOVERNMENT WORK

None of our efforts can fully succeed unless we make Government work for

all Americans. We have made great progress with the National Performance Review (NPR), which I established early in the Administration and which Vice President Gore has so ably run at my direction.

Specifically, departments and agencies across the Government have made substantial progress on each of the NPR's four themes: putting customers first, empowering employees to get results, cutting red tape, and cutting back to basics. The departments and agencies have established customer service standards and streamlined their operations. They also are working with my Office of Management and Budget to focus more on "performance"—what Federal programs actually accomplish. And they are doing all this while we are cutting the Federal workforce by 272,900 positions, bringing it to its smallest size since John Kennedy was President.

We also greatly improved the Federal regulatory system, opening it up more to public scrutiny. We plan to build upon our efforts, to make sure that we are protecting the public while not unduly burdening any one industry or group. We also overhauled the Federal procurement system, cutting mountains of red tape and enabling the Government to buy high-quality goods and services at lower cost.

Despite such progress, however, we are only beginning our efforts. I recently announced a major restructuring of the Departments of Housing and Urban Development, Energy, and Transportation, the General Services Administration, and the Office of Personnel Management. The budget contains details of these restructurings and our related proposals that affect hundreds of other programs.

In the coming months, the Vice President will lead Phase II of our crusade to reinvent Government—an effort to identify other agencies and programs to restructure or terminate, to sort out responsibilities among the Federal, State, and local levels of government, and to choose functions better performed by the private sector.

CONCLUSION

Our agenda is working. By cutting the budget deficit, investing in our people, and opening world markets, we have begun to lay the foundation for a strong economy for years to come. And by reinventing the Federal Government, cutting red tape and layers of management, we have begun to make Government more responsive to the American people.

This budget seeks to build upon those efforts. It seeks to spread the benefits of our economic recovery to more Americans and give them the tools to build a brighter future for themselves. It also seeks to continue our reinvention efforts—to eliminate or restructure agencies and programs, and to better sort out responsibilities among the Federal, State, and local levels of government.

These proposals will help us to create a stronger economy and more effective

Government. I will ask for Congress's help in these efforts.

WILLIAM J. CLINTON.

THE WHITE HOUSE, February 6, 1995.

By unanimous consent, the message, together with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed (H. Doc. 104-3).

¶20.12 LINE-ITEM VETO

The SPEAKER pro tempore, Mr. LINDER, pursuant to House Resolution 55 and rule XXIII, declared the House resolved into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H.R. 2) to give the President item veto authority over appropriations Acts and targeted tax benefits in revenue Acts.

Mr. HOBSON, Acting Chairman, assumed the chair; and after some time spent therein,

The Committee rose informally to receive a message from the President.

The SPEAKER pro tempore, Mr. QUINN, assumed the Chair.

¶20.13 FURTHER MESSAGE FROM THE PRESIDENT

A further message in writing from the President of the United States was communicated to the House by Mr. Edwin Thomas, one of his secretaries.

The Committee resumed its sitting; and after some further time spent therein,

¶20.14 RECORDED VOTE

A recorded vote by electronic device was ordered in the Committee of the Whole on the following amendment submitted by Mr. ORTON:

At the end of section 4, add the following new paragraph:

(5) The term "discretionary budget authority" includes authority to enter into contracts under which the United States is obligated to make outlays, the budget authority for which is not provided in advance by appropriations Acts.

It was decided in the 

Yeas .....	65
negative .....	360

¶20.15 [Roll No. 91]

AYES—65

Andrews	Inglis	Rohrabacher
Barrett (WI)	Johnson (SD)	Royce
Beilenson	Kasich	Sabo
Bentsen	Kennedy (MA)	Schroeder
Berman	Kennedy (RI)	Schumer
Browder	Lincoln	Sensenbrenner
Brownback	Lofgren	Serrano
Bryant (TX)	Lowe	Shays
Coleman	Luther	Skaggs
Condit	Maloney	Slaughter
Dellums	McHale	Smith (MI)
Doggett	Meehan	Spratt
Dooley	Miller (CA)	Stenholm
Durbin	Minge	Tauzin
Edwards	Obey	Taylor (MS)
Eshoo	Orton	Visclosky
Fawell	Pallone	Wilson
Fazio	Pelosi	Wolf
Furse	Peterson (FL)	Wyden
Gibbons	Peterson (MN)	Yates
Gutierrez	Pomeroy	Zimmer
Hoyer	Rivers	

NOES—360

Abercrombie	Armey	Baker (LA)
Ackerman	Bachus	Baldacci
Allard	Baesler	Ballenger
Archer	Baker (CA)	Barcia

Barr	Forbes	Martinez
Barrett (NE)	Fowler	Martini
Bartlett	Fox	Mascara
Barton	Frank (MA)	Matsui
Bass	Franks (CT)	McCarthy
Bateman	Franks (NJ)	McCollum
Bereuter	Frelinghuysen	McCrery
Bevill	Frisa	McDermott
Bilbray	Funderburk	McHugh
Bilirakis	Galleghy	McInnis
Bishop	Ganske	McIntosh
Bliley	Gejdenson	McKeon
Blute	Gekas	McKinney
Boehlert	Gephardt	McNulty
Boehner	Geren	Meek
Bonilla	Gilchrest	Menendez
Bonior	Gillmor	Metcalf
Bono	Gilman	Meyers
Borski	Gonzalez	Mfume
Boucher	Goodlatte	Mica
Brewster	Goodling	Miller (FL)
Brown (CA)	Gordon	Mineta
Brown (FL)	Goss	Mink
Brown (OH)	Graham	Moakley
Bunn	Green	Molinari
Bunning	Greenwood	Montgomery
Burr	Gunderson	Moorhead
Burton	Gutknecht	Moran
Buyer	Hall (OH)	Morella
Callahan	Hall (TX)	Murtha
Calvert	Hamilton	Myers
Camp	Hancock	Myrick
Canady	Hansen	Nadler
Cardin	Harman	Neal
Castle	Hastert	Nethercatt
Chabot	Hastings (FL)	Neumann
Chambliss	Hastings (WA)	Ney
Chapman	Hayes	Norwood
Chenoweth	Hayworth	Nussle
Christensen	Hefley	Oberstar
Chrysler	Hefner	Olver
Clay	Heineman	Ortiz
Clayton	Herger	Owens
Clement	Hilleary	Oxley
Clinger	Hilliard	Packard
Clyburn	Hinchev	Parker
Coble	Hobson	Pastor
Coburn	Hoekstra	Paxon
Collins (GA)	Hoke	Payne (NJ)
Collins (IL)	Holden	Payne (VA)
Collins (MI)	Horn	Petri
Combest	Hostettler	Pickett
Conyers	Houghton	Pombo
Cooley	Hunter	Porter
Costello	Hutchinson	Portman
Cox	Hyde	Poshard
Coyne	Istook	Poshard
Cramer	Jackson-Lee	Pryce
Crane	Jacobs	Quillen
Crapo	Johnson (CT)	Quinn
Creameans	Johnson (E. B.)	Radanovich
Cubin	Johnson, Sam	Rahall
Cunningham	Johnston	Ramstad
Danner	Jones	Rangel
Davis	Kanjorski	Reed
de la Garza	Kaptur	Regula
Deal	Kelly	Reynolds
DeFazio	Kennelly	Richardson
DeLauro	Kildee	Riggs
DeLay	Kim	Roberts
Deutsch	King	Roemer
Diaz-Balart	Kingston	Rogers
Dickey	Kleczka	Ros-Lehtinen
Dicks	Klink	Rose
Dingell	Klug	Roth
Dixon	Knollenberg	Roukema
Doolittle	Kolbe	Roybal-Allard
Dornan	LaFalce	Rush
Doyle	LaHood	Salmon
Dreier	Lantos	Sanders
Duncan	Largent	Sanford
Dunn	Latham	Sawyer
Ehlers	LaTourrette	Saxton
Ehrlich	Laughlin	Scarborough
Emerson	Lazio	Schaefer
Engel	Leach	Schiff
English	Levin	Scott
Ensign	Lewis (CA)	Seastrand
Evans	Lewis (GA)	Shadegg
Everett	Lewis (KY)	Shaw
Ewing	Lightfoot	Shuster
Farr	Linder	Sisisky
Fattah	Lipinski	Skeel
Fields (LA)	Livingston	Skelton
Fields (TX)	LoBiondo	Smith (NJ)
Filner	Longley	Smith (TX)
Flake	Lucas	Smith (WA)
Flanagan	Manton	Solomon
Foglietta	Manzullo	Souder
Foley	Markay	Spence
		Stark

Stearns	Tiahrt	Waters
Stockman	Torkildsen	Watt (NC)
Stokes	Torres	Waxman
Studds	Torricelli	Weldon (FL)
Stump	Towns	Weldon (PA)
Stupak	Traficant	Weller
Talent	Upton	White
Tanner	Velazquez	Whitfield
Tate	Vento	Wicker
Taylor (NC)	Volkmer	Williams
Tejeda	Vucanovich	Wise
Thomas	Waldholtz	Woolsey
Thompson	Walker	Wynn
Thornberry	Walsh	Young (AK)
Thornton	Wamp	Young (FL)
Thurman	Ward	Zeliff

NOT VOTING—9

Becerra	Frost	Mollohan
Bryant (TN)	Jefferson	Tucker
Ford	McDade	Watts (OK)

So the amendment was not agreed to.

¶20.16 RECORDED VOTE

A recorded vote by electronic device was ordered in the Committee of the Whole on the following amendment submitted by Ms. WATERS:

The first sentence of paragraph (3) of section 4 is amended by inserting "or which the President determines would yield at least 20 percent of its benefit to the top 1 percent of income earners" before the period.

It was decided in the 

Yeas .....	144
negative .....	280

¶20.17 [Roll No. 92]

AYES—144

Abercrombie	Furse	Neal
Baldacci	Gejdenson	Oberstar
Barcia	Gephardt	Obey
Barrett (WI)	Gibbons	Olver
Beilenson	Gonzalez	Owens
Bentsen	Gordon	Pallone
Berman	Green	Pastor
Bevill	Gutierrez	Payne (NJ)
Bishop	Hamilton	Pelosi
Bonior	Hastings (FL)	Pomeroy
Brewster	Hilliard	Rahall
Browder	Hinchev	Rangel
Brown (CA)	Jackson-Lee	Reed
Brown (FL)	Johnson (SD)	Reynolds
Brown (OH)	Johnson, E. B.	Rivers
Bryant (TX)	Johnston	Roybal-Allard
Chapman	Kanjorski	Rush
Clay	Kaptur	Sabo
Clayton	Kennedy (MA)	Sanders
Clement	Kennedy (RI)	Schroeder
Clyburn	Kildee	Scott
Coleman	Kleczka	Serrano
Collins (IL)	Klink	Skaggs
Collins (MI)	LaFalce	Slaughter
Conyers	Lantos	Stark
Coyne	Lewis (GA)	Stenholm
Cramer	Lincoln	Stokes
Danner	Lofgren	Studds
Deal	Luther	Stupak
DeFazio	Manton	Taylor (MS)
Dellums	Markey	Thompson
Dingell	Martinez	Thurman
Dixon	Mascara	Torres
Doggett	McCarthy	Towns
Doyle	McDermott	Traficant
Durbin	McKinney	Velazquez
Engel	Meehan	Vento
Eshoo	Meek	Volkmer
Evans	Menendez	Ward
Farr	Mfume	Waters
Fattah	Miller (CA)	Watt (NC)
Fazio	Mineta	Waxman
Fields (LA)	Minge	Williams
Filner	Mink	Wise
Flake	Moakley	Woolsey
Foglietta	Mollohan	Wyden
Frank (MA)	Montgomery	Wynn
	Nadler	Yates

NOES—280

Ackerman	Baker (CA)	Bass
Allard	Baker (LA)	Bateman
Andrews	Ballenger	Bereuter
Archer	Barr	Bilbray
Armey	Barrett (NE)	Bilirakis
Bachus	Bartlett	Bliley
Baesler	Barton	Blute