

the previous four Congresses. However, in this Senator's opinion, we have passed more sweeping, fundamental reforms that will help bring this country back to financial soundness, putting the American people back in control of their own budgets, and getting big Government off the backs of the American people and our States and cities across the country.

I guess my one regret thus far—whether it is in this session or the next—is the failure to pass a balanced budget amendment. We failed by one vote. However, this Congress is far from over. Senators may yet get another opportunity to do what this Senator from Kansas believes is fundamental in controlling Government waste and spending—that is, passing a constitutional amendment calling for a balanced budget.

I think it is clear, if the time we have spent here and the number of rollcalls are any indication, that the Senate has worked very hard this year, and I commend all my colleagues on both sides of the aisle. I thought this might make rather interesting bedtime reading, if we ever get home in time.

#### SENIOR CITIZENS' FREEDOM TO WORK ACT

The Senate continued with the consideration of the bill.

Mr. SIMPSON. Madam President, I want to pay tribute to Senator MCCAIN. There is not a more fierce advocate of his position in this area. He has been that way since I have known him. I have been on the other side of the issue all that time, also. We have serious disagreement. But I have a deep respect and admiration for him. He has been of great assistance to me in dealing with the tough issues on the Veterans' Affairs Committee, like POW's/MIA's. No one speaks with more credibility and integrity than this man from Arizona. So I want that clearly on record.

As to Senator KERREY, let me share with my colleagues here that I hope you heard every word that Senator KERREY was saying, because every word that he was saying is absolutely true with regard to Social Security.

Ladies and gentlemen, we cannot continue to leave out of serious total discussion something that is \$360 billion a year, and we are not touching it. You do not dare touch it. That is why this will pass. Do not worry about the 60 votes on a point of order. Do not worry about 70 or 80; it will pass by 90 to 10.

Then we will deal with it. We will "find the money." I hear that plea. I can understand that clearly.

This, however, in my mind, does not comport with the sense-of-the-Senate resolution which I voted for the other day, because it said if it can be done "without injuring the long-term solvency of Social Security or negatively impacting the deficit."

What this fundraising mechanism does is get the money short term, but

in the long term it is absolutely devastating.

Now, this legislation, in my mind, does violate the Budget Act because it increases outlays in the Finance Committee area of jurisdiction during the 5-year budget windows of 1996 to 2000. I hope the Senate will sustain the point of order lying against it, but I know that will be a very remote possibility because I am sure the phone lines are jingling right now as to the fact that we are going to free up senior citizens to do what they need to do. We may well be doing that between these ages of 65 and 70, which has been apparently a very vigorous movement in America with regard to the earnings limit.

There is not a single person in this body that has been more dedicated to that issue in all my time of serving with him than the Senator from Arizona. I am sympathetic. The rest of the Senate is sympathetic. They will prove it in their votes. There is no question that Americans are living longer and are productive for a longer time. Our retirement policy should reflect that.

Let me caution my colleagues and the vapors of the day that it will pass in the Chamber as we vote this because I know how this game works. This is a \$360 billion program, the biggest and largest of all handled by the Federal Government. Millions of Americans depend upon it. They should not, but they do. They never should have under the original Social Security law because it was never intended to be a pension. Regardless of what the senior groups may tell you, it is not a pension. It was an income supplement, very well put together, as the Senator from Nebraska has pointed out.

A majority of Americans who stand to retire some day—and almost all of us hope to and many of us in this line of work hope we get out before they throw us out—some day will be dependent upon it as a principal source of income. It is not right that it should be, but nevertheless it is.

It is very difficult to craft it now in these later years to be a principal source of income when it was never intended to be a principal source of income but only a supplemental source of income. That is all very well reflected.

I just want to review the bidding one more time as to what you put into this—as people complain vigorously about what they are getting out—and give some very critical comments about COLA's and why are the seniors being treated this way.

Let me put it in a very personal way. I am 64 years old. I have worked since I was 15. My first job was at the Cody Bakery in Cody, WY. I was the person who put that remarkable strawberry clear glop in the middle of the sweet roll. That was my job. You went tick, tick like that every morning. Somehow I have never eaten one of those again and never shall. That was my job.

Do you know what I put into Social Security that year? Five bucks—they really bit me that year, 1959. Worked at the B4 Ranch, did not put in a nickel.

Off to college after high school, never put in a nickel. Never earned enough in the summer—there was an earnings limit—I never earned enough in the summer to contribute to Social Security. Went to the army. Never put in a nickel in those years. Got out. Went to finish law school. Started to practice law.

The first year I practiced law, I put in \$59 that year. Then the old man put me to work and he kept the money. I remember how that worked in the partnership. I put a shingle up and it said "SIMPSON and Father," and he never got over that—instead of "SIMPSON and Son." But I had a dear, loving father and we worked together.

Then for all the years of my practice—I hope you will hear this—I never put in over \$874 a year and neither did anyone else in America. Got it—874 bucks a year and self-employed, and no other person did either, because there was a cap. A person could make \$100,000 a year and the cap was \$12,000. A person could make \$1 million and the cap was set at \$12,000 or \$8,900 or whatever it is, and you applied the percentage rate to that. I understand what Social Security is and what it was. So, earning the maximum, from the year 1959 until 1976, I never put in over \$874 per year.

Then off to Washington: \$1,200 a year, a real hit there, and then \$1,500 a year, and then \$2,000 a year and then \$3,000 a year up in the late 1980's, and now I think I am up to 4,200 bucks a year.

Got it? If I retire at 65 I will receive \$1,120 a month—got it? If I save my strength until the age of 70 and not take it until then, I will receive \$1,540 a month. That is the way it is. That is Social Security. It cannot be sustained. There is no way it can be sustained.

When I was a freshman at the University of Wyoming, there were 16 people paying into this system and one person taking benefits; today there are three people paying into the system and one person taking benefits. In 20 years, there will be two people paying into the system, one taking benefits. Everybody in this Chamber knows that. Everybody who is a trustee of the Social Security Administration knows that.

So this continual ritual is played out that somehow we are doing something hideous to senior citizens. If you retired in 1960, you got all your money back in the first 2½ years, plus interest. Got it in 2½ years, every penny back.

In the 1970's, you got it all back in 3 years. Today, if you retired, you get it all back in 6½ years, plus interest.

That is where we are, a totally unsustainable system. Who is telling us that? The trustees. Are the trustees all Ronald Reagan Republicans or far-right legions? No. No, they are not. The trustees are Robert Rubin, Robert Reich, Donna Shalala, Shirley Chater—one Republican, one Democrat—telling us very simply, in the year 2013 there will not be sufficient revenue coming in under this pay-as-you-go plan, only

sufficient revenue to pay the benefits right there. At that point, in 2012, you have no choice but to cash in the bonds. You take the IOU's and you cash them in.

If this passes, the interest rate is going to be .25 percent more. It will be good for the short term. It will take care of this for the short term. That is the Senator's intent. But if this is long-term solvency, it does not meet that test. It does not, because when cash-in time comes, you will pay more because the interest rate is higher and you pay more.

I just think we should be very, very careful about making Social Security policy or any policy which may increase outlays without sufficient offsets on the floor of the Senate. I hope my colleagues will see this legislation, as I say, does not follow the sense-of-the-Senate vote last week. I know this is the intention.

I attribute not a single ulterior motive to the Senator from Arizona. He is a believer. He says to me often, "Look, I will get a vote on that, regardless of where you are." And he will and he does. And that is his forte.

But, as chairman of the Social Security and Family Policy Subcommittee, we have not had a hearing on this. Win, lose, or draw, I will promise one on this. It makes no difference what happens here. I think we need to have a hearing on this to see that it comports with the long-term solvency of Social Security.

The measure before us acknowledges that increases in the earnings limit will itself worsen the solvency of Social Security, so the offsets are offered. First, of course, is the across-the-board cut in discretionary funding. I have now information—I want to submit it for the RECORD—I think it is very important that we have these figures, that this measure cannot be scored as producing the necessary savings. This is from Congressional Budget Office today.

This constitutes, thus, a violation of the Budget Act. This legislation, according to CBO, would add \$9.9 billion to the budget deficit. That is a violation of the Budget Act.

I point out to my colleagues, even if this offset were to make up for the projected increases in the deficit, it would not resolve the question of solvency in the Social Security trust fund itself. I hope you hear that. That offset money is going to come from the general appropriated revenue. Thus, the balance sheet within Social Security would not be improved, and that is what we have to improve if we are to meet the sense-of-the-Senate recommendation. It would not be improved in any way.

Thus, I believe this offset would not meet the terms of that vote which we state we would only increase the earnings limit if—if—if the solvency of Social Security were not adversely affected.

And finally, another proposed offset—and here is the one—you do not have to listen to it, you do not have to do anything with it, pitch it, throw it over the side of the ship, but the other proposed offset is a devastating one. It increases the interest rates paid on obligations within the Social Security trust fund.

My understanding of this—and the Senator is here and can educate me—but my understanding of this measure is that it will provide a short-term infusion of capital. It will do that. I will agree to that. I will agree that that is the case. But over the long term and the long run, it would mean higher costs, higher outlays as the Social Security trust fund is drawn down. In fact, this legislation goes so far as to increase the interest paid, if I read it—and I need to know this—to increase the interest rate paid on such bonds that have already been issued, effectively reissuing them at higher rates of return, with potentially severe consequences for the long-term solvency of the trust fund.

I am told that the increase in interest rates would bring the overall long-term costs up toward—and, in some cases, even beyond—the so-called high-cost scenario which is used by the trustees of the Social Security system to measure the long-term solvency of Social Security. They tell us where the high-cost scenario is, the low-cost, the mid-cost.

In other words, then, such a measure would move the crash date for Social Security closer in time than it is under current policy. And remember where the crash date is today? It is 2029, crash date. Where was it in the early 1980's, after Senator MOYNIHAN and many others of our fine colleagues righted that listing program? It was 2063. Now it is 2029. In another year, I suppose they will move it up to 2025. Then crater day will be 2020.

So I have also asked the Social Security actuaries to review the consequences of the legislation and I expect to have that from them shortly. My mind is not closed on the subject. I will work with this fine friend and Senator, as chairman of the Social Security and Family Policy Subcommittee; be pleased to have the Senator as a witness, hold hearings. He has been a leader. I know he will continue to be, and indeed he will.

But in the present moment I do not believe that in any sense we should go forward. I think the Senate should sus-

tain the budget point of order lying against this legislation. This is far too serious an issue to be dealt with in this way on the floor of the Senate. I hope the Senate will not take an action which could conceivably worsen the long-term outlook—I am talking about the long-term outlook for Social Security, or which will cause an increase in the outlays permitted to the Finance Committee under the terms of the Budget Act.

Madam President, I ask unanimous consent a letter dated today from June E. O'Neill of the Congressional Budget Office, citing the figures and where we are with regard to this additional \$9.9 billion, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. CONGRESS,  
CONGRESSIONAL BUDGET OFFICE,  
Washington, DC, November 2, 1995.

Hon. PETE V. DOMENICI,  
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: In response to a request from your staff, the Congressional Budget Office (CBO) has prepared the attached cost estimate for S. 1372, the Senior Citizens' Freedom to Work Act. The estimate is based on the bill as introduced, with modifications that the sponsors expect to make prior to action on the Senator floor.

If you wish further details, we will be pleased to provide them. The CBO staff contacts are Wayne Boyington (Social Security), and Jeff Holland (interest on the public debt).

Sincerely,

JUNE E. O'NEILL,  
Director.

Attachment.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: S. 1372.
2. Bill title: Senior Citizens' Freedom to Work Act.
3. Bill status: As introduced on October 31, 1995, with modifications that the sponsors expect to make prior to action on the Senate floor.
4. Bill purpose: As modified, S. 1372 would increase the exempt earnings amount for Social Security beneficiaries aged 65-69 in stages to reach \$30,000 in 2002, change the interest rate paid on Treasury securities held in the old-age survivors insurance trust fund, and establish sequestration procedures to reduce discretionary spending.
5. Estimated cost to the Federal Government: S. 1372 would provide ad hoc increases in the exempt earnings limit for Social Security recipients who have reached the normal retirement age such that, by 2002, the exempt amount would be \$30,000. Additional Social Security benefit payments would total \$392 million in 1996 and \$9.9 billion over the 1996-2002 period. The bill would attempt to compensate the old-age and survivors insurance (OASI) trust fund by increasing the interest payments made by the Treasury to the trust fund. Consequently, the bill is estimated to increase the off-budget surplus marginally and increase the on-budget deficit by \$11.7 billion over the next seven years.

BUDGETARY IMPACT OF S. 1372 AS AMENDED

[By fiscal year, in millions of dollars]

	1996	1997	1998	1999	2000	2001	2002
Direct Spending							
Off-budget:							
Benefit payments:							
Estimated budget authority .....	392	920	1,241	1,490	1,753	1,988	2,138
Estimated outlays .....	392	920	1,241	1,490	1,753	1,988	2,138
Receipt of interest payments:							
Estimated budget authority .....	-908	-1,327	-1,498	-1,685	-1,882	-2,092	-2,318
Estimated outlays .....	-908	-1,327	-1,498	-1,685	-1,882	-2,092	-2,318
Net off-budget effects:							
Estimated budget authority .....	-516	-407	-257	-195	-129	-104	-180
Estimated outlays .....	-516	-407	-257	-195	-129	-104	-180
On-budget:							
Interest payments:							
Estimated budget authority .....	908	1,327	1,498	1,685	1,882	2,092	2,318
Estimated outlays .....	908	1,327	1,498	1,685	1,882	2,092	2,318
Total budget:							
Estimated budget authority .....	392	920	1,241	1,490	1,753	1,988	2,138
Estimated outlays .....	392	920	1,241	1,490	1,753	1,988	2,138
Authorizations of Appropriations							
On-budget:							
GAO report:							
Estimated authorizations of appropriations .....	(1)	(1)	0	0	0	0	0
Estimated outlays .....	(1)	(1)	0	0	0	0	0

<sup>85</sup> Less than \$500,000.

6. Basis of estimate:

DIRECT SPENDING

*Off-budget.*—Under current law, Social Security recipients aged 65-69 can earn up to \$11,640 in wages during 1996 before facing a reduction in benefits. The exempt amount is increased each year to reflect the growth in average wages in the economy. S. 1372 would increase the exempt amount faster than under current law during the 1996-2002 period. The exempt amount would be increased to \$14,500 in 1996 and to \$17,500 in 1997. The exempt amount would increase by \$2,500 annually for the next five years and reach \$30,000 by 2002. Indexing would resume in 2003. The changes would not apply to blind recipients, who currently face the same earnings limit as beneficiaries aged 65-69, nor would Social Security recipients under age 65 be affected.

S. 1372 would raise the interest rates paid on the assets of the OASI trust fund and would increase interest payments to the fund by \$908 million in 1996 and \$11.7 billion over the 1996-2002 period. These interest payments would be reflected in the off-budget accounts as receipts or negative outlays.

These two changes would increase the off-budget surplus by \$516 million in 1996 and by \$1.8 billion over the seven-year period.

*On-budget.*—The additional interest payments made by the Treasury would contribute on-budget direct spending equal to the amount of off-budget interest receipts. Thus, the on-budget deficit is increased by \$908 million in 1996 and by \$11.7 billion over the 1996-2002 period.

DISCRETIONARY SPENDING

S. 1372 would establish a process by which discretionary spending would be reduced in amounts equal to the additional Social Security benefit payments. Changes in outlays from future appropriations, however, are specifically excluded from the pay-as-you-go procedures of the Balanced Budget Act.

In addition, the bill requires the General Accounting Office to complete a report assessing the effects the increase in the exempt earnings limit has on the economy.

REVENUES

Increasing the amount of money that a Social Security beneficiary may earn without having his or her benefit reduced would increase benefits for some elderly people who are currently working and have their benefits partly or entirely withheld. Although the proposal would encourage additional paid work by some elderly people, such an increase in work would have a negligible effect on the amount of Social Security benefit payments. Because the cost estimate incor-

porates the economic assumptions in the budget resolution, the estimate does not reflect any change in economywide employment, compensation, or income and payroll tax collections. Even if those additional revenues were included in the cost estimate, however, they would offset less than 20 percent of the additional benefit payments, according to the Social Security Administration.

7. Pay-as-you-go considerations: Section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 sets up pay-as-you-go procedures for legislation affecting direct spending or receipts through 1998. The pay-as-you-go effects of the bill are as follows:

[By fiscal year, in millions of dollars]

	1996	1997	1998
Change in outlays .....	908	1,327	1,498
Change in receipts .....	(1)	(1)	(1)

<sup>1</sup> Not applicable.

8. Estimated cost to State and local governments: None.

9. Estimate comparison: None.

10. Previous CBO estimate: None.

11. Estimate prepared by: Wayne Boyington (Social Security), and Jeff Holland (Interest on the public debt).

12. Estimate approved by: Paul N. Van de Water, Assistant Director for Budget Analysis.

Mr. SIMPSON. Madam President, I then respectfully render a point of order under section 302(f) of the Budget Act, and state that in formal fashion. Madam President, the pending measure increases outlays in 1996 and over the 5-year period 1996 to 2000 in excess of the Finance Committee's allocation for these time periods. I therefore raise a point of order under section 302(f) of the Budget Act against this measure.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Madam President, in a minute I will seek to waive the budget point of order and would ask for the yeas and nays on that at the time.

I also ask unanimous consent we would have a vote on that, and that vote take place followed by a return to the Rockefeller pending sense-of-the-Senate amendment.

So I guess my parliamentary request is, I request unanimous consent to

temporarily set aside the Rockefeller amendment.

The PRESIDING OFFICER. It does not require setting aside. Without objection, it is so ordered.

The Senator from Arizona.

Mr. MCCAIN. Madam President, on this issue I have, of course, the greatest respect and affection for the Senator from Wyoming. I deeply regret it is a Member of my party who is seeking to overturn what is clearly in the Contract With America, a mandate and promise that we made to the American people in 1994.

On the subject of hearings, the Senator from Wyoming wants to have a hearing. While he is sitting there maybe he wants to read the hearing that took place on March 1, 1995, and the hearing that took place on May 24, 1994, last year and the six other hearings that took place on this amendment and the seven or eight times I brought up this issue for debate and discussion on the floor of the Senate. So I am a little bit puzzled when the Senator from Wyoming says we have not had a hearing on it, when on March 1, 1995, I see numerous comments on the issue by the Senator from Wyoming.

I wonder, maybe I would ask him a question, if he remembers being at the hearing in March 1, 1995, and at the hearing on May 24, 1994?

So we have had hearings on this issue. The issue is clear. It is not complicated. Are we or are we not going to lift the earnings test on working Americans? The Senator from Wyoming makes a very compelling case that the Social Security system is in trouble. Then what would be a better cure, what would be a better cure, I ask the Senator from Wyoming, than to allow people to work and help try to return the Social Security system back to the supplemental income it was originally intended to be, because right now there is no incentive for them to be working?

Madam President, the CBO will certify that there will be actually more

money in the trust fund as a result of this. I appreciate the problem of the Senator from Wyoming with this money. I asked the Senator from Wyoming, as a member of the Finance Committee, how come it was that on Thursday and Friday of last week somehow they found \$13 billion? They just found it because we had a problem. I do not know how they found it. Perhaps the Senator from Wyoming can tell me.

But now what we have is a proposal, which in the short term may cost some money, but the Senator from Wyoming cannot find a single expert—a single expert—who will not say that once this earnings test is lifted, there will be more revenues into the coffers in the form of taxes because more people will work.

The Senator from Wyoming knows that as well as I do because he was present at these hearings.

The fact is, if we adopted this, the interest paid on the Social Security fund would be increased by 2.25 percent each year for the next 7 years. But, also, this bill mandates that the GAO and the Comptroller General analyze the actual effect on the Treasury of raising this earnings test limit, and we know what the result will be.

We know what the result will be. The result will be that the Social Security trust fund that the Senator from Wyoming is deeply concerned about—and I share his concern—will be healthier as a result of lifting the earnings test. Everybody knows what the difference between static and dynamic budgeting is. Everybody knows that. If everybody believed in that, we would never cut the capital gains tax. We would never cut it if you believe in static scoring of taxation around here. But also everybody knows that, if you cut the capital gains tax, as we did the time seriously under President Kennedy, we increase revenues into our coffers.

As the Senator from Wyoming said, I have been working on this issue for a long time. But so have our colleagues in the House. They passed this bill three times. That is why they asked us to come over here. They want us to fulfill the Contract With America. They want us to fulfill the promise that we made to them in the election in 1994. Right there in the Contract With America was lift the earnings test.

I understand that the Senator from Wyoming did not sign the Contract With America. But I did. So did a lot of other Republicans, and the taxpayers of this country believe that we all did. That is why I am disturbed that the Senator from Wyoming would be the one to oppose this budget point of order.

Madam President, I ask to waive the budget point of order, and I ask for the yeas and nays.

The PRESIDING OFFICER. Will the Senator from Arizona restate the point of order, and was he seeking to waive?

Mr. McCAIN. I believe that the Senator from Wyoming made the point of order.

Mr. SIMPSON. I made the formal point of order, Madam President.

Mr. McCAIN. The Senator from Wyoming made the point of order.

Madam President, I move to waive the point of order, and ask for the yeas and nays.

The PRESIDING OFFICER. Is there is sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. SIMPSON. Madam President, as a matter of procedure, I believe that point of order that I made was nondebatable but I was willing to go forward.

I ask unanimous consent that I be allowed 3 minutes to reply to the Senator from Arizona.

The PRESIDING OFFICER. The Chair informs the Senator the motion to waive is debatable.

Mr. SIMPSON. I am talking about the point of order. The point of order which I made is nondebatable, if I am not mistaken.

The PRESIDING OFFICER. Once a motion to waive is made, it is in order to debate it.

Mr. SIMPSON. At that time, let the record show that it was not debatable. And I knew that, and I was willing to let my friend go forward. But let me just respond here.

Of course, we are not into ridiculous questions to shoot back and forth at each other. Ridiculous or sarcastic questions serve no purpose here.

I was there. So was the Senator from Arizona. And I can tell you not once did we ever discuss the long-term effects of Social Security on raising the interest rates on securities obligated to the trust fund, or to go back and reissue new interest rates on those. That I can tell you never happened. So let us get that very clear.

We are not here to box each other around and whack on ourselves. We are here to try to get some reason on a very emotional issue which has a tremendous impact on Social Security. If anybody believes that by fiddling with the interest rates on the obligations of Social Security to get a short-term result to get something that someone is pledged to get, then I want to know where the rest of them are going to be too when we do another part of the Contract With America which is to not back, to expose only 50 percent of Social Security benefits to tax instead of 85 percent, and we will do that too. These are bills that nobody will vote against. That is part of the reason they come up. You do not dare vote against this. But I cannot wait for that vote because you know where the money is going to come from when we expose only 50 percent of this money, this benefit to tax instead of 85 percent. It comes from part A, the health insurance trust fund. I hope everybody is ready for that one. That will be contract day at the old ranch.

So, I was there. I remember what we did. I am fully aware that we had hearings. I am fully aware of what they were about. And I am fully aware of

what this one is about. It was not anything that we talked about or had a single word about in a hearing, especially with regard to the interest rate on the bonds. We need to ensure that we do not in doing this take actions that injure the long-term solvency of the U.S. Social Security system, and increasing these interest rates could have consequences of which we have no ability to determine. And we have not had hearings on that issue; period.

I have only chaired this subcommittee for several months. If all these things took place before, more power to them. I will get back and rattle around in them too. We will all look at them once again. We cannot change too much, and then we will go ahead and pass it.

And then people between 18 and 45, when they are my age, will look around and blink like a frog in a hailstorm, and they will deserve everything they get.

The PRESIDING OFFICER. The question is on the motion to waive.

Mr. McCAIN. Madam President, I want to say to the Senator from Wyoming his point is well made. I apologize for saying that issue was a particular part of this issue, as far as the long-term bonds are concerned, that was brought up. It was not brought up, and he is entirely correct. And I apologize for insinuating that aspect of this legislation had been discussed in the past.

The point is that this entire issue is very well known. And the point is that the Senator from Wyoming knows, as well as I do, that witness after witness testified that, if we lift the earnings test, it will result in a net increase in the Social Security trust fund because seniors will work, and seniors will pay more taxes. That is why we have in this bill that in 2 years the GAO and the Comptroller General must report as to the actual effects of lifting the earnings test, which, as I say to any outside observer, will be an increase in funding.

So, if I intimated to the Senator from Wyoming that we had hearings on the actual aspect of the funding, I apologize, and I understand how strongly he feels about the Social Security issue. We share that combative spirit, and I hope that once this amendment is passed that we can work together in the future to solve the larger problem which the Senator from Wyoming articulates in a far more enlightening fashion than anyone I know; and, that is, the problems that face Social Security in general. And our obligation is not only to represent generations of retirees but future generations of Americans.

Mr. SIMPSON. Madam President, I deeply appreciate those comments of my friend, and they are sincere. I take them that way. I am just glad to set that record straight. The Senator from Arizona and I almost have a signal on this issue. We will sit across the room and suddenly someone will mention

something, and we just kind of go into a rigor and a catatonic state. Then we usually meet, he looking this way, and me looking this way. And I have found in life a very interesting thing; that oftentimes I see something in someone else that might irritate me. And it is most always something I do myself, that I do not handle very well in my own daily doings. With John McCAIN of Arizona, I will just say it takes one to know one. And we do. I commend my friend, and he is going to get a nice vote here. And he is going to be tickled to death. There you are.

Thank you, Madam President.

Mr. McCAIN. Madam President, I thank my friend from Wyoming. He adds to this body in more ways than I am able to describe, especially not the least of which was his brief recitation of his history of his various forms of employment.

I yield the floor, Madam President.

Mr. LEVIN. Mr. President, I support raising the Social Security earnings limit to allow Social Security beneficiaries now subject to the limit to earn more income. However, I cannot support the motion to waive the budget point of order on the legislation before the Senate today. Raising the earnings limit will draw increased payments out of the Social Security trust fund. Any measure to raise the earnings limit must pay for that change. The legislation before us does not adequately assure that this will be paid for in a manner which will not increase the Federal deficit or in a manner which avoids further cuts in critical education and health programs, including programs for seniors. I am hopeful that a better manner of paying for this change will be designed and that we will raise the Social Security earnings limit. This one falls short.

The PRESIDING OFFICER. The question is on the motion by the Senator from Arizona to waive the point of order. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Oregon [Mr. HATFIELD], the Senator from Indiana [Mr. LUGAR], and the Senator from South Carolina [Mr. THURMOND] are necessarily absent.

I further announce that if present and voting, the Senator from South Carolina [Mr. THURMOND], would vote "yea."

I further announce that, if present and voting, the Senator from Oregon [Mr. HATFIELD] would vote "nay."

Mr. FORD. I announce that the Senator from New Jersey [Mr. BRADLEY] is absent because of illness in the family.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The yeas and nays resulted—yeas 53, nays 42, as follows:

[Rollcall Vote No. 562 Leg.]

YEAS—53

Abraham	Baucus	Biden
Ashcroft	Bennett	Brown

Bryan	Harkin	Murkowski
Burns	Hatch	Nickles
Coats	Heflin	Pressler
Coverdell	Helms	Reid
Craig	Hollings	Roth
D'Amato	Hutchison	Santorum
DeWine	Inhofe	Shelby
Dole	Jeffords	Simon
Faircloth	Kempthorne	Smith
Ford	Kerry	Snowe
Frist	Kyl	Specter
Graham	Lott	Stevens
Gramm	Mack	Thomas
Grams	McCain	Thompson
Grassley	McConnell	Warner
Gregg	Moseley-Braun	

NAYS—42

Akaka	Domenici	Leahy
Bingaman	Dorgan	Levin
Bond	Exon	Lieberman
Boxer	Feingold	Mikulski
Breaux	Feinstein	Moynihan
Bumpers	Glenn	Murray
Byrd	Gorton	Nunn
Campbell	Inouye	Pell
Chafee	Johnston	Pryor
Cochran	Kassebaum	Robb
Cohen	Kennedy	Rockefeller
Conrad	Kerrey	Sarbanes
Daschle	Kohl	Simpson
Dodd	Lautenberg	Wellstone

NOT VOTING—4

Bradley	Lugar
Hatfield	Thurmond

The PRESIDING OFFICER (Mr. SANTORUM). On this vote, the yeas are 53, the nays are 42. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to. The point of order is well taken, and the bill is committed to the Finance Committee.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Mr. President, the Senate has spoken at this time. I want the Senate to know that this is an important issue for seniors of America. They are tired of this onerous, unfair, and outrageous tax.

I am sorry my friends across the aisle did not vote for it. They are going to have a chance to vote for it next week, the week after and the week after, and seniors will let their views be known, and others across America, as to how outrageous this vote was. I hope they understand that I am not going to quit on this issue until it is done, because the seniors of America deserve it.

I yield the floor.

(At the request of Mr. DOLE, the following statement was ordered to be printed in the RECORD.)

#### POSITION ON VOTE

• Mr. THURMOND. Mr. President, I was necessarily absent from the Senate today, Thursday, November 2, 1995. During my service in the Senate, I have always taken my duty to represent the people of South Carolina seriously and have been absent from Senate business only when necessary.

With regard to the vote on the motion to waive the Budget Act on S. 1372, the Senior Citizens Freedom to Work Act, I am a strong supporter of increasing the earnings test and would have voted in favor of waiving the Budget Act.●

Mr. ROCKEFELLER. Mr. President, I understand and appreciate the concerns of senior citizens about the Social Security earnings limit.

In the past, I have supported increasing the earnings limit for seniors who need to work, but it must be paid for responsibly. Today's proposal raised some questions for me. I was troubled by the effort to further cut domestic discretionary programs.

While cutting domestic discretionary programs sounds simple, cuts of \$9 billion could hurt West Virginia families and even seniors. Many of these programs that would be reduced under this proposal have already been cut severely. Plus the list includes fundamental programs for seniors themselves, like senior nutrition programs and the Low-Income Energy Assistance Program which helps seniors in West Virginia and other northern regions keep the heat on during the winter months. Cutting these programs could easily hurt the seniors that we say we intend to help by raising the earnings limit.

Also, as Senator SIMPSON mentioned in his remarks, it is also difficult to determine what the effect might be of changing interest payments to the Social Security trust fund. Senator McCAIN acknowledged that this aspect of his legislation has not been fully studied, nor was it the focus during previous hearings on the overall issue. When it comes to the long-term solvency of the Social Security trust funds, I firmly believe we must be thoughtful and cautious. Seniors depend upon Social Security, and I want to ensure that they can continue to do so for generations.

I voted for the point of order against Senator MCCAIN's legislation because I believe that we must be cautious, consistent, and careful whenever we deal with the Social Security trust fund. Each and every aspect of this proposal should be fully considered by the Senate Finance Committee. We should not rush to judgment. We should not bend the budget rules when it comes to Social Security.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Mr. President, let me first say I hope the Senator from Arizona will not be discouraged.

I know a few votes would have made a difference, and I think if we can find another way to pay for it, that will pick up additional votes, at least on this side, perhaps on the other side.

I want to make one announcement and a statement.

#### PARTIAL-BIRTH ABORTIONS

Mr. DOLE. Mr. President, I wish to commend the House of Representatives, which yesterday passed a ban on