

Finally, the capital gains tax cut included in this bill is a tax break for the superrich. Anyone can claim this tax break. We saw that in a vote here. Even those who make more than \$1 million a year can get this tax break.

Mr. President, I tried to draw a line in the tax sand, to use the expression, and put the money back into Medicare and Medicaid. I offered an amendment when we discussed our reconciliation bill that would have precluded the tax breaks from going to those who make over \$1 million in a single year. That is one-tenth of 1 percent of all our taxpayers. This small group, I felt, did not need a tax break—making \$1 million a year, that is a lot of money.

I thought this amendment could pass substantially. Maybe even unanimously. I thought that people here would finally say, "No, we think that is fair, that people who make over \$1 million a year ought not to get an additional tax break." I thought we could all agree that millionaires, billionaires, do not need a break when we are cutting Medicare, especially when 75 percent of all the Medicare recipients earn under \$25,000 each year.

However, 52 of 53 of the Republican Senators voted against my amendment. In essence, they said their preference is cut Medicare, cut Medicaid, and we will keep on giving tax breaks to those millionaires and the billionaires—show them what good guys we are.

Mr. President, Medicare is not just a health insurance program. Medicare is a contract. It is a commitment we made to our citizens. It is a promise for those who worked hard for their entire lives that your health care needs will be taken care of when you retire. They paid for it.

This Republican budget uses the Medicare Program as a slush fund for the tax breaks for the wealthy.

Mr. President, I hope that the Republican leadership will give up their plan to cut Medicare to pay for tax breaks for the rich, give up deep cuts in Medicaid, give up tax increases on working families, give up the destruction of the safety net that will put millions of children into poverty, give up the huge cuts in education and the environment. It is time to start over.

If the Republicans are serious about moving towards the balanced budget, they will give up on these draconian cuts, those cuts that hurt so much. They will honor a basic principle that declares whose side Government is on, that no Medicare cuts will be used to pay for tax breaks for the rich, that they will confirm that the Government is here to help give assistance to those who need help the most. Those who are wealthy do not need special assistance from the Government.

It is time to start over, Mr. President, and put together a budget that protects Medicare and Medicaid and working families, poor children, provide education to help get the population to lead our country into the

next century, to provide the kind of leadership that can make us more competitive, to continue the kind of position that the United States of America has had for so many years, and to provide our future generations with a decent and clean environment.

I hope that will get consideration, Mr. President. I yield the floor.

#### SAFE DRINKING WATER ACT

Mr. KERREY. Mr. President, yesterday the Senate passed S. 1316, the Safe Drinking Water Act. I did not have the opportunity to speak on it while it was under consideration and I want to point out some things in that bill that I believe are very constructive.

I will call to the attention of my colleagues that I think we passed a piece of legislation that will enhance voters' confidence, citizens' confidence, that we can, in fact, take a law that has accomplished a great deal.

The Safe Drinking Water Act has improved the quality of life in America considerably, and has been a great success story, but it needed to be changed. There was an urgent need to change the legislation. We passed it last year in this body. The House was unable to pass a piece of legislation, and as a consequence it died.

I want to thank Chairman JOHN CHAFEE. He was very instrumental. Without his leadership this bill would not have passed. Chairman KEMPTHORNE, as well, was very diligent and determined to pass the legislation. Senator BAUCUS, Senator REID, both from rural States, understand the importance of changing this legislation. They, like me, have heard from local communities talking about if we are going to maintain the consent to regulate safe drinking water that we have to change the current law.

I will talk about a few issues, Mr. President. I will go through them real quickly. First is the issue of radon in the drinking water. Under the current law, the EPA was required to promulgate a standard for radon by a court-ordered deadline.

Unfortunately, that standard was a much higher standard than any scientist said was necessary to protect the people. There is no dispute here. This is not a situation where we have anybody coming forward and saying that the standard that was required under this rule was too low.

This standard was set so high that it was going to cost rural communities, in some cases, \$5,000 per user to implement. We had withheld the appropriations for several years to promulgate this rule, and this piece of legislation now will take the appropriators off the hook. It changes the law. It gives EPA the authority to promulgate a rule of 3,000 picocuries per liter, which is what all science is saying is needed. It will save rural providers of water in Nebraska nearly \$1 billion over a 7- to 10-year period. It is a substantial amount of money that is at stake.

The second issue is the current law, that is the issue of sound science and using sound science in evaluating both the risk and what we do. In the 1986 amendments, we decided we were going to regulate 25 contaminants every 3 years whether those contaminants needed to be regulated or not. This strict method of establishing standards caused some contaminants to be regulated without a sound scientific basis. It is an issue that is very irritating when you are, again, at a local level and are required to spend money looking for a contaminant that has never been there. It has never been in the water. Nobody expects it to be in the water. Nobody has any reasonable basis to believe it is going to be in the water. But because of this strict standard, we were required to regulate it anyway.

The new law authorizes EPA to use \$10 million from the State revolving fund on health effects research. EPA is to establish a priority risk of unregulated contaminants and gather health effects and occurrence information on the listed contaminants. The Administrator of EPA must consult with the Centers for Disease Control as it does this analysis. In other words, it cannot just come to a regulatory conclusion without some reference to what our scientists, particularly our health scientists, are telling us about what is going on with drinking water. The States are to monitor for up to 20 unregulated contaminants to collect information for future standards.

The next issue is the standard setting itself. Under current law, EPA has established standards for more than 80 drinking water contaminants. The 1986 amendments required EPA to promulgate 25 new standards every 3 years. The cost to small communities, again, are not considered at all when these standards are set. This legislation, this change in the law, repeals the "25 every 3 years" rule and establishes a new mechanism to identify contaminants for future regulation by consulting with the Centers for Disease Control.

Again, if we are trying to have safe drinking water, it seems to be reasonable to reference those individuals who have the responsibility for telling us what is causing Americans to get sick from drinking our water. EPA is to conduct a benefit-cost analysis for each new standard before it is promulgated, and if EPA determines the benefits of a standard issued under current law would not justify the cost of the systems that must comply with the standard, EPA must issue a less stringent standard that maximizes health risk reduction at a cost that is justified.

I have heard people come and say we are weakening standards. We unquestionably are not. This is a change that will allow us, again with reference to what is causing Americans to get sick, if there is a health problem that the Centers for Disease Control—Mr. President, is there a limitation on time?

The PRESIDING OFFICER. There is a 5-minute limitation and the Senator has consumed slightly over 5 minutes.

Mr. KERREY. Mr. President, I ask unanimous consent for another 5 minutes.

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

Mr. KERREY. Mr. President, this was a particularly difficult and important issue. The Nebraska League of Cities sent me a petition with 60 signatures, which specifically asked the Senate to "include provisions that changed the current process for setting standards to include public health benefits and costs as factors in determining new requirements." I will guarantee these local community leaders are not going to send me a letter asking me to do that if they did not have the support of their community to get it done. Many people have said I am selling out, weakening standards. You are not weakening the standards if the people at the local level say, "This is what we want done." As I said at the beginning, I think there is safe drinking water legislation that has been a great success. But we keep getting example after example after example of citizens saying, "Change the law to give us the flexibility so we can make more of our own decisions. We want to reference science. We want to reference the health people. We do not want to make our people sick. We want them to be able to drink the water and know that water is safe. But we have to have some flexibility to be able to do that because we are paying for this with property taxes." Most of these smaller communities are up against imposed lids and they have a tough time getting that job done.

The next issue was the issue of monitoring. One of the largest costs of compliance with the Safe Drinking Water Act is monitoring. Again, it comes out of the local property tax base, typically, to get this done. All Nebraska communities have asked that the current system be revised to let them test for contaminants that exist in Nebraska. Again, all. This is not one where there is any dissent. Every single community is asking that they be allowed to test for contaminants that exist in Nebraska.

We may have some contaminants that Missouri does not have, and you may have some we do not have. You do not want to test for ours, and we do not want to test for yours, because it costs money. If we require them to test for contaminants that do not exist, again, it just undercuts the citizens' confidence you could ever get into an environment where Government can regulate, where we can collectively regulate for the purpose of improving the capacity of our lives.

Let me go through this a bit. Under current law, States go through a waiver process to get some monitoring requirements changed. But this process is very expensive, it is very time consuming and it has been very frustrat-

ing for people at the local level. The benefits accrue to the local system while the costs are incurred by the States. The States that do have waivers have seen huge decreases in monitoring costs. These potential savings should be spread to all States, according to the example that has been set by those who have been granted the waivers.

The bill says we revise the current monitoring rules for at least 12 contaminants within 2 years. It allows the States to establish their own alternative monitoring requirements that may be less stringent than Federal monitoring requirements, provided they ensure compliance and enforcement of Federal health standards.

There are other changes in this legislation having to do with ground water disinfection. The current law requires the promulgation of a mandatory ground water disinfection rule, requiring all systems to treat their water. This bill delays the enactment date of this rule to occur at the same time the States do a rulemaking as established for disinfectants and disinfection products.

This legislation also helps us by authorizing some additional new programs: \$1 billion for State revolving funds for safe drinking water; States provide 20 percent match. It authorizes \$53 million for health effects research. It has been brought to my attention at the State level that in Nebraska there is \$717 million worth of infrastructure needs that will have to be put in place over the next 20 years.

The chairman of the committee, quite appropriately—I am on the VA-HUD Committee—the chairman of the committee quite appropriately pointed out one of the weaknesses of this bill is that you are sort of promising money that is going to be there and it may not be there. We are authorizing more than we have. I take this opportunity to point out that the problem here is that we still have a growing cost of entitlements that erode our ability to make these kinds of investments.

I heard yesterday the chairman of the Appropriations Committee, Senator HATFIELD, indicates that he thinks it is likely that we are going to come up with a way to satisfy the requirements of the continuing resolution by the 14th of December—not by cutting defense, now that we are going to Bosnia. Nobody seems to be inclined to do that. But we are going to get \$4 billion of savings out of entitlements to get the job done. And we are going to get it—and the biggest entitlements are going to be in health care, they are going to be in retirement—we are not likely to touch retirement. We should, to get the job done.

I know the Senator from North Dakota wants to speak, and I will wrap up with this one statement having to do with a pet issue of mine. The cost of entitlements under the Republican budget and under the Democratic alternative—a group of 20 of us or so that

have an alternative that balances the budget in 7 years as well—in either case, the cost of entitlements, health care and retirement, continue to grow and displace all other expenditures. If you think it is not a problem, imagine what it would be like to pass 13 appropriations bills if all we had was \$445 billion. You say, oh, \$445 billion is a lot of money. But \$445 billion is what we would have in the year 2002 if you adjust for inflation.

Gosh, the most liberal Member of this body, in the House or the Senate, probably would not spend less than \$250 billion on defense, \$260 billion, leaving you with \$170 or \$180 billion for all nondefense spending. I urge colleagues to look at that number because it is going to get tougher and tougher and tougher for us to get the job done. I, for one, hope, as we look for a compromise on reconciliation, not only will we consider adjusting the CPI down—I would go a full point—but I hope we look at some other adjustments that produce savings.

I think it is reasonable to put an affluence test on all entitlements, including farm payments, to say, basically, we are going to adjust it as income goes up. I think it is reasonable for us to say now we have to adjust the eligibility age, both for Medicare and Social Security. We can hold harmless everybody over the age of 50, if that is what we choose to do. I think it is reasonable to phase it in. It is reasonable to phase those changes in. Nobody listening to this who is over 65, or 60, or 55, ought to think we are talking about them. But, unless we make that kind of a change, this baby boom generation is going to rank out about 2008. When we start retiring, our kids are not going to be willing to have their payroll taxes increased by the amount that is going to be necessary to pay for our Medicare and Social Security. We are not going to be able, I say to my colleagues—we are not going to be able to adjust rapidly enough to come up with the \$717 billion that Nebraska is going to need for its infrastructure investments or for any other thing in the appropriated accounts.

So, Mr. President, I appreciate the additional time.

I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

#### ORDER OF PROCEDURE

Mr. DORGAN. Mr. President, I ask unanimous consent that I be able to speak for 10 minutes as if in morning business.

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

#### TELECOMMUNICATIONS

Mr. DORGAN. Mr. President, I know the Senator from Nebraska will probably want to stay for a couple of minutes. The Senator from Nebraska and I