

ought to kick 55,000 kids off Head Start.

But beyond those differences in priorities, nobody ought to disagree that it is wrong to take trust fund money to the tune of \$1.2 trillion and claim you have done something good for the American people. You have weakened this country. You have cheated old folks out of a future they delivered in Social Security trust funds, and I would hope one day we will stop this business as usual and tell the American people what this budget is about.

Is my time expired?

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DORGAN. Mr. President, I thank you.

Mr. THOMAS addressed the Chair.

The PRESIDING OFFICER (Mr. DEWINE). The Senator from Wyoming.

BALANCING THE BUDGET

Mr. THOMAS. Mr. President, I rise also to talk about the budget because I think the budget is what is on our minds now, and properly so. I rise because we have come to a defining time when we will decide. And I am very interested in the colloquy that has gone on here. I congratulate my friend from Pennsylvania for raising this question about the President's budget. This is what we ought to be considering.

Let me say to my friend from North Dakota that the gentleman is not for a balanced budget in any time. We are not going to get a balanced budget if we follow that pattern because there is none there. We are following the pattern that has been followed.

Furthermore, I think it is unfair to say this money is being used. I do not know of any trust fund of any kind or any annuity which the proceeds are not invested. In this case, they are invested in the U.S. securities. And the reason they are invested is because the law requires that. They are not stuffed in the mattress somewhere. And from an accounting standpoint, they do belong to that trust fund. And the Senator knows that, of course.

But I want to talk a little bit about the President's budget.

Mr. SANTORUM. Mr. President, will the Senator yield for 1 minute?

Mr. THOMAS. Of course.

Mr. SANTORUM. I ask unanimous consent that the transaction of morning business be extended to 11:15 a.m., under the previous terms.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. THOMAS. I certainly would not want to stop this exciting debate.

Anyway, we do need to talk about where we are going. Now, there has been a great deal of activity in the administration going about the country saying, "We have a balanced budget. We balance the budget in 10 years." And so that, then, in our minds is measured against the Republican proposal to have a balanced budget and do so in 7 years.

But there is a substantial difference between the two. One is that the Republican budget does indeed balance in 7 years, as certified by CBO. The President's budget, what he has talked about for a 10-year balance, does not balance at the end of 10 years. So that is really the issue. And probably we will become involved in great detail about it.

But you really start with the question, Are we committed to the notion that we need to balance the budget? We have not been committed for 25 years to do that. As a matter of fact, we have heard this same debate for 25 years, the same excuses for 25 years, the same idea that we cannot do it for 25 years. In the meantime, the debt has increased to \$5 trillion. In the meantime, the interest paid on that debt will become the largest single-line item in the budget, larger than defense.

So we do not really have now a choice. We can talk about the idea of Social Security being off-budget. I happen to favor that. The fact is that it is not. The fact is that it has not been. And the fact is that the folks on that side of the aisle would not balance the budget if it is on, let alone if it is off. It would make it much more difficult.

The President promised a 5-year balanced budget as a candidate. That did not happen. Instead, we had the largest tax increase in history in the 1993 budget.

The original budget by the administration this year was brought to the floor, defeated 99 to 0. So the administration sent down a new budget. It uses OMB numbers, not CBO numbers which the President told us a year ago, 2 years ago, that these are the numbers we all ought to use. We all ought to be on a level field. And I agree with that. CBO's are the numbers.

So the budget does not balance. There are a number of other problems. The proposition backloads cuts. The cuts come in after the year 2000. Eighty-five percent of the cuts come in in the next century. That is not a very tough approach to budgeting. It leaves the tough work for later, increases the deficit by 31 percent during this 10-year period. Well, the Republican budget eliminates it. It adds \$2 trillion to the debt.

So that is the comparison that we make. We really need to come down to dealing with the fundamental changes that have to be made and that, indeed, will be voted on in the next 2 or 3 weeks.

Protecting Medicare—we have to make some changes. There is a trust fund there. The trust fund will go broke in the year 2002. The trustees say so. You have to make some changes if you want some different results.

Reform welfare—we need to do that. We needed to do it for a very long time. We have the opportunity to do it.

Balance the budget—perhaps the most important. We have an opportunity to do that. There is legitimate debate about how you do it, legitimate

debate about the cuts you make or the reductions you make in growth. But there is not really a legitimate debate about whether or not you financially and morally are responsible to balance the budget of the United States.

The real question is, what kind of a Government do we pass on to our kids? What kind of a financial situation and Government do we hand on as the new century comes on us? And those are the decisions we will answer in the next 2 weeks.

Mr. President, I yield the floor.

Mr. GRAMS addressed the Chair.

The PRESIDING OFFICER. The Senator in Minnesota.

DEBATING THE PRESIDENT'S BUDGET

Mr. GRAMS. Mr. President, I want to join in and congratulate my colleague from Pennsylvania for bringing this issue to the floor today.

I just want to make a few statements in support of his effort, to put the President's so-called balanced budget on the table for debate, because I think we do need a healthy debate on both sides of the issue.

I would like to read from what the President has had to say in the last 2 weeks in his radio addresses, when he talks about continually maintaining that he does have a balanced budget.

He said on October 7, "I am deeply committed to balance the Federal budget." A week earlier, on September 30, he said, "I strongly believe we must balance the budget." He said, "Let's be clear. Of course, we need to balance the budget."

Well, of the three budgets that the President has put on the desk this year, none actually balances, according to the CBO, even his 10-year plan which he again touts as a balanced budget. It still leaves \$200 billion-plus deficits as far as the eye can see. So the President really does not have a balanced budget at all. But at least we would like to have the opportunity to talk about it.

We would like to give the other side of the aisle an opportunity to put those figures on the table. Let us debate them. Let us talk about them. Let us let the American people see the difference between the Republican plan and the Democratic plan.

As you remember, back in 1993—this week the headlines have been talking about the budget of 1993 again. In fact, the President has been coming from both sides of the issue again, flip-flopping on whether he raised taxes too high. Yes, he did raise them too high. Did he make too many cuts? No. It was the spendthrift Democrats, that he could not stop their spending. So he had to raise taxes in order to balance the budget.

If you look back at that balanced budget in 1993, the President has said many times we did not get one Republican vote in favor of that budget. And he is right, not one Republican voted for the President's budget.

But what did Republicans do? As a Member of the House in 1993, I introduced a budget called Families First, which, by the way, now makes up much of what is in the Republican budget this year, including the \$500 per child tax credit. And many of the others—Congressman JOHN KASICH of Ohio, now the Budget chairman in the House, also introduced a budget plan in 1993. Congressman JERRY SOLOMON of New York, Republican, also introduced a budget of his own in 1993.

So we had three definite Republican budgets on the table proposed and were voted on. We got 178 votes on my alternative Families First budget. So what we are saying is Republicans did not vote in 1993 for the President's plan, but we did vote for a budget plan that we had proposed.

So what I would advocate here today, and my colleague from Pennsylvania has talked about, let us put the Democratic or the President's plan on the table so we can have a healthy debate and at least a comparison of the two plans. And then, hopefully, let us get a vote on it so the American people know where the numbers really lie and where they are.

I know we are talking a lot about, and we are going to hear a lot in the debate, about the Social Security trust fund. This is a complicated issue. But the American people should know that the way the budget is set up, that all the funds from the Social Security trust fund has been used by past Democratic Congresses for the same purpose.

The President's proposed budget that he maintains balances uses every dime, the same as the Republicans' do at this time for the unified budget. But what remains in the Social Security trust fund are IOU's. As my colleague from Pennsylvania pointed out, we are going to have to repay those IOU's in the very near future. That is going to mean new tax revenues in order to do it. That is the only way the Government can pay it back.

So we do have a problem. We do have a luxury right now for the next few years of maintaining a surplus. But it will be easier to address this problem that we are going to be confronted with in Social Security if we stay on course and balance the budget by the year 2002.

So I just hope that over the next couple days, and probably yet today, we are going to get a chance to look more at what the President's plan is, what he advocates, and get a healthy dialog and debate going on these budget issues so the American people do get a very clear picture of what the President has proposed and what Republicans propose, because this is going to be the most important issue, for not only this Congress, but for the Congresses to follow, for our children and grandchildren, because what we cannot do, morally or financially, is to leave them our debts. We have to address this problem with every ounce of energy that we have.

So I hope we get a healthy debate on these issues. I thank you, Mr. President.

I yield the floor. And I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SANTORUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF MORNING BUSINESS

Mr. SANTORUM. Mr. President, I ask unanimous consent that the period for the transaction of morning business be extended until noon, under the terms of the previous agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE BUDGET

Mr. SANTORUM. Mr. President, I want to get back to some of the points that the Senator from North Dakota was making with respect to the President's budget. I think it is significant that the Senator from North Dakota said that the President's budget does not come into balance in 10 years, as he is claiming it does all over the country. We should use the congressional budget numbers. In fact, the Democratic leader, Senator DASCHLE, shortly after the President introduced his budget, said that the President should use Congressional Budget Office numbers. They have been the most reliable. The President addressed a joint session of Congress on February 17, 1993. This was shortly after he was sworn in, inaugurated as President of the United States. He said:

The Congressional Budget Office was normally more conservative in what was going to happen and closer to right than previous Presidents have been. I did this—

In other words, he agreed to use Congressional Budget Office numbers.

so that we can argue about priorities with the same set of numbers. I did this so no one could say I was estimating my way out of difficulty. In the last 12 years, because there were differences over the revenue estimates, you and I know that both parties were given greater elbow room for irresponsibility. This is a tightening of the rein on the Democrats as well as the Republicans. Let us argue about the same set of numbers so that the American public will think we are shooting straight with them.

The President wanted to shoot straight back in 1993. In 1995, he wants to shoot any way he can to hit the target of getting reelected. He believes he needs to get reelected by campaigning that he has a balanced budget when he knows darn well he does not have one. He has done exactly what he said he would not do, which is "estimating my way out of this difficulty."

He has reestimated what the growth of this country will be over the next 7

to 10 years and reestimated what the interest rates will be. You have to understand that if you reestimate just a tenth or two-tenths of 1 percent more growth, what does that mean? If you say that instead of having 2.5 percent growth, actually, we are going to have 2.6 or 2.7 percent, you might say that is close. Yes, it may be close, but it means hundreds of billions of dollars in differences to the Federal budget deficit, because that additional growth means more people are going to be working and paying taxes, and less people are going to be receiving Government benefits. Therefore, the deficit would be lower.

I think it would be easy for me to balance the budget in 1 year. All I have to do is say the economy is not going to grow at 2.5 percent, but at 5 percent, interest rates will be at 2 percent, and I will have balanced the budget. I would not have to cut a thing or raise taxes, and just by estimating things differently for the future, I could balance the budget. The economy is a lot bigger than the Federal budget. When this multitrillion-dollar economy grows by even a little bit more, it has a tremendous ripple effect on this little part of the economy, which is the Federal Government.

So what we are seeing here is the President trying to involve himself in debate, to become relevant to this debate, and he is using numbers that just do not add up. Now we are coming down to crunch time when we are going to bring up the budget reconciliation bill. We have a letter from the CBO that says it balances the budget. I want to make this clear, because people are saying that we have had Gramm-Rudman and all these things that were going to balance the budget. We have never passed a piece of legislation that, within its confines, has changes in law that will result in a balanced budget, if we do nothing else.

We have passed budget rules that say, well, we have to do certain things every year and cut programs in the future and reduce spending in the future. And if we do not, we will have this mechanism in place to make you do it. That is what we have passed in the past. We have had procedures by which we are forced to make decisions to balance the budget. That is not what we are doing here. We have those in place just in case the economy does not grow as fast or just in case interest rates are higher, but what we have in place, given the conservative assumptions of the Congressional Budget Office, is a plan that will, in fact, result in a balanced budget, if we do nothing else. We do not have to make any more changes in law or raise any taxes or cut any programs. We will have done it all in one bill.

It is fundamentally different than anything we have done here since 1968, which I think was the last time we balanced the budget. We will have balanced this budget and put in place a law that does it—not a procedure that