

Year 2002 (billion)	
1996 Budget: Kasich Conf. Report, p. 3 (deficit)	-\$108
1996 Budget Outlays (CBO est.)	\$1,583
1995 Budget Outlays	1,530
Increased spending	+53

CBO Baseline Assuming Budget Resolution:	
Outlays	1,874
Revenues	1,884

This Assumes:

(1) Discretionary Freeze Plus Discretionary Cuts (in 2002) ...	-121
(2) Entitlement Cuts and Interest Savings (in 2002)	-226
(3) Using SS Trust Fund (in 2002)	-115
Total reductions (in 2002) ...	-462

MORE BUDGET TABLES

(In billions)

Year	National debt	Interest costs
1996	\$5,238	\$348
2002	6,728	436

(In billions)

	1996	2002
Debt Includes:		
(1) Owed to the Trust Funds	\$1,361.8	\$2,355.7
(2) Owed to Government Accts	81.9	(1)
(3) Owed to Additional Borrowing	3,794.3	4,372.7
[Note No "unified" debt, just total debt] ...	5,238.0	6,728.4
Surplus in Social Security (CBO through 1996)	544.0	
Surplus in Medicare (CBO through 1996)	145.0	

¹ Included above.

"SOLID" BUDGET PLAN

(In billion; 1995 Real Deficit (CBO) (1) \$283.3 billion)

Year (2)	CBO outlays	CBO revenues
1996	\$1,583	\$1,355
1997	1,624	1,419
1998	1,663	1,478
1999	1,718	1,549
2000	1,779	1,622
2001	1,819	1,701
2002	1,874	1,884
Total	12,060	11,008

Note: \$636 Billion "embezzlement" of the Social Security Trust Fund.

(In billions)

	Outlays	Revenues
2002 CBO Baseline Budget	\$1,874	\$1,884

This assumes:

(1) Discretionary Freeze Plus Discretionary Cuts (in 2002)	-121
(2) Entitlement Cuts and Interest Savings (in 2002)	-226
[1996 Cuts, \$45 B] Spending Reductions (in 2002)	-347
Using SS Trust Fund	-115
Total reductions (in 2002)	-462

Mr. HOLLINGS. Mr. President, as they demonstrate, you can add up the CBO outlays—the spending of the years 1996, 1997, 1998, 1999, 2000, 2001, 2002—and find that over that 7-year period, we will spend a total of \$12.06 trillion. Over that same period, CBO estimates that revenues will total \$11,008 trillion. So you can see that spending will actually increase over revenues during the 7-year period by \$1.052 trillion.

Even that figure is low is it requires what the former Senator, John Heinz, called "embezzlement"; namely, using

the Social Security trust fund to mask the true size of the deficit.

I just heard in the Budget Committee the distinguished chairman, Senator DOMENICI, call it a phony argument. But he voted for it and all the Members who were present in 1990 voted to stop using Social Security surpluses to mask the size of the deficit. Senator Heinz and I put it into the law, section 13301 of the Congressional Budget Act. There is nothing phony about it, but I hear the Senator from Washington coming in and quoting Charles Krauthammer as saying the argument was fraudulent. I know that Mr. Krauthammer was a psychiatrist before he started spilling ink in the editorial page. It reminds me of the old saw that a psychiatrist is the fellow who goes to the burlesque show to look at the audience.

Let us not use economic figures from psychiatrists, let's use the \$105 billion deficit cited by CBO.

JERUSALEM EMBASSY RELOCATION IMPLEMENTATION ACT OF 1995

The Senate continued with the consideration of the bill.

AMENDMENT NO. 2940

The PRESIDING OFFICER. I remind the Senator that 20 minutes of debate has begun on the Dorgan amendment, but none of the managers is here.

I see the Senator from North Dakota is here.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Under the previous unanimous-consent order, the Senator has 10 minutes.

Mr. DORGAN. Let me yield myself 5 minutes of the 10 minutes and then reserve the time.

Mr. President, this issue will be relatively simple. The vote we are going to have in 20 minutes is a very simple proposition. It is a sense-of-the-Senate resolution that says let us limit the tax cut to those whose incomes are under a quarter of a million dollars a year and use the savings from that limitation to reduce the cut in Medicare. It is very simple. This follows an amendment I had previously that was voted on by the Senate—it failed—saying let us limit the tax cut to those whose incomes are \$100,000 a year or less. That failed.

So I indicated that I intended to offer another resolution which I now offer that says I do not personally think we ought to talk about tax cuts at the moment. I think we ought to deal with the budget issue, and the Congressional Budget Office has told us there is not a balanced budget in this proposal. The deficit in the year 2002 will be \$105 billion. But the majority side says they have reached a balanced budget. So they want now to proceed to a tax cut.

While I wish they would not do that, my amendment is painfully simple. It says let us at least agree to limit the tax cut to those whose incomes are \$250,000 a year or less. If we do that, we

will save some money and be able to cut Medicare less than is now proposed.

What does this amount to? I do not have exact figures. But, from talking to the Treasury Department and others, my reckoning is that we are talking about 20 percent of the tax cut going to slightly more than 1 percent of the earners in this country, or about \$50 billion over the 7 years. This sense-of-the-Senate would, say, let us save \$50 billion that will otherwise, during the 7 years, go to those whose incomes are over a quarter of a million dollars a year and use that \$50 billion to soften the blow on Medicare recipients. It is interesting. That \$50 billion over the 5 years is almost exactly the same amount as the \$50 billion increase in part B premiums that senior citizens will be asked to pay.

It is simply about choices. It is not about Republicans, Democrats, conservative, or liberal. It is about choices. What is important? Is it more important to provide tax cuts to people whose incomes are a quarter of a million dollars or greater? Is it more important to do that than to try to soften the blow on low-income senior citizens who will, I think, get hit fairly hard on the question of these Medicare cuts?

So that is the purpose of this amendment. As the Members of the Senate know, the Treasury Department has indicated that the reconciliation bill that will come to the floor will provide nearly one-half of its tax benefits to those with incomes of \$100,000 a year or more, and it will at the same time increase taxes on about half the families in our country. Which half? The lower half, of course. That is the subject of this amendment. It is about priorities.

I hope that others in the Chamber, having reflected on this and having turned down the proposition to limit the tax cut to those under \$100,000 a year, will now at least agree that those who make over a quarter of a million dollars a year really do not need at this point a tax cut. So that is the purpose of the sense-of-the-Senate resolution.

Mr. President, how much time have I consumed?

The PRESIDING OFFICER. The Senator from North Dakota has about 5½ minutes remaining.

Mr. DORGAN. Mr. President, the reconciliation bill will come to the floor of the Senate tomorrow perhaps, or at the latest Wednesday. We will begin debate on the reconciliation bill under a procedure that is very restricting and very constrained, as you know.

It will, by necessity, limit the debate on the amendments, and, frankly, we will have an insignificant opportunity to effect what is happening in the committees that is brought to the floor under the reconciliation bill.

Tragically, this reconciliation bill really does almost everything. It is going to have a farm bill in it. For the first time in history, they stick a farm bill in the reconciliation bill. I mean, it has the kitchen sink in it—profound, massive changes in Medicaid and Medicare and eliminates national standards for nursing homes. You name it. But

especially it deals with choices, and that is the purpose of my sense-of-the-Senate resolution. The choice that says what we would like to do at this point is balance the budget and provide a tax cut.

I have no objection to a tax cut provided that we have done the heavy lifting to balance the budget first. But the Congressional Budget Office says that with the reconciliation bill there exists a \$105 billion deficit in the year 2002, and still the majority party wishes to proceed with a tax cut, half of which will benefit those families with incomes over \$100,000 a year, \$50 billion of which over the 7 years will benefit those families with incomes over a quarter of a million dollars a year.

My point is very simple. With the number of people out there in this country living on very modest incomes, especially senior citizens, the bulk of whom live on less than \$15,000 a year, we are saying to them, "Tighten your belt, buckle up, you are in for some tough times, because we are going to change the programs that you count on because we cannot afford to do otherwise."

And then we say to the wealthiest families in America, those who earn over a quarter of a million a year and more, guess what. We are going to stop at your house with an envelope, and guess what is in the envelope. A very significant tax cut. So start grinning; it is coming your way. Why? Well, it is about pals and pols. It is about choices. It is about the wrong choices. My sense-of-the-Senate resolution is very simple. It says let us at least make a decision to limit this tax cut to those families that earn less than \$250,000 a year and say to those with a quarter million dollars a year or more income, we think you are doing great; you do not need a tax cut, and use the savings, \$50 billion in 7 years, to offset some of the cut that is going to be impacting and hurting senior citizens in this country.

Mr. President, I yield the floor and I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time? If no one yields time, time will be deducted from both sides equally.

Mr. BINGAMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that I be allowed to speak for 4 minutes as if in morning business.

The PRESIDING OFFICER. Again, we are under a unanimous-consent order between 5:40 and 6 o'clock. Any unanimous consent would have to use part of that time.

Mr. BINGAMAN. I would ask that my 4 minutes be charged equally to the two sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from North Dakota controls 40 seconds. The rest would have to come from the other side.

CLINTON ANDERSON CENTENNIAL

Mr. BINGAMAN. Mr. President, 100 years ago, New Mexico was 17 years from becoming a State and Grover Cleveland was in his second term as President, the x ray was discovered, and O. Henry, who was a writer of great importance in this country, was charged with embezzlement. Also, 100 years ago was the time that Senator Anderson, Clinton Anderson of my home State of New Mexico, was born. Senator Anderson was a man who would mean a great deal to this institution, to this country, and to my home State of New Mexico.

Mr. President, 100 years ago today he was born in Centerville, SD. As a young man, he contracted tuberculosis and moved to New Mexico for treatment of that disease. I should note, Mr. President, that many other of my State's distinguished residents did the very same thing. The dry air of New Mexico revived more than one set of eastern lungs, and Senator Anderson's were among these. He recovered from his illness. He worked in journalism. He was active in Democratic politics. He was elected to the House of Representatives in 1941, served until 1945, when President Truman asked him to become Secretary of Agriculture. In 1948, he ran for the Senate and came to this body in the famous class of 1948 that included Margaret Chase Smith, Lyndon Johnson, Hubert Humphrey, Paul Douglas, Russell Long, Robert Kerr, and Estes Kefauver.

He served for 24 years, creating a very distinguished legislative record, as many of his illustrious classmates did.

One of the finest studies of this outstanding Senator was written by Senate historian, Richard Baker, entitled "Conservation Politics/The Senate career of Clinton P. Anderson." Dr. Baker perfectly described Senator Anderson's technique as a legislator. He said in that book, and I quote:

Anderson saved his shots. He was not accustomed to launching trial balloons. When he spoke, his colleagues listened. When he decided that New Mexico could gain no more by prolonged debate, he settled for the best package available. And when he attached to a legislative measure the full weight of his intellect and prestige, doubting solons set aside their skepticism, and he prevailed.

Mr. President, however many of us have the honor of representing New Mexico in the Senate, Senator Anderson provides a benchmark against which we will be measured. I am proud to have known him. My uncle, John Bingaman, was active in getting him elected and reelected to the Senate and felt when he died we lost a great public servant.

Today we honor the fact of his birth and the value of his life. For us in New Mexico and in the Senate, his are the shoulders we stand on as we move into the future.

Mr. President, I thank you for the chance to speak, and I yield the floor.

JERUSALEM EMBASSY RELOCATION IMPLEMENTATION ACT OF 1995

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. Who yields time?

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, here we go again. It is not enough that President Clinton has admitted that he and his allies have raised taxes too much, but here his allies in Congress are already seeking to undermine real tax relief for middle-class Americans.

These folks cannot have it both ways. What Senator DORGAN's amendment amounts to is little more than business as usual. At home and on the campaign trail, the President and his allies talk about change—real change—but here in Washington they continue a game that has been playing out for three decades, a game that has led our Nation into a debt that is almost \$4.9 trillion, a game that has run us into \$200 billion deficits, and a game that has done little, if anything, to improve the conditions of the most vulnerable among us.

Why do they persist? Because they want it both ways. In some quarters this is called talking out of both sides of the mouth. Even the Washington Post has identified this symptom. According to the Post, the Democrats have fabricated the Medicare tax cut connection because it is useful politically. In an earlier editorial, the Post opined that

The Democrats are engaged in demagoguery, big time. And it's wrong. . . . [The Republicans] have a plan. Enough is known about it to say it is credible; it's gutsy and in some respects inventive—and it addresses a genuine problem that is only going to get worse. What Democrats have, on the other hand, is a lot of expostulation, TV ads and scare talk.

What my colleagues on the other side of the aisle will not tell the American people is that under the plan we are proposing, using Medicare savings for tax cuts would be illegal. The law requires that money saved on the Medicare Program will stay in the Medicare Program. Remember, these are trust funds, the assets of which may not be used for any other purpose. And to say otherwise, as the Post points out, is little more than politically motivated scare tactics.

The sense-of-the-Senate amendment completely undermines the progress we have made toward saving Medicare. Without our plan, the trust fund is bankrupt in 2002. It is that simple. Without our plan, the Government will not be able to live up to its obligations. We assure solvency of the program until the year 2020. This gives us a sufficient time to focus on the needs that will arise when the baby-boom generation reaches the age of eligibility.

It is important to note that Senator DORGAN's plan is not even based on the