

Latorre, recalls seeing the whole family out at 2 a.m. as Awilda sought crack. Awilda had reportedly come to believe that Elisa, whom she called a mongoloid and filthy little whore, had been put under a spell by her father—a spell that had to be beaten out of the child. Neighbors, some of whom say they called the authorities, later told the press of muffled moaning and Elisa's voice pleading, "Mommy, Mommy, please stop! No more! No more! I'm sorry!" Law-enforcement authorities have provided a reason for those cries: they say Elisa was repeatedly sexually assaulted with a toothbrush and a hairbrush. When her screams became too loud, Awilda turned up the radio.

Elisa stopped attending school, and neighbors say they saw less and less of her. On Nov. 15, Carlos Lopez was jailed again for violating his parole agreement. And on Nov. 22, the day before Thanksgiving, all that was twisted in Awilda apparently snapped. One of her sisters, quoted in the New York Times, reported a chilling phone conversation with her that night: "She told me that Elisa was like retarded on the bed, not eating or drinking or going to the bathroom. I said, 'Take her to the hospital, and I'll take care of your other kids.' She said she would think about it after she finished the dishes."

The next morning Awilda called Francisco Santana, a downstairs neighbor. "She was crying. 'I can't believe it, tell me it's not true,'" he says. When he arrived at her apartment, she showed him Elisa's motionless body. He put his hand to the child's cold forehead, pronounced her dead and spent the next two hours pleading with Awilda to call the police. When he finally called himself, he says, she ran to the apartment roof and had to be restrained from jumping. When the police arrived, she confessed to killing Elisa by throwing her against a concrete wall. She confessed that she had made Elisa eat her own feces and that she had mopped the floor with her head. The police told reporters that there was no part of the six-year-old's body that was not cut or bruised. Thirty circular marks that at first appeared to be cigarette burns turned out to be impressions left by the stone in someone's ring. "In my 22 years," said Lieut. Luis Gonzalez, "this is the worst case of child abuse I have ever seen."

O'Connor sits in his Brooklyn office and fields calls from the media. "We made a mistake," he says grimly. "We will try to make sure this never happens again." Looking back, he says, "I should have thrown bombs in the CWA's doorway." The initials themselves infuriate him. At least, he says, "we will say our mea culpa. We're not going to run behind confidentiality laws and not admit we've made a mistake."

He is referring to an aspect of the tragedy's aftermath that has dumbfounded the city. The people of New York could do nothing about Awilda's drug-induced delusions or her timid neighbors. But they wanted an accounting from the CWA. Instead, Executive Deputy Commissioner Kathryn Croft has steadfastly maintained that state confidentiality laws designed to protect complainants prevent her from revealing any details of a case. Thus the public may never know how many cries for help the agency actually recorded or what it did about them. It may never know whether the CWA really made an extended effort to observe Awilda before making a recommendation to Judge Greenbaum—or whether a caseworker was really "too busy" to return a call.

What the public could surmise, however, was that something was amiss. Last week someone leaked an Oct. 10 letter from CWA Commissioner Croft to Mayor Rudolph Guiliani, complaining that city staff cuts make it impossible for her to train child-

abuse caseworkers or even measure their competence. And that is the least of it. The city, state and Federal Government have cut one-sixth from CWA's \$1.2 billion budget. While Croft estimates her average staff member's case load at 16.9, some workers at the agency's Queens branch put theirs at 25, a number that almost precludes meaningful long-term investigations. "There are no bodies available to do the work," says Bonnie Buford, a supervisor in a Queens child-protective-services unit. Claims Gail Nayowith, executive director of the Citizens' Committee for Children: "Case loads are rising. Investigations take longer, and some very important programs don't exist . . . This child and her family should have got services. With appropriate interventions, services and follow-up, [Elisa] would be alive."

But she is not alive. At her funeral, the Rev. Gianni Agostinelli told mourners that "Elisa was not killed only by the hand of a sick individual, but by the impotence of silence of many, by the neglect of child-welfare institutions and the moral mediocrity that has intoxicated our neighborhoods." Later, Elisa was laid to rest in the Cypress Hills Cemetery in Queens. There had been discussion about her body: the Izquierdo side of her family wanted to determine its fate, but so did the Lopez side. And it seems that mortuaries, like city bureaucracies, have rules for such situations. Regardless of the circumstances, the custody of the body goes to the mother.

Mr. GRAMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

#### THE CBO IS NOT SANTA CLAUS

Mr. GRAMS. Mr. President, I want to talk a little bit this afternoon about budget numbers and budget dollars.

To hear the talk on Capitol Hill, you would think that Christmas came early this week and that the Congressional Budget Office was playing the part of Santa Claus, because on Monday, the CBO released its revised revenue predictions for the next 7 years, producing an unexpected \$135 billion windfall over the life of our 7-year plan to balance the Federal budget.

And would you not know it, like kids let loose under a package-packed Christmas tree, President Clinton and Congress are scrambling to snatch up the dollars for their own holiday spending spree.

Mr. President, I did not come to the floor to be the Grinch Who Stole Christmas, but let's take a step back and ask ourselves just what we're doing here. We've got a deficit today of \$164 billion and a national debt of nearly \$5 trillion.

We are dangerously overextended on the Government's credit card. Yet when the revenue forecast says we will have \$135 billion more than we thought we would have by the year 2002, what are we thinking when the first thing we want to do is rush out and squander it on a taxpayer financed holiday spending spree?

If that is how this Congress is going to conduct itself, we are no better than the 40 years of past Congresses that got us into this fiscal mess to begin with.

Where is the commitment to changing Washington's free-spending ways

we like to brag about to our constituents back home? What kind of message does this send to the taxpayers, who entrusted their dollars—their hard-earned tax dollars—to us in the first place?

Anybody can spend a dollar, Mr. President, or in the case of Congress, a great, great many of them. But it takes discipline to save those same dollars, and what I am seeing today is a disturbing lack of the kind of discipline it will take to finally balance the budget.

What should we do with the \$135 billion found by the CBO? Exactly what legislation introduced last week by myself and my good friend, Senator McCain, instructs us to do: lock it away on behalf of the taxpayers for deficit reduction or additional tax relief.

The Taxpayer Protection Lockbox Act of 1995 precisely spells out the process Congress must undertake when actual Federal revenues exceed predictions. Our legislation ends the abuse of taxpayer dollars and returns honesty to the budget process by creating a new revenue lockbox.

As we all know, Congress acknowledges the CBO as Government's voice of authority when it comes to accurate, conservative, nonpartisan economic projections.

Congress relies on those CBO projections when we estimate the amount of tax revenues that will come into the Treasury over the life of our 7-year balanced budget plan, and then we use those revenue estimates to determine the extent to which Federal spending can grow without resulting in a budget deficit in the year 2002.

While these estimates by the Congressional Budget Office are generally on the mark, they are only estimates, of course, and the revised forecast issued by the CBO this week illustrates the inherent problem with forecasts: Changing conditions mean forecasts need to be updated.

And as we move closer to a balanced budget, they will need further updating to take into account the additional dollars our balanced budget plan will generate for the Treasury. After all, we are including tax relief designed to stimulate economic growth, create new jobs, and turn tax users into productive taxpayers.

Any additional dollars, however, should not be used to feed Congress' appetite for spending. Instead, any additional revenue that results from our balanced budget plan ought to be returned to the taxpayers in the form of tax relief or deficit reduction.

These dollars were born of the hard work and productivity of the American people—it makes sense to give those dollars back to the taxpayers and encourage even greater productivity.

And that is just what our revenue lockbox does. It requires that any revenues above and beyond current estimates be used for tax cuts and/or deficit reduction.

It ensures taxpayers that their hard-earned dollars will no longer be automatically spent by Congress, ending

the misguided notion here in the beltway that tax dollars belong to the Government, rather than the taxpayers.

Imagine the dramatic deficit reduction we could achieve if, instead of plowing the CBO's \$135 billion into more social spending, against the wishes of the taxpayers, we dedicated it toward eliminating the deficit.

How much sooner would we balance the budget and start down the road toward a debt-free future for our children and grandchildren if we invested that \$135 billion in their future, and not on another quick fix for the big spenders in Washington?

After all, if the politicians have their way, how much of that \$135 billion will truly be spent meeting needs, and not simply offering dessert?

Or imagine what we could do for the taxpayers of this Nation—who have been forced every year to finance the political agenda of a Congress that simply never learned to say "no"—if we handed them back that \$135 billion in the form of tax relief?

Have we forgotten that it is their money to begin with, not the Government's? Mr. President, it is as if you and a friend were walking down the street and happened across a wallet plump with cash. For most of us, there is no moral dilemma—it is not our money.

We would return it to its rightful owner, no questions asked. Well, there is apparently no moral dilemma for Congress, either—it would spend the money, even \$135 billion dollars, long before the wallet's owner even realized it was missing.

By dedicating it toward tax cuts, Congress could do a lot of good with the CBO's \$135 billion in unexpected revenue. What about expanding the tax relief provisions already called for in our Balanced Budget Act?

We could make the \$500 per child tax credit be retroactive back to January 1, 1995, and help offset the devastating effects of President Clinton's retroactive tax increase in 1993.

We could make the \$500 per-child tax credit refundable against payroll tax liability, enabling lower-income, working Americans the opportunity to keep more of the dollars they so desperately need to keep their families fed and clothed, with a secure roof over their heads.

We could eliminate the marriage penalty this year—not 7 years from now.

We could empower senior citizens to once again become productive members of the workforce by repealing the Social Security earnings limit—another tax increase imposed by President Clinton in his 1993 budget.

We could index the capital gains tax back to an earlier date as well.

Mr. President, by intelligently utilizing the CBO's new forecasts, there are a great many things we could do to expand on our promise to the American people to cut their taxes while we are balancing the budget.

But blocking our way is a White House intent on financing more and

more Federal spending at the taxpayers' expense, and you won't find a more vivid illustration of just why we need the deficit lockbox and the protections it would provide.

If there are any extra dollars in the Federal budget, they should be returned to the millions of American taxpayers who finance this Government every day with sweat and blood, not to Congress or the White House for bigger Government.

I do not know what it will take to convince me that President Clinton and the big spenders on Capitol Hill are truly serious about getting Government spending under control, but I do know they will never do it by trying to compete with Santa Claus.

If they want to don red suits and beards and finance more Government agencies, more bureaucrats, and more Federal programs, they will have to cut spending somewhere else to pay for them. The holiday season may be a time for giving, but the taxpayers have already given until it hurts.

You can call me old fashioned, but a gift that reflects the true spirit of Christmas is not about giving in the hope of getting something back in return. It is about giving something from the heart.

A balanced budget is that kind of gift, Mr. President. You cannot wrap up a balanced budget, or engrave it, or put it under a Christmas tree. It is not the kind of gift that will score you points with relatives looking for a holiday handout or get you in good with the boss or impress a neighbor.

You cannot really hand it to anyone and get a thank you in return. You can, however, look into the faces of those who will someday appreciate this gift most of all—our children and grandchildren, because once the Federal budget is balanced, they will finally be free. That, Mr. President, will be the greatest Christmas gift Congress could deliver this holiday season—that is, to work out a balanced budget before we leave on December 22.

Thank you, Mr. President.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

#### STUDENT DIRECT LENDING

Mr. SIMON. Mr. President, I understand that two of my colleagues spoke in opposition to direct lending this morning on the floor of the Senate. I will respond to what I had been told by my staff was said on the floor.

First, just by way of background, let me just say there are 1,350 colleges and universities that now have direct lending. I do not have the list in front of

me, and I cannot tell you, Mr. President, what schools in Wyoming are using direct lending. I know that in every State outside of Alaska there are schools using direct lending. It is interesting that not a single college or university that has direct lending wants to go back to the old system. We just received a report from the Colorado State auditor saying that the University of Colorado is saving \$192,000 a year under direct lending in bookkeeping and other personnel costs.

Let me respond to the specific charges or statements. It said under the plan that the President vetoed, all students could get flexible repayment. Under direct lending if you want to, you can have income-contingent repayment, that a percentage of your income can be set aside for repaying a loan. That was not the case under the old program. The actual language of the bill is, Mr. President, that a lender "may," at the discretion of the lender, offer the borrower the option of repaying the loan in accordance with an income-contingent repayment schedule. That is very different from saying they "shall." In other words, banks "may" do it. But, of course, banks could do it before. The reality is very few banks are going to do it except if they are under competition from direct lending and they think they have to.

Also, added in conference on the income contingent, on income contingent, you repay for 25 years. At the end of 25 years if you become a nun or if you enter some work where you do not receive income, at the end of 25 years it is forgiven. In conference, it kept that forgiveness, but said the interest would be paid to the banks no matter what. The claim was that the plan the President has vetoed would double the direct loan program from 5 percent to 10 percent. The reality is 10 percent of the schools had it the first year. We are in the second year now and almost 40 percent of the schools in the Nation now have direct lending. It is just universally popular. We have, in Illinois, 67 schools using direct lending now. I have yet to hear anyone say that it does not work.

One of our colleagues cited an op-ed piece in the Washington Post saying there is no cost difference to the Federal Government between direct lending and the old system. Now, if there is no cost difference, then give colleges and universities the choice. The reality is the op-ed piece in the Washington Post did miss several points that Secretary Riley mentioned in the letter to the editor. One of the very fundamental points is that under direct lending, when the Federal Government issues bonds, we collect income tax on those bonds, on the interest on those bonds. When guaranty agencies issue bonds, those are nontaxable bonds. The difference, over a period of 7 years, is about \$1.3 billion. The Congressional Budget Office says if you apply the present law—not the cooked books of the budget that was passed—to both