

I think mentioned Pete Wilson out there. So if Gingrich goes for it, that would weaken Gramm and help Dole. It's a wonderful business.

Mr. RUSSERT. We have to take a quick break. We'll be back with more Bill Safire after this.

(Announcements.)

Mr. RUSSERT. Bill Safire, we've talked with you about Russia quite a bit on this program. President Clinton said at the State of the Union, "American children go to bed now and there's no nuclear missiles from Russia aimed at them." But what is this real situation in Russia?

Mr. SAFIRE. Things are in terrific turmoil at the moment because of the Chechnyan war. Boris Yeltsin's popularity has gone right into the tank. I mean, he's in single digits. He's below—you know, way below any other major leader. That's because the reformers have deserted him, or they think he's deserted them. And the Zhirinovskiy nationalists have also deserted him, because he's brought discredit on the armed forces, and he's got nobody, except he's got himself surrounded with about 70,000 or 80,000 soldiers who answer directly to him around Moscow. The big question—here we are talking about American elections and who's going to be the candidate. The question in Russia is: Will there be an election in 1996?

Mr. RUSSERT. Well—

Mr. SAFIRE. There are some good men around, Yavlinsky and—you know, it's coming along. But if the popularity of Yeltsin stays so low, he may not want to have an election.

Mr. RUSSERT. And cancel the election.

Mr. SAFIRE. And postpone it for a few years, and that will be terrible.

Mr. RUSSERT. A chilling thought to end our roundtable this morning. Bill Safire, Bob Novak, Lisa Myers, thank you very much. We'll be right back with our Meet the Press Minute.

(Announcements.)

Mr. RUSSERT. *Deja vu*: December, 1951, President Truman was in the third year of his term, there was widespread speculation about another Democrat challenging him. And the big unknown: the plans of General Dwight David Eisenhower. Let's take a look. (File footage from December 2, 1951).

Mr. ERNEST LINDLEY. Who, in your opinion, would make the strongest Democratic nominee for the presidency next year?

Representative JOHN F. KENNEDY (Democrat, Massachusetts): Well, as—I've only heard of one or two men discussed, and as it seems fairly inevitable that if President Truman is a candidate for reelection, he will receive the nomination. I would say that he would be probably the strongest. Now there's been some talk of General Eisenhower running. I don't know whether General Eisenhower's a Republican or a Democrat.

Ms. MARTHA ROUNTREE. You're not convinced that he is a Republican, though, are you?

Representative KENNEDY. I have no reason to be convinced he's a Republican or a Democrat, as he's ignored politics for a long time, quite rightly, in his military career. But there are those who say they know, and in view of that, perhaps we can accept their opinion.

Once General Eisenhower takes off his uniform, leaves a very critical situation in Western Europe and takes a position on issues like civil rights and labor legislation, etc., and becomes a candidate and runs for office, I think we'd get a better idea of whether he is going to be able to sweep the country or not.

(End of footage.)

Mr. RUSSERT. Hmm. General Colin Powell, are you listening?

That's all for today. Join Giselle Fernandez later tonight for the "NBC Nightly News." And tomorrow on "Today," continuing coverage of the O.J. Simpson trial. Tomorrow night on the "NBC Nightly News" with Tom Brokaw, remarkable advances in the treatment of strokes.

We'll be back next week when our guest will be another presidential hopeful, former Vice President Dan Quayle. If it's Sunday, it's Meet the Press.

(Announcements.)

### CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

### BALANCED BUDGET AMENDMENT TO THE CONSTITUTION

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of House Joint Resolution 1, which the clerk will report.

The legislative clerk read as follows:

A joint resolution (H.J. Res. 1) proposing a balanced budget amendment to the Constitution of the United States.

The Senate resumed consideration of the joint resolution.

Pending:

Daschle motion to commit the resolution, with instructions to report back forthwith, with Daschle amendment No. 231, to require a budget plan before the amendment takes effect.

Dole amendment No. 232 (with instructions to commit), to establish that if Congress has not passed a balanced budget amendment to the Constitution by May 1, 1995, within 60 days thereafter, the President shall transmit to Congress a detailed plan to balance the budget by the year 2002.

Dole amendment No. 233 (to amendment No. 232), in the nature of a substitute.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I want to say a few words about the amendment filed by the distinguished minority leader Thursday or Friday of last week. Actually, he called it the right-to-know amendment. I call it the right-to-stall amendment because that is what it amounts to.

The balanced budget amendment represents the kind of change that the American people asked for last November. The American people know the Federal Government, they know the bureaucrats who run it, and they know that those bureaucrats need to be put on a fiscal diet.

In contrast, the proposal offered by the distinguished minority leader, with all due respect, is offered in defense of the status quo and business as usual. If my colleagues supporting the Daschle proposal had been in the first Congress, we never would have adopted the first amendment of the Bill of Rights. Just imagine James Madison defending the free speech clause of the first amendment to some of our colleagues today:

"Does this mean you can't yell 'fire' in a crowded theater," they would ask?

"Does it protect obscenity? If not, what is the line between obscenity and protected free speech? We cannot accept the free speech clause without these details spelled out," they would say.

"Does the free-speech clause protect the American flag from desecration? If so, we cannot accept the first amendment."

Some of my colleagues made that very clear when they turned down the flag amendment twice a few years ago.

What about the religion clause, the free-exercise clause and the establishment clause of the first amendment, would the supporters of the Daschle proposal, had they been in the first Congress, have demanded an accounting of just when and how the Government can aid religious schools?

Would they have insisted on knowing all of the circumstances under which citizens or local governments can put a menorah or a creche on public property?

Would they have turned down the first amendment because the first Congress would not fulfill the ludicrous task of answering these questions? Or would they have accepted the principles contained in the first amendment and have allowed those principles to develop as they have over the years?

Just imagine if the following clause in article I, section 9 came before the Constitutional Convention of 1787 in Philadelphia:

No money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law; \* \* \*

"Oh, no," my colleagues of today would have said had they been there, "tell us how much the appropriations will be over the next 7 years or we cannot adopt this provision in the Constitution."

What about the clause in article I, section 8 giving Congress the power to regulate foreign and interstate commerce? "Oh, no," some of our colleagues, had they been in Philadelphia in 1787, would have said, "we cannot give Congress the power to regulate commerce until we know the tariffs and the interstate regulations Congress will enact over the next 7 years."

Here and now let us adopt the principle of a balanced budget with the careful exceptions of wartime or when a supermajority consensus is reached for a pressing national purpose on a rollcall vote. Then, after we adopt the principle, we can implement it over the next 7 years, adjusting the budget to take into account changing circumstances during that time.

Yesterday, on the Frank Sesno show on CNN, I debated with Alice Rivlin. It was interesting to me that at the very time that we are making the case on the floor that the Federal Government is not serious about balancing the budget, that unless we have a balanced budget constitutional amendment, we will not get to a balanced budget by the year 2002, the President is filing his

budget for this next year, a budget which, by the way, proves our case.

By their own reckoning, that is those in the White House—and Mrs. Rivlin did have a difficult time really supporting their position—by their own budget, we will face deficits for the next 12 years that average no less than \$190 billion a year. There is no desire to get to a balanced budget by the year 2002. In fact, they say by the year 2005, 2006, or 2007, the average deficit will be \$190 billion a year. In fact, the President's own budget will increase the national debt from \$4.8 trillion to a little over \$6 trillion in the next 5 years. If there ever was a case made for the need for a balanced budget amendment, it has to be this budget which has been delivered today.

How ironic it is that they would deliver that budget at the very time when we are arguing that the only way to get to a balanced budget by the year 2002 would be to put some fiscal mechanism into the Constitution that will help us to get there.

What do we face? Why, we have an amendment filed by the minority leader that is so defective that it is even constitutionally unsound. In fact, some authorities are now calling it unconstitutional because it would add to section 5 of the Constitution another reason, another debate before we could have a constitutional amendment.

I just have to say, after all, this is the Constitution that we are amending, not budget legislation. In fact, as I read the Daschle proposal, it requires that we pass a resolution laying out the details of a plan starting in fiscal year 1996, even though that requirement would be contained in an amendment that does not become effective until the year 2002, ignoring the fact that there will be three intervening Congresses before we get to the year 2002.

To require that a constitutional provision be fully implemented before it is adopted puts the cart a long way before the horse. After all, the whole problem is that Congress has not been able to balance the budget in the absence of a constitutional requirement to do so. For 26 years, Congress has failed to balance the budget. Mrs. Rivlin said on that program yesterday—and I have admiration for her, she is a fine woman. If she had her way, she would get to a balanced budget by the year 2002, but she was unable to get this administration to do it. Mrs. Rivlin basically said yesterday we just simply should do it.

I remember the distinguished Senator from West Virginia saying we should just do it. It is odd to me how those who are always saying we should just do it right here in the Congress, we have the power to do it now, it is odd to me how many of those who are saying that are people who are opposed to the balanced budget amendment and, in the process, are dedicated to the same old order that has put us in this financial difficulty that we are in

right now—\$4.8 trillion in national debt, going to \$6.3 trillion in just 5 years under the President's so-called deficit reduction plan.

I do give the President some credit for at least trying. He is consolidating programs; he is recommending cutting out some programs. But those are minuscule efforts in comparison to what needs to be done and what will be done if we pass a balanced budget constitutional amendment.

To require that a constitutional provision be fully implemented before it is adopted is really, really something that nobody should be deceived by reading. It seems to me that the people who really have the burden of showing us how they will balance the budget are the ones who claim we do not need the balanced budget amendment. We say the budget cannot be balanced without a constitutional requirement. It is that simple, and the President's budget makes our case.

To those who think we can balance the budget without the balanced budget amendment, I say to them, "Show us how; you tell us how you want to do it. If you cannot show us the way to a balanced budget without the amendment, this suggests one of two things: Either you agree with us that it cannot be done without the constitutional requirement or you are simply against balancing the budget at all."

Now, if the truth be known, there is a lot of mouthing about balancing the budget, but the very people who are doing it most of the time are those who are against the balanced budget amendment, except those who want a balanced budget amendment so we can get to a balanced budget.

Now, that brings me to the President. If President Clinton gets his way and defeats the balanced budget amendment this year as he did last year, what is his purpose? Does he not want a balanced budget? Does he stand for the status quo of ever-higher taxes and ever-higher deficits? Or is his point that we can balance the budget without the constitutional mandate?

The fact is, his own budget will increase the deficit by \$1 trillion over the next 5 years, and that is assuming the optimistic economic assumptions in that budget will remain optimistic and will actually occur.

Or is his point that he can balance the budget without the constitutional mandate? If so, I would expect him to release his plan for a balanced budget this week.

Well, his plan is anything but a plan for a balanced budget. For the next 12 years he admits that under his budget, as much as he has tried—and I give him credit for that—we will have an average of a \$190 billion deficit every year for those 12 years—again, if all the economic assumptions they make are correct, and they have never been correct yet. It is always higher.

Where is this Presidential leadership we have been hearing about? I guarantee you there will be no efforts, real-

ly successful efforts made without a balanced budget amendment and without both the President and the Congress working together to get there. And that is what the balanced budget amendment will bring about. It will force us to work together to get a balanced budget by the year 2000.

The President's deficit reduction tax plan has failed to control even the growth of annual budget deficits which continue to rise during the latter years of the plan, surpassing \$200 billion as early as 1996. And if his old plan is correct, they would reach the record level of \$297 billion in the year 2001 and would top \$421 billion in annual deficits in the year 2005.

Now, he claims this new budget, by cutting some programs and consolidating others, will get it down to only a \$190 billion deficit each year through the year 2005. That is 10 years from now.

The President's so-called deficit reduction plan, which included massive tax increases on working people, retirees, and other Americans, neither stops the growth of the national debt nor balances the budget. The fact is that if House Joint Resolution 1 passes in its current form, we can and will balance the budget. It is not the lack of plans that has prevented us from balancing the budget. It is the lack of will.

We do not claim to have the perfect, painless way to balance the budget, but there are quite a number of options for us to examine and draw from, at least in part. In fact, over the last few years, we have seen a number of plans released from both sides of the aisle from both bodies and from outside organizations. I will just hold up a few:

The Concord Coalition zero deficit plan, the Republican alternative to the fiscal 1994 budget, the Congressional Budget Office's illustration of one path to balance the budget in their Economic and Budget Outlook 1996–2000, just to name a few. There are others.

Senator DOMENICI has said that if we would allow the Government to only grow 2 percent a year—now, 2 percent of \$1.5 trillion is still a lot of billions of dollars. We would still be increasing spending, but if we would only allow it to grow 2 percent a year and you totally exclude Social Security from any cuts and keep it just totally inviolate, we would reach a balanced budget by the year 2002.

So the fact is we have the way to get there, a variety of ways of getting there. We just do not have the votes right now without a balanced budget constitutional amendment. Even the current White House Chief of Staff Leon Panetta submitted a balanced budget proposal during his tenure in the House, but they have not been able to do it since his tenure in the White House.

Like I say, other ideas include limiting the growth of spending to 2 percent without touching Social Security or cutting just 4 cents a year off every

dollar of planned spending except Social Security. That would get us to a balanced budget in the year 2002.

Unfortunately, a lot of the people who are arguing that we ought to lay out in detail how we get there in 7 years are the people who would vote against that type of an approach as they are voting against the balanced budget amendment. Furthermore, there are many proposals out there to reduce spending significantly and reduce the deficit: the Dole 50-point plan, the Penny-Kasich deficit reduction plan, the Brown-Kerrey bipartisan cutting plan, the prime cuts list prepared by Citizens Against Government Waste, the Kasich budget alternatives for fiscal year 1994 and fiscal year 1995, and the Brown deficit reduction plan by our distinguished Senator from Colorado, who made that point in the last year or so.

Now, I do not think that any one of these proposals is necessarily the ultimate solution, yet they all have some ideas worth considering. I certainly believe that we could evaluate and analyze proposals in these plans as well as other ideas that I guarantee will be forthcoming from both sides of the aisle if we pass this balanced budget constitutional amendment.

Let me say it one more time. The problem is not the lack of ideas. It is the lack of will. House Joint Resolution 1 in its current form will provide that will.

Now, the Daschle proposal itself raises more questions than it would answer. We are talking about this amendment that now has been amended twice by Senator DOLE, or at least has two amendments pending against it. For example, the Daschle amendment would require a statement of new budget authority and outlays only on accounts which were over \$100 million in 1994.

Well, what about accounts that were under \$100 million in 1994 but have grown? What about new accounts? The Daschle proposal would also require an allocation of Federal revenues among major resources of such revenues, but what qualifies as major?

The Daschle proposal would further require a detailed list and description of changes in Federal law required to carry out the plan. Such information is currently in a document separate from the budget resolution. That document for President Clinton's 1993 budget plan was over 1,000 pages long. Do we really want to increase the already mammoth budget resolution? Besides that, I really do not understand the Daschle provision. Are we supposed to predict over the next 7 years not just the changes in law Congress may ultimately pass but the date upon which Congress will pass them?

The Daschle proposal creates additional problems by making constitutional references to statutory law. It incorporates section 310(a) of the Congressional Budget Act of 1974 by reference. Now, what happens if Congress

amends that section? The balanced budget amendment, it would seem to me, would allow that amendment any time Congress chooses to do so, which, of course, makes the balanced budget amendment totally worthless. I guess that is, after all, what the Daschle proposal is trying to do, make it so it is impossible for us to ever balance the budget.

If Congress amends that section, would that qualify as a constitutional amendment itself or does it qualify just as an amendment within the constitutional amendment that is permitted because section 310(a) is merely mentioned by point of reference in the balanced budget amendment? That is, if Daschle would pass. And I cannot believe anybody would be serious about voting for something like that.

Similarly, the Congressional Budget Office is explicitly referred to in this proposal. That means that the Constitution would now refer to four branches of Government—the Congress, the Supreme Court, the Executive or President, and the Congressional Budget Office. What constitutional thinking is that? How in the world could they put that into the Constitution? We know the Congressional Budget Office has been wrong more than it has been right. So we are going to write it into the Constitution? We will if the Daschle amendment is passed. I cannot imagine anybody really voting for an amendment that would put the Congressional Budget Office into the Constitution.

Now, here we are in the new Congress trying to reduce the Federal Government, the Federal bureaucracy, and the Daschle proposal attempts to enshrine a part of it in the Constitution.

Those of us on both sides of the aisle who have worked for years to pass this constitutional amendment have consistently heard from our opponents that we are trivializing the Constitution with budget matters. Talk about trivializing the Constitution—the Daschle proposal would have us add a new section to the Constitution, longer and extraordinarily more detailed and technical than the proposal that has been the subject of hearings, a committee debate and vote, and a committee report. It adds new terms to the Constitution like “aggregate levels of new budget authority.” What does that mean? It means whatever Congress says it means. I guess that is the genius of this proposal. Because Congress will make it very clear they are never going to get serious about a balanced budget until it is defined.

The first term on that list is “aggregate levels of new budget authority.” This phrase, like many of the terms on this list, is technical budgetary and accounting jargon. This proposal asks us to put into the Constitution a phrase that means the total levels of new spending Congress will allow for the next 7 years.

Can you believe that? Determining new budget authority is a part of the

budget and appropriations process we go through every year. This is not the type of timeless language that enunciates broad, immutable principles as does the language of the Constitution. Adding this type of language will only demean and trivialize the Constitution.

But look at the next one. Here is another one: “major functional category.” Functional categories are part of the system we use to classify budget resources and activities to reflect the national priorities and needs being addressed. The proponents of the Daschle amendment, or proposal, appear to be asking us to freeze one portion of our current budget policies and national priorities by adding them to the Constitution.

Mr. President, balancing the budget is not a one-time event. It is a dynamic process. This amendment asks us to put one or two 30-second spots from a 2-hour movie into the Constitution. This is not the purpose of our Constitution.

But look at this one: “account-by-account basis” is going to be written into the Constitution. This is another of the technical accounting terms used to define our budget. These accounts represent agencies and programs that reflect our national spending priorities. This type of language may be wholly appropriate for implementing legislation but it is wholly inappropriate for inclusion into our Constitution.

Look at this one: “allocation of Federal revenues.” This is just another way to define and present our budget information. I feel a bit as though I am repeating myself, but this is not the type of language we should be adding to our Constitution. I cannot believe that the proponents of this proposal could mean to use this type of language to drive constitutional policy. Nor can they mean to freeze current budgeting terms and techniques in the Constitution.

What about this one: “reconciliation directives”? These are all part of the so-called Daschle amendment. These “reconciliation directives” are the tools used during the budget process to instruct the committees to report legislation changing existing laws or pending legislation in order to bring spending, revenues, or debt limit into conformity with the budget resolution. Can you imagine the games that could be played with that? This amendment calls for a budget resolution extending out to the year 2002. Are we really going to ask our committees to change current or pending laws that far out into the future? Again, I remind the Senate that the budget is a process which proponents of this amendment are asking us to significantly slow down and freeze. This just does not reflect reality.

Look at this one, No. 6: “section 310(A) of the Congressional Budget Act.” This “reconciliation directives” is a serious issue, but this is even more

serious, and it is raised by the reference to section 310(A) of the Congressional Budget Act. This could have far-reaching implications. Not only do we have the unprecedented step of referring to a statute in the Constitution, but a particular section of that statute. This raises a serious question about our ability to reform the budget process through legislation. Will this proposal of having that written into the Constitution constrain our ability to amend that statute or that section through legislation? Or would we need a constitutional amendment to do so? Would this proposal lock Congress into the budget process status quo?

A lot would argue it would. There has been a lot of discussion about reforming the budget process to streamline it and make it more responsive to national priorities. I would hate to see us constrain ourselves to such a point that this would be next to impossible, by writing section 310(A) of the Congressional Budget Act into the Constitution.

What about this one? "Omnibus reconciliation bill" is mentioned in the Daschle constitutional amendment language. The reference to omnibus reconciliation bill once again puts a budgetary process into the fundamental charter of our Nation.

Once again, I want to say this type of language does not belong in the Constitution. This is coming from those who say we are trivializing the Constitution? Ms. Rivlin, the leading budgeteer in this administration and a person for whom I have great admiration, said that she does not think we should put these types of things—she is against the balanced budget amendment because it puts, in her eyes, some economic matters into the Constitution. She must be sick at heart at what they are trying to do here.

Look at this one: "Congressional Budget Office." This is perhaps my favorite of all of the references in the Daschle amendment. Here we are, in this Congress, trying to cut bureaucracy, and the Daschle proponents are attempting to enshrine the bureaucracy, the Congressional Budget Office, in the Constitution of the United States of America.

We now have four branches of Government, if they get their way: the executive, legislative, judiciary, and the accountants. If they get their way. The Congressional Budget Office? Will that be the fifth branch of Government? What about the FDA? Should we not enshrine the FDA in here and make it the sixth branch of Government? This is what the folks who are pushing this mean. Of course, we will have to say no. No, that will simply not do.

Look at this one: "Economic and technical assumptions." Once again, we have the example of technical jargon being put into the Constitution. "Economic and technical assumptions" are the tools used in determining the basis of our budget activities. They are vital in determining forecasts of our

future events. Yet, I do not think they belong in the Constitution. This phrase, indeed this whole proposal, is better addressed in implementing language which could be changed by a simple majority vote. It just does not belong in our Constitution; and that is why we have implementing language.

So when you hear them saying we should exclude Social Security from the balanced budget amendment, I say how could anybody really seriously argue that? The balanced budget amendment should be written like a constitutional amendment, which it is, the House resolution. It is, and we should not trivialize it by putting all kinds of jargon into the Constitution.

My friend, Senator DOMENICI, may like this last one. It is a reference to the "Committee on the Budget." It may mean that his committee now has constitutional status and cannot be eliminated without a constitutional amendment. I fear he may be pleased with the committee's new power to trigger constitutional law.

But, seriously, I hope we will all agree we should not be enshrining congressional committees in the Constitution by reference. They are established by internal rules and can change title or function, or even cease to exist, as we have already seen in this new Congress. Would this proposal make us pass a constitutional amendment just to change the name of a committee? This is what I call really trivial stuff.

Mr. President, just look at that, "constitutional language?" Aggregate levels of new budget authority? Major functional category? Account-by-account basis? Allocation of Federal revenues? Reconciliation directives? Section 310(A) of the Congressional Budget Act? Omnibus reconciliation bill? Congressional Budget Office? Economic and technical assumptions? Committee on the Budget? All to be enshrined into the Constitution in what will be one of the largest constitutional amendments in history.

I notice Senator DOMENICI is here. Let me just finish my remarks with just a couple of other comments.

I daresay that James Madison and the Founding Fathers must be turning over in their graves. They must be.

In testimony by Alice Rivlin before the Senate Committee on the Judiciary, where she said she was against the balanced budget amendment on behalf of the administration, she had this to say:

Consequently, the administration continues to oppose the effort to write fiscal policy into the Constitution. The Constitution should establish principles that are basic and necessary at all times, not fiscal policies like a balanced budget that may not be appropriate in every year under every condition.

One can only imagine what she thinks of the Daschle amendment. At least a constitutional amendment to balance the budget is written in constitutional language, language that would get us all there, if we have that fiscal mechanism in the Constitution.

So to write all of this other stuff in is to trivialize and demean the Constitution of the United States. And, frankly, I hope all of our colleagues will vote to keep that out.

I notice the distinguished chairman of the Budget Committee is here. We look forward to hearing his remarks.

I yield the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER (Mr. SHELBY). The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I thank Chairman HATCH for yielding.

Mr. President, I thought he might be interested in my analysis of the President's budget. If there is anything that ought to convince us that we need a constitutional amendment for a balanced budget, it is the President's budget that he put out officially this morning.

It is hard to have all the details. But I would like to state for the Senate and for the American people just a few observations and perceptions about this budget which the President has presented.

First, I want to say that, to the extent that we can, we ought to work with the President. We ought to try. Normally, President's budgets have been declared dead on arrival. When the Republicans were in the White House the Democrats said that.

I do not want to say that. But I would say that this budget is on life supports. There is no question about that. It is not dead, but it is on life supports. There are a few concepts in it that we ought to build on. There is no deficit reduction of any significance; nothing for our children at all. The President in his remarks on this says this is good for the American dream, and then proceeds to talk about middle-class Americans who will be helped, et cetera. But he forgets to say this budget is an antichildren of the future of America budget.

Right now we believe every man, woman, and child is indebted \$18,000 for the debt that we have been incurring without regard to their future—man, woman, and child. This deficit produced in 5 successive years, as he puts them together—the added deficit—will add \$2 trillion, I say to the occupant of the chair, to the debt; \$2 trillion. We think by that time the children of America will be saddled with a \$24,000 to \$26,000 debt. So let us use \$26,000. It is \$18,000 now. It will be \$26,000 because of this budget, and worse than that—which is ignored in the comments from the White House today—while the deficit stays steady but does not go down, it will go skyrocketing up again. And whose responsibility is it to address that? Do we wait for our children to address that, or do we address it now? There is no question that the deficit of the United States by the year 2002 will be back up to \$321 billion.

So that is what this amendment on the floor is about. Remember we were going to have a balanced budget by 2002. Under the President's budget it will be \$321 billion. The President talks about getting the deficit down, and since I was on the floor for maybe 5, 6, or 10 days—I do not even remember talking about the budget which the President produced the last time—in 1993 when he takes credit for getting the deficit down—my projections then are now coming true. The nightmare that I predicted is true. It is upon us. What was the nightmare? The nightmare was that we will raise taxes on the American people, the largest tax increase package in history, and we will not get the deficit under control. That is true. Most of the deficit reduction heretofore are tax increases and defense spending cuts. What about the rest of Government? There were no cuts then, and no cuts now.

First of all, the President had a good handle when he ran for this office, a good fix on the deficit. In 1993, when he talked to the American people about getting it under control, he understood it very well for he said we will never get the deficit under control until we get the health-care programs of the U.S. Government under control. That was true then. That is true today.

The President's budget, which I have just indicated while not dead on arrival certainly takes a walk on the important issues of our day, takes a walk on the importance deficit reduction issues of our day because none of the health-care programs of the Government are addressed. There are no reductions in them of any significance. They are left to carry right on growing at somewhere between 10.5 and 11.5 percent a year. So why should anyone believe that this budget is a good budget for America?

Frankly, in the midst of a solid recovery, when the signs are there everywhere that we have to have major reform, that we have to reduce the size of our National Government, the President proposes in his budget that we ought to put 300 programs together and block them into 27 programs. Will not one think that there would be an effort to streamline Government, and what else? Save money? Actually, the block grants go up. Unless I can be informed to the contrary, the best I can find is after going through this exercise and streamlining of Government—which is not much streamlining because you still have 27, you do not give many of them back to the States—but even it is supposed to be an efficiency in delivery of service measure. To improve the delivery, you ought to get some savings out of it. It goes up.

Let me go through and quickly talk about a couple of other things because, obviously, we want to have a very constructive year. We do not want to have a year when all we do is argue. But I do not believe we should leave some of the things that the President talks about already, and in his budget, I do not be-

lieve we should leave them unanswered, for when Republican Presidents issued budgets the opposition party was quick to talk about what was wrong with them.

So I repeat. This budget is a white flag on entitlement spending. Surrender, or at least it says, as the President of the United States, "I do not want to do it. It is too hard. Maybe you ought to do it, Republicans." I think those commenting on it are already sort of saying that. The President said, "I do not want to do anything that is tough. Why don't you do it, Republicans? Then we will negotiate."

I submit that one is contrary to what this President says all the time. I mean he talks about leadership. Where is the leadership when you put a white flag up to surrender to that part of the budget that you know you must get under control and in doing that you kind of hoodwink the public that you are really getting the deficit under control?

Let me move on.

You know, there used to be the magic asterisk, the question of veracity; the question of, How truthful is the budget? I would like to just raise a question of veracity in this budget.

First of all, significant problems occur in the President's budget proposal related to a concept that has worked heretofore. Everybody acknowledges that there is a new portion of the budget called pay-as-you-go procedures and savings adjustments from adjusting and extending discretionary spending limits established in the current budget. So what the President has done relates to this pay-as-you-go. Let me talk about it.

The President's budget does not reduce direct spending programs enough. I spoke of that on the white flag of surrender. So let me talk a minute. He will claim there is \$28.7 billion there to offset reductions in tax receipts of \$54.7 billion. Instead, it attempts to close this gap with what I will call creative accounting, \$101 billion in discretionary spending cuts, creative accounting as to \$101 billion in discretionary spending. In truth, the \$101 billion savings is overstated by nearly \$90 billion. Mr. President, he takes credit, through creative accounting, for \$101 billion in discretionary spending reduction, and \$90 billion of that is overstated. Following current budget rules, the net result of the President's budget is not a reduction in the deficit claimed as \$80 billion over 5 years, but rather is an increase in the deficit of between \$15 billion and \$20 billion over that 5 years.

Current law defines pay-as-you-go enforcement procedures that apply to direct spending and receipts. The President's budget assumes the law is changed to include discretionary spending in the definition of pay as you go to offset reductions in taxes. Even so, the discretionary cuts are significantly overstated from inflating spending caps from 1996 to 2000. Let me re-

peat. Savings from discretionary spending cuts are overstated from inflating spending caps from 1996 to 2000.

You see, if you have in place caps at this level and those caps as a matter of law expire, the President lets it go back up and then claims the savings. And that is \$90 billion of the \$101 billion. So, in essence, they go up and he reduces them back to where they are, and through creative accounting, that is the big savings in the budget.

We will get that from the Congressional Budget Office. We will ask them for that. It is not Senator DOMENICI who ought to be saying this, it is officials who have at least as much prowess as the President's experts but are neutral and not part of any political presentation of a budget.

So creative accounting has created a very big credibility gap in terms of whether or not there are any cuts in this President's budget.

Let me wrap this up again by saying the deficit, under the President's proposal, will increase each year, and the public debt—which we are talking about in the constitutional amendment—will go from a 1995 level of \$4.9 to \$6.6 trillion—from \$4.9 trillion to \$6.6 trillion—and the debt on each man, woman, and child will go from \$18,000 to \$26,000. The dream of our children and for our children is getting stepped on once again. No action now because it is too tough; action later when it is too late, when the children are bearing the burden when we leave them little of a legacy because we do not have the courage to do what we ought.

Frankly, without the President's leadership, I do not know where we are going. Frankly, I have told this Senate and the public in the United States that you will not get a balanced budget unless the President wants to cooperate with the Congress. I can tell you unequivocally, unabashedly, you cannot get to a balanced budget without the leadership of a President. Second, you cannot get there without both parties participating. It is too tough, really and politically.

So when you have a President who takes a walk and opposes the constitutional amendment for a balanced budget, it would seem to me that the expectations and hopes of the American people that we might finally have arrived at a point in history when we are serious about this, when we might get the deficit under control, get a balanced budget, I want to warn them that the will may be there on the part of many of us, but we may indeed not win this constitutional amendment that would have made the President join in the team that wants to get it done. Obviously, some Members on the other side and this President do not choose that. I think they do not choose it for a number of reasons. But I tell you unequivocally, absolutely, when they say they will not choose it, we will never get there, and certainly we will never get there with budgets like this one.

I yield the floor.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho [Mr. CRAIG], is recognized.

Mr. CRAIG. Mr. President, we have just heard Senator DOMENICI from New Mexico, chairman of the Budget Committee here in the Senate, outline for us what many of us feared we would hear from this President as he presented his budget to the Nation which will now be presented today—statistics and facts and figures that I do not think any of us wanted to hear or that the American people can even begin to fathom as it relates to what it all means.

Certainly, this chart I have with me reflects exactly what the Senator from New Mexico, the chairman of the Budget Committee, said. From a debt structure for our country at the end of fiscal 1995 somewhere in the \$4.9 trillion mark to, by this President's own admission with the submission of his budget today, a deficit out here in the outyears around the year 2002 of \$6.6 trillion. What does all of that mean?

I find it also very unique that as we debate the balanced budget amendment here on the floor—as we have been now for well over a week, and as we will, maybe, for the next several weeks—that the leader of the Democratic Party would come to us with an amendment that, in essence, says: Submit a budget in all of the detail of how you want to balance the budget, and if you do not, we cannot submit a balanced budget constitutional amendment as a matter of principle to the people for their consideration.

I say that is an interesting combination, Mr. President, because as our colleagues on the other side of the aisle are now saying that, the very leader of their party has presented a budget today that looks like this as it relates to debt structure. Not even their President was willing to talk about a reasonable approach toward the kind of deficit reduction that he himself pledged to us as a country but 1 year ago. In less than a year, this President has moved away from the very premise he ran on, on the very budgets he proposed, on the very premise by which he pushed through one of the largest tax increases in the history of the country, and that is, that we would have continually declining deficits toward a balanced budget, with a progressive reduction in the rate of debt growth for our country.

Mr. President, what happened? Where are you? Why did you forsake us? Why did you say one thing in one budget year and now come forth with an entirely different approach in another budget year?

Well, I may sound a little hard on the President this morning. Let me back off a little bit and say I guess I am not surprised, because for the last two decades, other Presidents have been making similar promises, and many of those Presidents have been Republican Presidents. Yet, we saw the deficit and

the debt structure of our country grow from 1990, where we had a debt of around \$3 trillion, now to a President walking before the cameras and talking to the American people and, in a straight-faced way, suggesting that this budget projected outward will produce a \$6.6 trillion deficit.

This morning in the Wall Street Journal, Stephen Moore, who is the director of fiscal policy at the Cato Institute here in Washington, tried to put these kinds of analyses and projections in perspective for the American people. I recommend to my colleagues that they read that article, because it begins to cause us to focus about why we are here on the floor of the U.S. Senate and will be here for the next 3 weeks debating a balanced budget amendment to our Constitution.

I ask unanimous consent that that article be printed in the RECORD.

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

[From the Wall Street Journal]

IF YOU BOUGHT 2 TRILLION COPIES OF THIS PAPER \* \* \*

(By Stephen Moore)

Today, President Clinton releases his fiscal 1996 budget. Already the Associated Press is reporting that officials claim the budget "proposes to abolish or consolidate hundreds of government programs, reducing federal spending by \$144 billion over the next five years." No doubt the president will firmly insist that this is the most tight-fisted, penny-pinching budget in 20 years.

Why is this so predictable? Because this is what every president since Richard Nixon has said. But 20 years ago the federal budget was \$370 billion. Today, Mr. Clinton will request almost \$1.6 trillion. Even adjusting for inflation, the federal budget is twice as large as it was during the last years of the Nixon presidency. Besides, without the sleight of hand of baseline budgeting, President Clinton's new budget calls for a \$50 billion increase in spending from the current budget. And that was \$70 billion more than was spent the year before that. Yet the budget-busting news is bound to be greeted with a national yawn of unconcern.

Why is there more public outrage when we learn that Washington wastes \$100 on Al Gore's famous ashtray than that it wastes nearly \$1.6 trillion on everything else? Much of the problem seems to be that 1½ trillion is an incomprehensibly large number. So here are some simple ways to picture how enormous the U.S. government is today:

One trillion dollars—\$1,000,000,000,000.00. That's 12 zeroes to the left of the decimal point. A trillion is a million times a million. It would take more than 1½ million millionaires to have as much money as is spent each year by Congress.

One of the highest-paid workers in America today is basketball superstar Shaquille O'Neal, who reportedly earns about \$30 million a season in salary and endorsements. He is rich beyond our wildest imaginations. But he'd have to play 33,000 seasons before he earned \$1 trillion. It would take a Superdome full of Shaquille O'Neals to have enough to pay all of Congress's bills each year.

Here's an experiment. What if we were to try to pay off the \$4 trillion national debt by having Congress put one dollar every second into a special debt-buy-down account? How many years would it take to pay off the debt? One million seconds is about 12 days.

One billion seconds is roughly 32 years. But one trillion seconds is almost 32,000 years. So to pay off the debt, Congress would have to put dollar bills into this account for about the next 130,000 years—roughly the amount of time that has passed since the Ice Age.

Even if we were to require Congress to put \$100 a second into this debt-buy-down account, it would still take well over 1,000 years to pay the debt down.

Try this one on for size. Imagine a train of 50-foot boxcars crammed with \$1 bills. How long would the train have to be to carry the \$1.6 trillion Congress spends each year? About \$65 million can be stuffed in a boxcar. Thus, the train would have to be about 240 miles long to carry enough dollar bills to balance the federal budget. In other words, you would need a train that stretches the entire Northeast corridor, from Washington, through Baltimore, Delaware, Philadelphia, New Jersey, and into New York City.

Former Office of Management and Budget Director Jim Miller calculates that if a military jet were flying overhead at the speed of sound and spewing out a roll of dollar bills behind it, the plane would have to fly for more than 15 years before it reeled out 1.6 trillion dollar bills.

Here's a challenging one: If you laid \$1 bills from end to end, could you make a chain that stretches to the moon with 1.6 trillion? Answer: without a sweat, with billions and billions of dollars left over. In fact, they would stretch nearly from the Earth to the sun.

The newspaper tabloids report that O.J. Simpson is paying some \$55,000 a day in legal fees. The trial would have to last 26 million days, or almost 100,000 years, before the lawyers earned \$1.6 trillion.

This year the White House want to spend three times as much as America did to win World War I, which cost roughly \$500 billion in today's dollars. Adjusted for inflation, the combined cost of defeating the Nazis and the Japanese in World War II and winning World War I was \$4.5 trillion. This is what Washington will spend in peacetime in just the next three years to continue losing the war on poverty, drugs, illiteracy, homelessness and so on.

So far, we've just been counting the amount Washington spends each year. When state and local expenditures are included, total annual government spending now surpasses \$2.5 trillion. That's more than \$23,000 of government for every household in America. In constant dollars government spends twice as much per household as it did in 1960—though most Americans believe that government services have deteriorated since then.

With the \$2.5 trillion government spends each year, you could purchase all of the farmland in the U.S. (market value: \$725 billion), plus all of the stock of the 100 most profitable U.S. corporations today (\$1.6 trillion). You would then still have just enough money left to pay the advance on Newt Gingrich's book deal.

All of this points to one conclusion: The budget that Bill Clinton is presenting today is not lean; it is not efficient; it is not frugal. It is a monstrosity. It should be greeted with heaps of ridicule and scorn. No matter how you stack it, \$1.6 trillion is a whole lot of money—even in Washington.

Mr. CRAIG. Mr. President, let me take from Stephen Moore's article this morning some of the examples he used as to what all of this means, because I really do believe that every Senator has been lost in the woods of trillions and trillions and trillions of dollars and no longer do we really understand



what it means for this President to come forth with a budget of \$1.6 trillion. And we turn and say, Mr. President, what does that mean? What kind of impact will that have on the economy of this country? What does it mean to every American? Well, you heard the chairman of the Judiciary Committee say it meant a debt structure per capita in this country, per individual citizen, going from \$18,000 to \$26,000.

Here is another figure: A \$1.6 trillion budget is representative of spending \$23,000 for every household in America. Can you imagine that this President is saying to every American who owns a home or household—and that could be an apartment—that this Government is going to spend \$23,000 per household? Well, that is what this \$1.6 trillion budget represents. Here is another fascinating figure. We are all riveted—at least some are. In all fairness, I am not too riveted to the television set these days watching the O.J. Simpson trial. But we are told that O.J. is paying something like \$55,000 a day in legal fees, at least that was a figure that came out several days ago.

Well, here is an interesting figure—\$55,000 a day, that is what O.J. apparently is paying his lawyers. Compare that to a \$1.6 trillion budget, the American people would be privileged to watch O.J.'s trial for how many days? Twenty-six million days to get to a \$1.6 trillion price tag. Again, that is 100,000 years of watching O.J. and the trial. Does that begin to focus what our President has just announced or will be announcing today with a \$1.6 trillion budget? Twenty-six million days of O.J., 100,000 years at \$55,000 a day.

Have we lost our senses? Have we lost our perspective? Yes, we have. And that is why the House 2 weeks ago, by a very large and historic vote, passed a balanced budget amendment to our Constitution. And that is why myself, the Senator from Utah, the Senator from South Carolina, and others for so many years have led the issue on the balanced budget amendment. And it is why we introduced House Joint Resolution 1 here on the floor and we are debating it today, because this Congress and this Government has lost its perspective. We do not know what a \$1.6 trillion budget is all about or what a \$6.6 trillion debt is all about.

One trillion—12 zeros behind the deficit figure. That is equivalent to 1.5 million millionaires all giving up their fortune for 1 year of Federal budget. That is another perspective that Stephen Moore put in his article that I think begins to cause us to focus on what this budget is all about.

Now, here is another good example. I am using these this morning because I think the American public's eyes glaze. They hear us talking about section 3, subsection (a). They hear us talking about the kind of language that the Daschle amendment has in it—"aggregate levels of new budget authority." I have a feeling that they do not under-

stand that. Frankly, not many of us understand it.

How about "major functional category"? I doubt that they understand it. But, believe it or not, that is what the opponents to a balanced budget amendment want to put in the Constitution of our country today.

Now here is an analysis that the American people will understand. Again, it is an analysis of what \$1.6 trillion means. Imagine a train, a freight train, 50-foot boxcars, crammed with \$1 bills, each boxcar 50-foot long, crammed with \$1 bills. How long would that train have to be to house \$1.6 trillion or President Clinton's budget?

Well, here is an interesting statistics. You can get about \$65 million in a boxcar. Now if any of you are quick with mind and calculate that, you may well be ahead of me. But my calculations and the calculations of Stephen Moore of the Cato Institute suggest that that is a train that is 240 miles long.

So, in other words, if you are thinking of the Northeast corridor here of our rail system—that is from Washington, DC, through Baltimore, through Delaware, through Philadelphia, through New Jersey and into New York City—one train all hooked together, not moving, each boxcar 50-foot long, crammed with \$1 bills, \$65 million per boxcar, and Mr. President, you got your budget—\$1.6 trillion.

Now, I think the American people understand that analysis. I do not think they understand "aggregate level of budgetary authority." I doubt that they understand "account by account basis."

Many Americans have read our Constitution and they understand what a beautifully simple and clear document it is. They understand the purpose of why it is clear, so that it cannot be reinterpreted and misinterpreted and reinterpreted again. And what is also very important is that every word that is in that Constitution does not allow the Congress, on a daily or yearly basis, to change the game plan or the definition of the words or the description of the program or the policy that might be enshrined within the Constitution.

And, of course, that is exactly what the amendment that has been presented and is now known as the Daschle amendment does. And that is why there is no doubt that this Senate has to vote it down. We cannot trivialize our Constitution. We must stay on focus as to why the American people sent us here and to what they so profoundly said on November 8 of last year.

Well, let me give you another analysis. If you do not understand what \$1.6 trillion is all about, what \$6.6 trillion of debt is all about, what a debt per every American of \$26,000, as their share of the national debt, or a budget that spends \$23,000 per American household is all about, here is a quote from the former Office of Management and Budget Director Jim Miller, who I be-

lieve headed that up under Ronald Reagan.

He calculates that if a jet airplane were flying overhead at the speed of sound and spewing out a roll of \$1 bills behind it—that is, all connected together, open up the side door and drop it out and let it roll out across the skies of America—what would happen. Well, that plane would have to fly more than 15 years nonstop, airborne, constantly spewing out those \$1 bills all connected together to get to \$6.6 trillion.

Well, people are probably beginning to say, "Senator CRAIG, we have had enough of that." But I think those are important visuals for the American people to begin to understand what we are talking about and why a balanced budget amendment to our Constitution is so critically important.

Now let me for the next few minutes talk about the kind of impact that this will mean to the American people, our ability as a Government to establish priorities and to determine those areas where Government does have a legitimate role and a responsibility to spend the tax dollars of this country for a variety of purposes and priorities that the American people believe are necessary and essential.

Here is one of the greatest problems we have today with a constantly mounting debt. This chart represents interest on the Federal debt through the year 2005. Yes, we do borrow money and, yes, that money is debt. It is real money. We owe it to someone. They expect a return from the money that we have borrowed from them. We do pay interest.

This year in the budget that the President has just proposed, \$1.6 trillion, that ".6," ".3 of the .6" is interest on debt, now the second largest item in the Federal budget. It is now crowding out defense, crowding out discretionary spending, like the management, running of our Forest Service, our Department of Agriculture, and a variety of other programs that a lot of Americans think are pretty important and pretty essential. It is just interest on debt.

It is not buying any program. It is not putting any food in any poor child's mouth. It is going out to pay for the amount of money that the Federal Government has already borrowed. That figure, as we know it, is today around \$300 billion annually. Of course, with the growth from 4.9 to 6.6 in Federal debt, as this President has now sanctioned, that figure will progressively grow over the next good number of years.

The gross interest payment exceeded, as I mentioned, in 1994, nearly \$300 billion. This is the greater of the total outlays of the Federal Government in 1974. That is an interesting piece of history: That the interest on debt in 1994 was greater than the total outlays of the Federal Government in 1974. Is there any reason to try to understand why the American people spoke in the election of November of last year with

such alarm, why they rejected those who were there running again for reelection, who tried to defend the status quo?

I believe the American people are growing frightened of this kind of a debt structure, fearful that their Government and its spending are out of control, and that there is no way to rein it in and; as a result of that, we could risk out here, at a \$6.6 trillion debt, loss of our ability to control our Government or our ability to pay interest, if not principle, on debt.

Those are very real facts. That is why I believe the balanced budget amendment passed so soundly in the House for the first time in history, and why I believe it can pass here in the U.S. Senate.

There is no doubt that we have our work cut out for Senators. As we watched some of the leaders of the Senate talking on national television in the news shows yesterday, one of them, strongly opposed to this, said he will speak weeks and weeks on the floor, convincing the American public that what we are doing is OK, that somehow we ought to just keep on doing what we are doing; while he, of course, recognized that reduction in deficit and control of debt was important and he said we ought to try to do that, too, and we ought to work toward that, and he even suggested that all of the successes of the last several years were producing a substantially better budget.

Well, I am sorry, that Senator was not right. He was wrong, if we use the example of the very budget that the President is producing today, which is a reflection of the spending programs of the last several years. In other words, anyone who stands on this floor in the next 3 weeks and opposes a balanced budget amendment to our Constitution or, more importantly, the right of this Senate to agree with the House and send out to the American people a balanced budget amendment for them, the American people, to decide whether it ought to be a part of the Constitution, and whether it ought to control or bring into control the growth rate of our Federal budgets, what those people are simply advocating is the status quo. They are trying to avoid the people of our country taking their Government back. They do not want to give up the power they have: The power to spend, the power to go home and say, "Look what I have done for you."

Well, I think the message is changing. I think the American people are saying something entirely different from what they have said in the past. The reason is very simple: They now see, as far as the eye can see, the red of debt; or as far as the plane can fly, billions of dollars spewing out of it, year after year. Or to imagine that \$1.6 trillion budget really is beyond the ability of any Member to imagine how much that kind of money really is.

We are talking about a fundamental change in the course of our country

that can be produced if the Congress of the United States is willing to address the demand of the public they were sent to represent. That, of course, is to pass a balanced budget amendment, and to send it forth to the States, and to begin a national debate across our country in every capital city of every State as it relates to the ratification of that amendment, where every citizen and every State legislator will begin to understand exactly what the Federal budget is all about and the kind of impact it has on the general economy of our country.

Those are the issues. Over the next several days, as we look at the President's budget, as we hear the rhetoric from the other side, saying, "We don't want a balanced budget amendment. We want business as usual," and more importantly, "We want you to show every cut you would make to balance your budget." We cannot even get from this President the commitment that he told Members he would honor last year and the year before with his budget messages, and that was to reduce the deficit and to keep the deficit declining. Even this President has begun to walk away from it, so reflected by his proposal and by the budget that he is now presenting.

There will be adequate time for me to discuss other issues over the course of the next several weeks. Several other Senators are joining me on the floor, and I certainly hope our colleagues from the other side will find it today in their ability to come to the floor and defend their amendment, their motion to recommit, their motion to duck and run from a balanced budget amendment, their motion that would muddy up the Constitution of our country with language like "aggregate levels," and "major functional categories," language that has no business in the Constitution.

But, more importantly, the American people cannot even begin to understand. We know what the American people understand. They understand that every day and every week and every month and every year, they have to balance their checkbooks. Their budgets have to balance. They have to pay their bills, or they are in trouble. And they are now growing fearful that our unwillingness to do so could bankrupt our country, their country, their future.

Now, that is very simple, and the American people clearly understand the importance of that kind of basic economic simplicity—balancing budgets, controlling debt, spending within your means.

I am sorry, Mr. President, your budget just does not get it.

I yield the floor.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington State.

Mr. GORTON. Mr. President, I wish to express my admiration to my colleague from Idaho on the quality and clarity with which he has outlined both

what the President proposes to Members, and the way in which that proposal illustrates better than almost anything we can say the need for this constitutional amendment.

Last week, Mr. President, we ended the week in a debate over a motion by the distinguished leader of the Democratic Party that would have the effect of adding to this constitutional amendment for a balanced budget a detailed set of requirements, the net result of which would be to mandate that the Congress pass binding laws which would lead to a balanced budget by the year 2002 before the amendment itself would be submitted to the States.

Those requirements themselves were to become, according to the distinguished Democratic leader, a part of the Constitution of the United States. Thus, they would preempt to this Congress not only the statement of a general principle, but an outline of the precise blueprint by which a balanced budget would be reached, taking that power away from three Congresses that are to convene between now and the year 2002, and ignoring totally whatever dynamic changes may and will take place both in our economy and in our situation in the world during that period of time.

The proposal was an improvident and unreasonable proposal, in any event. The illustration as to why it was so unreasonable is best drawn by the budget submitted by the President of the United States since the Daschle motion was laid before this body.

The view of those of us who favor the constitutional amendment, of course, was that it was more the duty of those who defend the status quo, those who feel that Congress has operated responsibly, along with the President, over the course of the last many years, those who feel that the situation is not broke, that we do not need dramatic change, that it was more their duty to tell us how they would reach a goal to which all of them give lipservice—the goal of a balanced budget—without any fundamental change in the Constitution than it was for those of us who feel that the situation is flawed at the present time, that the discipline that will lead to a balanced budget will not be imposed internally by either the President or the Congress of the United States and that, therefore, we need to change the Constitution itself to mandate that all of us—Republicans and Democrats, conservatives and liberals, Presidents and Members of Congress—work together to reach a balanced budget.

We attempted to make that position clear last week. I think to a certain extent we did so. But the President has ended that argument for us by the submission of his budget. His budget, for all practical purposes, never, never, never will result in a budget with a deficit of less than \$200 billion. And using the figures of the Congressional Budget Office, which all agreed to use earlier



during the course of this year, that deficit, in fact, will increase very substantially, upward of \$400 billion either at or not long after the time that this constitutional amendment will become effective if promptly ratified by the States.

So we now have before us two starkly differing views of the fiscal and financial future of the United States: First, represented by those who back this constitutional amendment, whose view it is that as difficult as it may be it is important 7 years from now to have reached a balanced budget or at least to make it more difficult thereafter to vote an unbalanced budget, as against those whose view it is that the Federal debt can keep on increasing by \$200 billion a year, \$300 billion a year, \$400 billion a year to infinity. These are the two distinctly different points of view represented in this body that will be validated, that will be evidenced by votes on final passage on this constitutional amendment.

Once again, it is important to point out that even this amendment, should it be enshrined in our Constitution, will not under any and all circumstances require that the budget be balanced every year. It will simply make it considerably more difficult to vote for an unbalanced budget because that unbalanced budget will have to be, under almost all circumstances, at least bipartisan in nature; that is to say, it will have to get a 60-percent majority vote in both Houses of Congress and, of course, be approved by the President.

But the opposing point of view was outlined by the distinguished senior Senator from Idaho magnificently in his remarks, as it was by my senior colleague from the State of New Mexico. The opposing point of view is essentially: Let us give it up; let us pass a budget which does not deal with entitlements in any respect whatsoever; let us pass a budget which admits that even if everything comes out as favorably as the administration hopes, there will never be a deficit significantly less than \$200 billion a year.

To this Senator at least, that strips away the disguise that opponents to this constitutional amendment do wish for a balanced budget but just feel that to require it by passing an amendment to the Constitution is too drastic a remedy. In fact, those who will support the President's budget this year will be ratifying his decision that a balanced budget is not necessary, is not appropriate, never needs to come into being at all.

I may be overstating the case. It may very well be that there are opponents to this amendment in this body who themselves disagree with the President's budget. If so, I hope that during the course of this debate they will tell us how they disagree with the President's budget and how they propose to bring the budget into balance without the discipline of this constitutional amendment.

So far, no one has spoken up to that point of view. Nothing more than lip service to fiscal responsibility has been heard from our opponents. Maybe, perhaps there is an outside chance that we will hear how that can be done without this joint resolution having passed, but in the meantime, while our opponents have the opportunity to come up with their contrasting ideas, in the meantime, we are dealing with the Democratic leader's motion to recommit and to send back out to this floor not just the constitutional amendment for the balanced budget, but two additional pages of material, Mr. President—two whole additional pages of material—which are to go into the Constitution of the United States with topical references to the Budget Act of 1974, with specific requirements related to statutes—not constitutional provisions—but statutes on the books at the present time, outlining in detail how the Congress must reach the goal of a balanced budget by law, by changes in our fiscal policies today that will be impossible or at least extremely difficult to change at any time during the next 7 years before this constitutional amendment is even submitted to the people.

Leaving aside, Mr. President, the aesthetic considerations of whether such purely statutory material should ever, under any circumstances, be included in the Constitution, a proposition which I find to be outrageous and which I believe most constitutional scholars would find to be outrageous, leaving that aside, the proposal of the distinguished Democratic leader is itself unconstitutional on its face.

As I did on Friday, I should like to leave with this body the specific provisions of article V of our Constitution which deal with the way in which constitutional amendments are to be added to that document. Article V, and its material portions, reads as follows:

The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose Amendments to this Constitution \* \* \* which shall be valid \* \* \* when ratified by the Legislatures of three-fourths of the several States \* \* \*.

Mr. President, that provision does not allow for conditional constitutional amendments. This motion proposes a conditional constitutional amendment. It envisages, it imagines that both Houses of Congress with two-thirds votes will pass a long, long constitutional amendment, far longer than any other amendment to be found in that document, but that it would not be submitted to the States until Congress had passed, and the President had signed, another law—a very long and complicated law, a reconciliation bill—thus bringing the President into the process of amending the Constitution, something which the people who wrote the Constitution specifically ignored, specifically barred.

This proposal says that the constitutional amendment will not be submitted to the States until that com-

plicated reconciliation bill is passed, signed by the President and becomes law. That, Mr. President, is a clear, open and blatant violation of article V. Under article V, the Congress of the United States passes a constitutional amendment. The States ratify it. Nothing happens in between, no conditions subsequent, no statement that this amendment will not really go to the legislatures of the several States unless we do something or someone else does something in between.

Mr. President, not only does the proposition that we should include such language in the Constitution offend the sensibilities of everyone deeply concerned with that document, it is in and of itself unconstitutional. I believe that it should be dealt with by a constitutional point of order. I am convinced that not only will all of the supporters of the constitutional amendment in its present form uphold that constitutional point of order, but I think many of the opponents to the constitutional amendment would do so as well because they have a deep respect, a deep respect which they have spoken to eloquently and at length on this floor, for the Constitution, and I cannot imagine that they would wish to engage in such a blatantly unconstitutional procedure and clutter up our magnificent founding document with such language.

Mr. CRAIG. Will the Senator yield?

Mr. GORTON. I will be happy to yield to my friend.

Mr. CRAIG. Let me thank the Senator from Washington for his very clear explanation of why so many of us are frustrated by this motion by the Democratic leader and the rewriting, almost instant rewriting of an amendment that the Senator from Washington and I and others have spent almost a decade with constitutional scholars writing to make sure that it was extremely accurate and that it fit the mode and the style of our Constitution, an amendment that was thoroughly reviewed by the Judiciary Committee of both Houses and now all of a sudden this massive new amendment with all kinds of language in it.

I truly appreciate, first of all, the Senator's legal mind and the clarity with which the Senator has spoken to this issue and pointed this out. I am amazed, and I think most Senators that are now examining this motion are extremely amazed, as to why would they do something like this. It is not even a very good diversion. It is a tragically poorly written document, and they are proposing by its presentation that it become a part of the Constitution. So I thank the Senator very much for that explanation and going into that kind of detail. I think it is terribly frustrating to the American people but, more importantly, I think now Senators on this floor are becoming extremely frustrated over why this kind of amendment.

Mr. GORTON. My friend from Idaho is entirely correct. I think in recap we

have to say about this motion, first, the motion proposes that the Congress of the United States act in a profoundly unconstitutional manner. Second, it proposes that we add to the Constitution of the United States language which no serious person could ever consider ought to be a part of our fundamental document of Government. Third, it proposes a course of action which is irresponsible. We are dealing with a general principle that budgets ought to be balanced. Obviously, if Congress and the States put that in the Constitution, everyone—Presidents, Democrats, Republicans—together will have to work to meet that constitutional obligation. The details of one particular method of reaching that goal, when there are a multitude of such matters, should play no role in this debate.

But, fourth, it seems to me it was designed to hide what many must have known would be the President's total and abject failure to come up with an alternate method of reaching this goal without a constitutional amendment. We now know that the alternate method is never to have a balanced budget—in fact, never to get the budget deficit significantly below \$200 billion a year.

Mr. CRAIG. Will the Senator yield again? Is it not true that as we write proposed constitutional amendments, the one concern we have is that the wording that goes into those amendments is not something that falls within the purview of the Congress on a daily basis? By that I mean they could simply rewrite or change a law and it would change the meaning of it. The Constitution, as we know it and as we are certainly pledged to uphold, is a document that we are constantly trying to comply with instead of change.

The language that is put in the Daschle amendment used, as I mentioned earlier, and as the Senator has mentioned, and the Senator from Utah mentioned—the word “aggregate” sums, and it used a variety of other words that, is it not true, every year the Congress could pass by a majority vote here in the Senate and the House and change the definition and therefore change the approach of the amendment itself?

Mr. GORTON. We could certainly do so, and undoubtedly we could provide employment to numerous constitutional scholars and courts to either interpret what we had said in the constitutional amendment and what we said in the later statute, or whether or not the two corresponded with one another. We have examples of this kind of Constitution writing in many States which have constitutions that did go into statutory detail that are 4, 5, 10 times longer than the Constitution of the United States and are universally criticized as not stating general principles.

The original House Joint Resolution 1, on which the Senator from Idaho has worked so diligently over the years, is cast in Constitution-type language.

Members can agree or disagree with the fundamental principle that it establishes, but it does deal with a fundamental principle. This proposal by the Democratic leader deals with nothing at all that is fundamental, and it takes its language out of a statute which has been changed several times since it was originally passed in the mid-1970's. It does not belong in the Constitution of the United States.

Mr. CRAIG. I thank the Senator for yielding and responding.

Mr. GORTON. And I yield the floor.

The PRESIDING OFFICER (Mr. KEMPTHORNE). The Senator from Tennessee is recognized.

Mr. FRIST. Mr. President, one message that Tennessee has conveyed to me in very clear terms over the past years and most recently over the weekend as I traveled in east Tennessee is that they want a balanced Federal budget, and they believe and they know that the only way to accomplish this is through passage of the balanced budget amendment.

Tennesseans and the American people in general understand full well today the consequences that will result from further irresponsible deficit spending—rising long-term interest rates, lower productivity, and deteriorating living standards. They understand full well that with Federal spending on auto pilot, the debt continues to grow, interest rates will continue to escalate, and we cannot guarantee that in the future there will be enough money to fund Social Security.

Gross interest on the debt is now the second-largest single Federal spending item after Social Security. Mr. President, the American people understand full well that balancing the Federal budget will not be easy; there will be tough choices to make. But their message to Washington is that they as individuals make tough choices every day. They balance their own budgets and they expect the Federal Government to do likewise.

Mr. President, this is not a problem that will disappear. It must be addressed now, by this Congress. The last vote on the balanced budget occurred in March 1994, just last year. Since that time, just a year ago, the national debt has increased by more than \$160 billion.

We spent almost six times as much on net interest payments on the debt in 1994 as we did on total outlays on all Federal job training, education, and employment programs combined.

Mr. President, we have two choices. We can continue the reckless and destabilizing policy of deficit spending as we have seen in the President's budget as proposed today, or we can reverse our course and begin pursuing a responsible fiscal agenda. The first important step toward restoring fiscal discipline is to adopt a balanced budget amendment.

But there are those who oppose the balanced budget amendment. They say if our Founders had intended a con-

stitutional requirement for a balanced budget they would have put it in the original document. This argument ignores history. The writings of some of our early leaders like Thomas Jefferson revealed that paying off the Federal debt and balancing the budget was critical to them. It was second nature. It was something they took as a given. They did not and could not anticipate the gross fiscal irresponsibility of future generations of Congress. If they had, I believe they would have included in the Constitution a requirement that the Federal budget be balanced each year.

Still others who oppose the balanced budget amendment say, “Well, first tell us what you will cut before we vote on it.” But this argument misses the point. If Congress had the discipline to decide and agree upon where the cuts would be made without being forced to do so, the budget would be balanced today and we would not need a balanced budget amendment. That is precisely the point. Congress cannot agree and Congress does not have the discipline and the American people today recognize that. That is why they demanded that the balanced budget amendment be passed. Moreover, we will learn as we go. We will determine what reforms work, which programs should be repealed. The plan will be flexible, designed to deliver Government services as efficiently as possible. We should not tie our hands before we decide to pass the balanced budget amendment.

I spent the last 18 years of my life in medicine, transplanting hearts and lungs into patients who were dying, whose futures had been destroyed. Many of my heart transplant patients recognized that they, too, faced a choice. They could undergo an enormously difficult surgery, endure tremendous pain and a long and difficult recovery but they would have a chance at a good future. They would have the opportunity to live. Or, on the other hand, they could decide to forgo surgery and die—with no future, no opportunity.

Those patients did not ask me to describe to them what would happen on each day of that difficult recovery period after surgery, after their operations. They knew it would be tough. And they knew they had no choice if they wanted that new opportunity, if they wanted a new future. They first made the decision to undergo the operation. Then they dealt with the day-to-day hardships of recovery.

Our situation today is somewhat analogous. Our country is literally hemorrhaging from the enormous debt under which we labor. We are threatening future generations. We are threatening the future of our children. We are threatening our Social Security system. And we are threatening our ability to lead the way in the global economy of the 21st century.

Individual Americans and most State governments live with a balanced budget. It is time the Federal Government do likewise.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. Mr. President, I rise in support of the balanced budget amendment, not only because I favor the concept of a balanced budget amendment but because, it seems to me, it is one of the building blocks of the kind of change that American voters asked for in November; a procedural change that not only will change the specifics of what is done but, over time, will change the character of this Federal Government and will deal with the basic question, How do we achieve less Government and a less expensive Government? It is one of the procedural changes I think is necessary, one of the procedural changes that will have to be dealt with—some of which we have already dealt with.

We need a balanced budget amendment to put some honesty and truth back into our budgeting, too, to deal with the question of whether or not it is morally right to spend more than we take in. The answer, of course, is it is not.

The other, of course, is unfunded mandates, which this body has dealt with, as has the House. We will soon be reconciled in conference committee.

I think a line-item veto is another of these building blocks, along with congressional accountability, which has also been passed here. So we are making real progress toward fundamental change, the kind of change that will have long-range impacts on this Government, that will have a long-range impact on the transfer of power to local and State governments, that will have a long-range impact on transferring power to individuals as this Government was set up to do.

So I rise in favor of this as one of the building blocks. It is not a new idea. It is something many of us have favored for a very long time. It is basic to change. We can talk a lot about the details, as the Senator from Tennessee pointed out. The real question, of course, is should we balance the budget? Should we be fiscally responsible? Should we pass along debts to our children and our grandchildren? Or should we be responsible for them ourselves? Should we take account of the fact that our credit card is maxed out and be responsible for the decisions we make? Should we be forced to have a cost-benefit ratio on the issues we talk about? If they are worth having, they are worth paying for. If we are only willing to put them on the credit card, then we cannot do that. That is what balanced budget amendments are all about, to bring about the fundamental change.

However, and I take a little from Bill Bennett when he said: We, now, in this new Congress, are allowed to consider the concept that everything that is

worthwhile, everything that is good has to be controlled and funded by the Federal Government. That is a concept that has slipped into our society that does not need to be there.

So I rise in strong support of the balanced budget amendment. We hear, of course, it is not needed. The evidence is that it is. We hear, of course, there are tools there to accomplish that without a balanced budget amendment. There is no evidence of that, even in the President's budget, which was made public today. There is no evidence of that.

One of the things we seem to lose sight of as we talk about the deficit—and talk about it we should—is the fact that spending has increased each year. Spending increases to \$1.6-plus trillion under the President's budget. The President talks about the administrative efforts to reduce the deficit, which have been useful. Nevertheless, spending has continued to increase all throughout that. We seldom hear the reduction in deficit is generally a one-time proposition, where there was a revision of some projected spending that gave us most of the deficit reduction. So people ask for change. People want less Government, less spending, and lower taxes. This will help do that.

We hear we need more time. This is not a new idea. This is one we have talked about for years. Most people have known this has been necessary for years. I have no objection to full discussions. I begin to wonder whether this is full discussion or simply delaying. Nevertheless we are here, prepared to do that.

We hear occasionally if we have an amendment, judges will be setting the budget. There is no evidence of that. I think 49 States have balanced budget amendments. My State of Wyoming has a balanced budget amendment. It has a balanced budget amendment in the constitution. It is very simple. In section 1 of article 16 it says:

The State of Wyoming shall not in any manner, create any indebtedness exceeding 1 per centum on the assessed value of the taxable property in the State \* \* \* except to suppress insurrection or to provide for the public defense.

It has been very satisfactory. The legislature knows this is your income, this is your expenditure. You have to make it fit.

The balanced budget, I believe, was one of the primary reforms we were sent here to consider, that we were sent here to pass. We are not moving toward it without the balanced budget amendment—\$1.6 trillion in spending next year more than last year, with a projected deficit of approximately \$200 billion until the year 2002 with no appreciable change of where we have been. This is not the kind of change that people asked us for when we were sent here in November. Those of us who just ran this year I think have a particularly clear picture of what voters were talking about. There are 11 new freshmen in this body, all 11 of whom support the balanced budget amend-

ment. I think that says something about it.

Mr. President, I hope we continue to work on this issue. I hope we come to a resolution before long. I think there is a limit to the productive discussion and debate. We need to consider those things that are real. We do not need to spend a great deal of time simply postponing a decision that needs to be made, and which needs to be made for the good of this country.

There are additional Senators on the floor.

I yield the floor.

Mr. GREGG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. GREGG. Mr. President, I wish to congratulate the Senator from Wyoming for his excellent statement on the issue of a balanced budget amendment. It is one which I hope Senators will listen to closely. The Senator has I think outlined some critical issues that this Senator is discussing as we move down the road to determine whether or not we are going to pass this critical piece of legislation.

I want to rise on an ancillary issue dealing with the balanced budget amendment, dealing more importantly with the budget which we are going to have to pass this year as the Senate and as a Congress.

Today, the President laid before the American people his budget proposal, and, to say the least, it was not a document that would excite a whole lot of interest or enthusiasm from a variety of different quarters, including many within his own party it appears.

It is difficult to presume that here in the late 20th century a President of the United States could be deemed irrelevant, and certainly some of the pundits in the national media, however, have reflected on that question. I do not believe that can occur to a Presidency in the late 20th century; become irrelevant.

Yet, when you read this budget proposal that the President has put forward, you have to say that he has left the field of play on what is probably the most important issue which we have to face as a nation and as a people; that is, how we manage our fiscal house, and what we do for our children relative to managing our fiscal house, or, more appropriately, what we do to our children in managing our fiscal house.

As we all know, because this debate on the balanced budget has been going on for a considerable amount of time, and regrettably will probably go on for an additional period of time—a couple of weeks—the debt of this Nation has exploded. And it is a debt which is going to be borne by the next generation. As we allow it to expand further and further by each year running a Federal deficit, we put a greater burden on the next generation.

It is getting to the point where many of the economic scholars who are leaders in this country are concluding that as we move into the period 2010 to 2020 this Nation will face financial bankruptcy. Our children, instead of being raised in a country which is the force, the economic engine of the world, will find themselves in their earning years in a nation which is scrambling to keep up, a nation which is feeding itself from hand-to-mouth potentially. Potentially we could end up like Mexico is today, as a nation whose debts have skyrocketed so quickly that it is no longer able to service even an interest on its debts.

It is a fact that, if we continue to drive the debt, the present deficit which we have in the budget as proposed by the President is exactly what will occur: That some time around the year 2020 we simply will not be able to finance the Government of the United States because so much of the funds of the Government of the United States and revenues will be absorbed by interest costs on the Federal debt. Around the year 2015 or 2017 the revenues of the Federal Government will only be enough to cover four items in the Federal budget: Social Security, pension benefits, health care, and interest on the national debt. And all other functions within the Federal Government will not be paid for—national defense, education, caring for the sick, the elderly, caring for the less fortunate. All of those items will be beyond our means to pay for. We will as a nation be bankrupt.

If you are going to address that issue in the outyears, you have to address it beginning today. Yet, this President has consciously decided to put forward a document which makes absolutely no substantive attempt to address the deficit which we are confronting as a nation. Not only does it not attempt to address it and to reduce it, it actually accepts as a fait accompli that we will have deficits for as far as the eye can see of a dramatic nature.

The number that they use is \$200 billion a year for 5 years every year; \$200 billion a year. Even I, in my elementary level of mathematics, recognize that is \$1 trillion of new debt that this President has decided is acceptable to pass on to our children. That is a huge cost and a huge burden to put on them. But worse than that, no attempt is made in the budget proposal of the President to address the underlying structural causes which are driving that debt. No attempt is made to address those elements of the Federal budget which are causing us to run the \$200-plus billion deficits. As a result, when you get past that 5-year window that is the timeframe that budgeteers use around here, that \$200 billion debt starts to geometrically progress, and we find that we have a deficit in terms of \$300, \$400 billion, potentially even \$500 billion, as we move into the next decade because nothing is being done to slow that growth in the budget proposed by the President.

It was a conscious decision. That is I think what bothers me the most. It was a conscious decision made by the leader of this Nation to walk away from seriously addressing how we deal with this, the most critical issue that we as a nation have relative to passing on our concerns and well-being to the next generation. It was a conscious decision.

The President has decided—and I find this ironic because he has decided to do this in the context of raising the visibility of the baseball strike while he moves onto the back burner his budget plan. The President has decided to walk away from the budget process, the issue of addressing the deficit, and, as his smokescreen so that hopefully the public will not notice this most egregious act of malfeasance he has raised the visibility of his participation in the baseball strike.

Well, that is very nice. We all want to see baseball played again in the United States. I am sure we will, and we will probably see it sooner rather than later. But I have to say that for the children of this country who enjoy baseball, much more important to their future is their capacity to have a job, to raise a family, and to live in a prosperous nation when they reach adulthood. And by walking away from the field of addressing the budget deficit, the President has gone well down the road toward undermining the future of those children.

Baseball terms do come to mind when you think of what is happening here, when you think of what this administration is doing on the issue of debt, terms like “walk,” “strikeout,” “whipped,” “misplay,” “wrong field.” I think the one that probably most aptly describes it, however, is “another down the first baseline.” That is what this budget is, another down the first baseline—\$200 billion of deficit being accepted as a fait accompli for the next 5 years, \$1 trillion in new debt added to the Nation’s already staggering debt for our children to pay. That certainly is not even a single. It is not even a double play. It is another down the first baseline of the budget.

Worse than that, they could not even come to \$200 billion without using gimmicks. They claim \$100 billion of spending cuts in this budget, with great fanfare. I heard the Director of the Office of Management and Budget today saying we have saved \$100 billion in this budget, and we are going to take \$63 billion, and we are going to give it to a tax deduction. Well, \$100 billion is not saved in this budget. It is an accounting adjustment, a game of numbers shift. They take the caps off, then they put the caps on. These are technical terms, but basically what it is, is a shell game of maneuvering numbers around, which produces \$90 billion in savings—allegedly.

They are not real savings. They are savings we are going to incur anyway. We have already taken credit for them, and as a practical matter we would take credit for them. The fact that

they are scoring them is a reflection of their insincerity in the entire process, which I guess is driven by a desire of this administration for reelection, exceeding its desire to address the issues it was elected to address. That is unfortunate. Irrelevant? No, but clearly not participating in its opportunities to lead, would be a way to define this administration’s proposal on the budget.

So what do we do? Well, we have a Republican Congress now and, obviously, the pollsters for the President have said to the President, let us just leave it to them, let them do it. Then we will play off the things we like and the things we dislike, we will attack and set up a political confrontation and, as a result, we will gain many points from the American people because we will be on the offensive against the Republicans, who are attempting to address the deficit responsibly.

I suppose our response in the Senate or in the House could be, well, we can play that game, too. We can put forth budgets which are structured on poll numbers versus being structured on the need for the future of our country and our children. But I hope we will not. I hope that, as a party, we will come forward with an aggressive budget and I expect we will because we have the type of leadership it takes to do that, leaders in the House and in the Senate. Senator DOMENICI and certainly the majority leader of the Senate, Senator DOLE, I do not think, are going to opt to bunt, hit a number, to balk, or leave the field. I expect we will come forward with a very aggressive proposal to try to address the deficit. It will be one which has to address, if it is going to be successful, the core issues of what is driving spending in the country today, as far as Federal accounts are concerned.

Fifty-five percent of the Federal Government today is represented by entitlements. Entitlements are programs where you have a right as a citizen to receive a payment under that program because you meet certain qualifications under the law. Discretionary spending represents a significantly smaller percentage of the Federal budget. You cannot balance this budget, or even make a significant downpayment on the need to balance the budget, or at least bring down the deficit, unless you are willing to address entitlement spending—something which the President has absolutely refused to recognize or acknowledge or do in his own budget, and which reflects the cynical, really, approach that his budget takes toward addressing the financial concerns of this country.

How do you address entitlements? Well, we have, for a variety of reasons, taken Social Security off of the table—probably the real reason is because every time it is put on the table, one side or the other demagogues the issue so

badly that somebody ends up a terrible loser in the fight over how you address Social Security. As a practical matter, Social Security is not driving the deficit, so there is no huge momentum to take it up. It is not like in 1983 when the Social Security trust fund was about to go bankrupt and we were able to put together a bipartisan effort under the leadership of President Reagan and Congressman Pepper and came forward with the Pepper Commission, which made the fund not only solvent but put it into a position of surplus, as it is today. Today because the fund is actually putting in more money than it is taking out, there is no immediate need to address Social Security. And we will not, for political reasons and because of that substantive reason, other than, I hope, we will look at the payroll tax, because we are generating these huge revenue surpluses and there is no reason to be subjecting people to what is one of the most regressive taxes we have in this country at its present level, when it is generating surplus. We should be considering reducing the payroll tax, at least for low- and moderate-income individuals.

But there are other entitlement accounts which have to be addressed. Look at them. Independent of Social Security, 55 percent of those accounts are health care accounts, 20 percent are pension accounts, about 20 percent are welfare accounts, and about 10 percent are the rest, including agriculture. There are significant things that can be done in all of those areas, which would dramatically reduce—especially in the outyears—the rate of growth of the cost of those programs and in many instances would also significantly improve the quality of those programs and the beneficiaries' lifestyle under those programs.

Take, for example, the issue of welfare. The Governors have come to us and said, essentially—this is a capsulization—all right, if you will give us control over the welfare programs, which have been an abject failure—has anything been more of a failure in the liberal welfare state than welfare itself? I am not aware of anything else, if it has. After 40 years of the most expansive Federal control over welfare, we have seen a society where we have more poor, more illegitimate births, more women living in poverty, where we have more bureaucracy, and where we have more disillusionment and lack of hope amongst those on welfare than we started out with 40 years ago. That has been a function of the liberal welfare state applying its largess and compassion to a system in a manner which has failed miserably.

So the Governors came to us and said: Give us these programs and allow us to manage them, give us flexibility, and we will take less dollars. That sounds like a pretty good deal to me. What we have now is not working and is costing a lot more. So let us take the Governors up on their offer.

Did the President do that in his budget proposal? No. Even the President, who is a former Governor and who made welfare one of his primary concerns, did not have the fortitude to take that step. Why? Because his pollsters probably told him: You are going to upset one of constituency groups, so let us stay away from that and let the Republican Congress handle that and make the tough decisions. If they come up with a program that works, we will put our imprimatur on it and get credit for it. If not, we will use it in the next campaign. That is not what you call leadership, to say the least.

As a practical matter, we, as Republicans, can take the Governors up on their offer. We can save considerable money, and I will guarantee you that a welfare program—at least in my State, administered by my State—free of Federal oversight, Federal regulation, bureaucracy and the incredible costs and inefficiency. The Federal Government will be able to deliver more dollars to the welfare recipient in a more efficient and better way than we do today. Welfare recipients will benefit dramatically from that system. We can take the issues of what we do in the future as part of the entitlement question.

Prospectively, programs can be changed around here to make them more cost-efficient. In the area of new hires coming into the Government, new hires coming into the military, we can change the retirement system to make it more reasonable and more in line with what the private sector has and save considerable money in the out-years.

In the area of health care, there is a great deal that can be done. I know we are going to have a lot of discussion about this. There is a great deal that can be done that will positively impact—especially the senior citizens who take part in the Medicare Program today—and still save money. Well, of course, everyone from the liberal camp says that cannot be; you cannot save money and positively impact somebody. Yes, you can. You can create incentives in the marketplace, which give senior citizens better health care, more comprehensive health care than they are getting today, which saves money for the senior citizen and for the Federal Government.

There will be proposals along that line. One that I happen to like is one where I have coined a phrase called "choice care," where we actually give seniors significant choices. We do not take away any choices they presently have; we give them more choices. When they make choices that are cost beneficial to us and them, we do not allow them to lose their present health care plans. We add to them with this choice care. When they make those choices, we see savings, they see savings and better care, and we get some controls over the cost of the entitlements.

Well, how can that be? Because there are senior citizens who come from a culture of fee-for-service that is the

most significant and expensive form of health care. To the extent we can change that culture and encourage our seniors, through incentive systems of better care and lower costs which they benefit from, to move into other forms of delivery than fee-for-service, we save money and we reduce the cost of entitlements.

And in the area of Medicaid, which goes to people who are essentially on welfare, as health care coverage, again we can join with the States as partners and Governors and come forward with a proposal and save a dramatic amount of money.

Again, the President has ignored all these fields of opportunity for the sake of putting forward a political budget.

In the area of farm price control supports, we can also do a significant amount, although this is not a large part of the budget.

In the area of pensions, we can do a significant amount, and we will. That is our purpose. We have an obligation to do this. If we do not do it, it will be our children who will pay the price and it will be a price which will be unconscionable, unthinkable to have passed on to them. So we must do it.

You know, over the last month, I have listened, from the other side of the aisle, to a number of presentations made very well and very eloquently, I think, especially from the Senator from North Dakota, who has come down here a couple of times with a number of charts and made extraordinarily strong presentations on the size and the projection of the Federal deficit. And it is staggering.

I say to those Senators, they must be embarrassed by this presentation by the President. Those folks who are trying to conscientiously raise the issue of how bad the deficit is and how something must be done about it must be embarrassed that the President of the United States would present a budget which essentially accepts \$1 trillion of new debt over the next 5 years as an acceptable event passed on to our children.

The President of the United States would walk off the playing field of responsible activity in the area of trying to manage this deficit and, as the Wall Street Journal said, punt the ball. It is not really a punt. It is a punting punt. It does not even qualify as a punt; more like a missed kick. But it is inappropriate, whatever it is, because if this Nation is not going to be able to survive as a prosperous and decent place in which to raise and have a family, it is not going to be able to fulfill the American dream or even hold out the American dream to its people unless we address this deficit.

Regrettably, this President has decided that he, as the leader of this country, has no obligation to lead in this area. And that is a mistake.

Mr. President, I yield back my time.

Mr. THOMAS addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. Mr. President, the Senator from New Hampshire laid down eloquently the problems that we have with respect to spending. I think it is interesting and informative, however, to know that those are not new problems. Those are problems that were thought about by those who fashioned this Constitution.

Let me read a couple of quotes from Thomas Jefferson that seem to me to be relevant.

The question whether one generation has the right to bind another by the deficit it imposes is a question of such consequence as to place it among the fundamental principles of Government. We should consider ourselves unauthorized to saddle posterity with our debts, and morally bound to pay them ourselves.

That question continues today. That is what we are talking about.

Further, he said:

I wish it were possible to obtain a single amendment to our Constitution. I would be willing to depend on that alone for the reduction of the administration of our Government to the genuine principles of the Constitution; I mean an additional article, taking from the Federal Government the power of borrowing.

Thomas Jefferson indicated that.

Mr. President, I yield back my time.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

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

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

The Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, I rise today to continue the debate on this historic opportunity to adopt House Joint Resolution 1, the balanced budget amendment.

Over the past week we have heard many eloquent speakers on the need to pass a balanced budget amendment and bring this Nation's fiscal policy under control. It has been especially encouraging to see our freshman colleagues take to the floor and urge this body to adopt a balanced budget amendment.

Mr. President, I am opposed to the motion to recommit with instructions offered by the minority leader, Senator DASCHLE. The language of his proposed substitute amendment would be a cumbersome addition to the U.S. Constitution. His proposed amendment to the Constitution reads more like Federal regulations or a statute rather than part of the great document which governs this Nation.

Undoubtedly, it is the desire of every Member who supports the balanced budget amendment to see the Federal budget deficit eliminated that we may begin to cut away at the Federal debt which currently stands at \$4.8 trillion—I repeat, \$4.8 trillion. Without a balanced budget amendment, there has been little pressure on the Congress to make tough legislative choices on Federal spending and the Federal deficit has continued to grow. With a balanced

budget amendment as part of the Constitution, the Congress would understand the reality that there are a finite number of tax dollars available for public spending and various proposals would compete on merit and need, not popularity.

The balanced budget amendment would instill an urgent need for legislative accountability as Congress considers various proposals for increased Federal spending. Currently, there is no real check on runaway Federal spending, and there will never be a shortage of legislation creating new Federal programs or efforts to increase spending in existing programs. Without a balanced budget amendment, budget deficits over the long term will continue to rise and the Federal debt will continue to grow. The Congress has not shown the fortitude to address, in a meaningful way, the budget deficit and the Federal debt. There have been times when gestures were made to bring spending within our means but those efforts were short lived. Statutes to reduce Federal spending have not been enough. They are too easily cast aside and the Congress rolls along on its path of fiscal irresponsibility.

I am convinced that without the mandate of a balanced budget amendment, Federal spending will continue to eclipse receipts and the American people will continue to shoulder inordinate tax burdens to sustain an indefensible congressional appetite for spending. In 1950, an average American family with two children sent \$1 out of every \$50 it earned to the Federal Government. Today, the average American family is sending \$1 out of every \$4 it earns to the Federal Government. Under current budget projections, there is no reason to believe that these statistics will improve.

Mr. President, we can trace the debate on a balanced budget amendment back in our history for 200 years. A defining moment may well have been the appointment of Thomas Jefferson as Minister to France. Thomas Jefferson was abroad when the Constitution was written and he did not attend the Constitutional Convention. If Jefferson had been in attendance, it is quite possible that he would have been successful in having language placed in the Constitution to limit the spending authority of the Federal Government. Upon studying the Constitution, Thomas Jefferson wrote in a letter of a change he so fervently believed should become part of the Constitution. He wrote the following:

I wish it were possible to obtain a single amendment to our Constitution. I would be willing to depend on that alone for the reduction of the administration of our Government to the genuine principles of its Constitution. I mean an additional article taking from the government the power of borrowing.

Further, Jefferson stated:

To preserve our independence, we must not let our rulers load us with perpetual debt. We must make our election between economy and liberty, or profusion and servitude.

Another former President, Andrew Jackson stated the following:

Once the budget is balanced and the debts paid off, our population will be relieved from a considerable portion of its present burdens and will find \* \* \* additional means for the display of individual enterprise.

President Harrison described unnecessary public debt as "criminal."

Mr. President, early American Presidents and public leaders understood the dangers of excessive public debt. For almost 150 years, balanced budgets or budget surpluses were the fiscal norm followed by the Federal Government. The unwritten rule followed by Presidents and legislators until recently in our Nation's history was to achieve balanced budgets except in wartime. But the role and the size of the Federal Government has grown out of control. In the past three decades, the Federal Government has run deficits in every year except one. Further, the Federal Government has run deficits in 56 of the last 64 years.

Mr. President, during the 1960's, deficits were averaging around \$6 billion per year. The following decade, the 1970's, saw deficits rise and they averaged \$36 billion per year. In the last decade, the 1980's, deficits continued to rise and averaged \$156 billion per year. So far, in the 1990's, deficits have averaged \$259 billion per year.

The Federal debt has grown as deficits have continued to grow and the debt now stands at \$4.8 trillion. It took this Nation over 200 years to run the first trillion-dollar debt yet we have recently been adding another trillion dollars to our debt about every 5 years.

I have been deeply concerned during my time in the Senate over the growth of the Federal Government. It has been too easy for the Congress to pass legislation creating new Federal programs and spending more tax dollars whenever there is a call for Federal intervention. Of course, the Federal Government has an appropriate role to protect the citizens of this Nation, but it is not realistic to believe that Washington should respond to every perceived problem with a new Federal approach. This Nation has drifted from its original foundations as a national government of limited authority. I believe the adoption of a balanced budget amendment will do much to return us to a more decentralized Federal Government of limited authority and the mandates of such an amendment will increase legislative accountability. A balanced budget amendment is the single most important addition we can propose to the Constitution to begin reducing the size of the Federal Government.

Mr. President, we have seen the national debt and deficits rise because in large part, the Federal Government has grown. The first \$100 billion budget in the history of the Nation occurred in 1962. This was almost 180 years after the Nation was founded. Yet, it took only 9 years, from 1962 to 1971, for the Federal budget to reach \$200 billion.



Then, the Federal budget continued to skyrocket; \$300 billion in 1975, \$500 billion in 1979, \$800 billion in 1983, and the first \$1 trillion budget in 1987. The budget for fiscal year 1995 was over \$1.5 trillion. Federal spending has gripped Congress as a narcotic but it is time to break the habit and restore order to the fiscal policy of this Nation.

It is incumbent upon this body to send the balanced budget amendment to the American people for ratification. The vote on final passage on House Joint Resolution 1 could well be the most important vote we will face as Senators as its adoption is essential for protecting our liberties as a free nation. I hope we don't fail the American people on this historic opportunity and instead present to the States our proposed amendment to mandate balanced budgets. It is time to act to secure the future for all Americans.

I thank the Chair and yield the floor.

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

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

The Democratic leader is recognized.

Mr. DASCHLE. Mr. President, efforts have been made to portray the right-to-know amendment as constitutionally questionable. Those claims are driven by politics. The argument is not compelled by the Constitution.

The Constitution sets out two requirements for the approval of an amendment. It must be approved by two-thirds of each House of the Congress, and it must be ratified by the legislatures of three-fourths of the States.

The Constitution sets no other limits.

All we are proposing is that the Constitution be amended in the same way it has been amended 27 times before, with a two-thirds congressional majority in each House.

Ironically, the underlying proposal itself contains a clearly extra-constitutional provision: That if it is not ratified within 7 years, its provision will not take effect, no matter how many State legislatures thereafter desire to approve it. It is a time-limited proposal.

The time limitation is not a constitutional requirement. It is a customary requirement.

There is no warrant in the Constitution for such a time limit or against such a time limit. It has been used in this century as a way to ensure reasonably contemporaneous consideration of proposals to change the Constitution. It is a good idea, but it is not a constitutional requirement.

Indeed, if we look at the 27th amendment, having to do with congressional pay, which was revived and ratified by

the States 200 years after first being proposed to them, and which is now part of the Constitution, it is quite clear that there is no constitutional impediment to ratifying an amendment outside the time constraints that have been common in our century.

Opponents of the right-to-know amendment claim that, by imposing a duty on Congress before the proposal is submitted to the States, it somehow contravenes the Constitution. At the same time, those opponents claim that imposing a time limit on the States after the proposal is sent to them does not contravene the Constitution. I do not think this argument holds up very well.

The right-to-know amendment falls squarely within the constitutional purview of the Congress, an article I power that permits each House to establish its rules of procedure.

The right-to-know amendment is an exercise in the article I power.

It in no way affects the ratification process. I think most people would concede that. It in no way affects the congressional approval process, and I think most people would concede that. Again, those are the only two constitutionally established requirements to amend the Constitution.

In fact, the right-to-know amendment, by requiring that the House and Senate first adopt a budget path leading to a balanced budget, and then send the proposal to the States for their consideration, impinges less upon the Constitution's requirements than the 7-year deadline contained in the language of the proposed amendment itself.

In short, this argument against the right-to-know amendment is a smoke-screen. It is meant to shift attention from the issue, the question of specifically how to cut spending, to a dry debate over constitutionality. I am not a constitutional lawyer. In fact, I'm not any kind of a lawyer at all, but I can read.

The Constitution very clearly and plainly says, in language that can be understood by anyone, that there are two requirements to amend the Constitution when you choose the route of moving through the Congress: Two-thirds of the Congress must pass it, and three-fourths of the State legislatures must ratify it.

The Constitution says absolutely nothing else on this particular subject. All of the sophisticated arguments in the world will not change the plain language of our Constitution. The document speaks plainly, and where it is silent, it is silent. It does not, by implication, permit a time limit on constitutional amendments and then bar a prior congressional action. It is silent on both counts. I think that is an important issue. It does not, by implication, permit a time limit on constitutional amendments and then bar a prior congressional action.

The proposal before us has a time limit. I have not heard one Senator

argue that this is unconstitutional because it is not mentioned in the Constitution. My amendment adds a prior requirement that doesn't interfere with either of the constitutionally sanctioned requirements or the extra-constitutional requirement of a 7-year ratification deadline.

If Congress can limit the time within which a proposed constitutional amendment may be ratified, nothing prevents Congress from adopting an internal procedure before we send a proposed constitutional amendment to the States in the first place. That is all that the right-to-know amendment seeks to do.

Each House of the Congress has parliamentary rules, established under article I, to expedite or retard the movement of legislation in various ways. All these rules have full force whether we are debating an annual appropriations bill or a proposed constitutional amendment.

The only thing the right-to-know amendment seeks is a prior congressional action before the proposal is forwarded to the States, under Article I rules. It does not impinge on the provisions that deal with a proposed constitutional amendment. It is well within the power of the Congress to determine that a prior action be taken. The conditions in the right-to-know amendment are no less constitutional as applied against the Congress, which is how they would apply, than a time limit applied against the States, which is how a time limit is applied.

The argument that the right-to-know amendment is in some way unconstitutional is not a serious argument. It is an effort to divert attention from the bottom line, and because we are talking about a balanced budget requirement, the bottom line is the only line that matters.

The right-to-know amendment asks that the Congress tell us how, over the next 7 years, it will reduce spending in 48 percent of the budget by enough to balance the budget in 7 years' time. That is all. It does not tie future Congresses to a particular line of action. One Congress cannot bind another. It simply asks the responsible Congress—this one, the one that would vote on the constitutional amendment to balance the budget—to tell the citizens and the States what the spending reductions must be to comply with the mandate that is being proposed to the States.

The mandate is to cut spending to reach budgetary balance in 7 years' time without cutting defense spending and without cutting Social Security. The only thing my amendment demands is that we tell the people, the States and the cities how we plan to achieve this goal. This is neither unfair nor onerous. When Congress debated the 14th amendment in the wake of the Civil War, Members of Congress were required to step up to the plate and give their views on what those proposals would mean.

Congressmen of the time did so. They stood up and said, plainly enough, that they did not intend that the 14th amendment be read to require voting rights for black Americans or integrated education.

A hundred years later, the Supreme Court ruled against them. What they said and meant did not stop the march of time. Neither will any words of ours. There is no need for exaggerated concern about the ability of some future Congress to steer its own course. The right-to-know amendment does not dictate to a future Congress, because that is impossible. It simply asks those who today claim we can easily and painlessly reach a balanced budget in 7 years' time to tell us how this is to be done.

Some of the most fervent advocates of this approach will be long gone from here when the time comes to bite the bullet, just as the writers of the 14th amendment were not around when the Supreme Court said we had to end de jure segregation.

I do not think that in 2002 voters should have a right to call up retired Senators and Members of Congress and demand to know what we were thinking in 1995. But I think it is eminently fair to ask those who are our contemporaries, who say this can be done now and that it is going to be relatively easy, to tell us how it can be done now, how it is going to be done easily. This is not an intellectual exercise in abstract economics. We are talking about issues that are going to affect the way real people live their lives—this year, next year, in the year 2002, and beyond.

I want to make it plain that I am a supporter of a balanced budget amendment. I have been for a balanced budget amendment for many years, because I believe Government can and should operate within its revenue base. I think it is doable. I think it ought to be done. But as we debate that issue, let us be honest with the people; let us tell them what this means, not in abstract, general terms, but in concrete, specific terms, because those are the only terms on which we can cut spending. There is no abstract, general spending in the budget. It is all concrete. It is all specific.

Past Republican budget proposals have gutted student loans, cutting them by over \$12 billion. Middle-class parents planning to send their children to college or vocational school have a right to know whether we will eliminate student loans.

Republican budget proposals have slashed Medicare benefits by \$30 billion. Senior citizens who count on Medicare have a right to know whether we will make it even more costly to get health care. Republican budget proposals have slashed spending on public education by \$3 billion. American school children and their parents have a right to know whether we will limit their opportunity to learn and succeed. The American people have a right to know—and the majority has a responsi-

bility to tell us—specifically what will be cut, who will be hurt, who will be helped, and how and when this will be decided.

That is the purpose of the right-to-know amendment.

The President's budget was submitted this morning. It contains \$140 billion in spending reductions. It has been under attack by some Members of Congress beginning last Friday, when details first began to leak to the media. I understand the partisan desire to attack, I do not understand how people think they can posture on a balanced budget amendment, denounce the President's plan, offer nothing themselves, and still have credibility. We have been hearing since last November that there would be a Republican spending cut plan in the public arena shortly. It is now February. News reports now tell us that we're not actually going to get this plan until perhaps April or May.

We are being asked to pass unfunded mandates legislation, line-item veto legislation, a balanced budget constitutional amendment, all sorts of procedural proposals, but where's the beef? Where's the long-promised budget plan itself? We have a very modest proposal—the right-to-know amendment. It simply requires us to produce the beef, what we hear is that we are contravening the Constitution and ignoring the sacred trust handed on by the Founding Fathers. Perhaps some are protesting too much.

We are engaged in a serious enterprise. We are trying to remake a system inherited and modified over 200 years. We cannot guarantee that the next Congress will follow in our footsteps. But we can't be immobilized by that, either. Americans vote every 2 years. They expect each new Congress to deal with the problems that arise within each 2-year cycle. If we come up with a good plan, the next Congress is very likely to follow it. All we ask is that we come up with a plan. If the next Congress improves it, all the better. We cannot control the future. We can control what we are willing to do now.

The right-to-know amendment is targeted to now. The balanced budget amendment asks some future Congress, some years down the road, to do something. That is fine.

This amendment asks this Congress to do something now. That is the difference. Frankly, I do not understand the reluctance to act. I especially do not understand the reluctance based on the criticism of the President's budget. Clearly, all the critics have better plans, less costly, more effective, less painful, easier. That is great. Let us see these plans. Let us lay them out. Let us hear how the easy alternatives really are. I want to hear what, in detail, these painless cuts are. If we can learn this, we can go ahead with the right-to-know amendment because it will be painless.

I understand the effort to drag the Constitution into this. It is an effort to

change the subject. The subject is still on the table, and it is very straightforward. Americans have the right to know what we propose to do because it will affect their lives. It will affect their State and local tax burdens. It will affect the environments of their cities and the kind of country their children will inherit. It will affect all of us—our futures. Given that, we cannot let this opportunity pass.

With that, Mr. President, I yield the floor. I thank the Chair.

The PRESIDING OFFICER (Mr. GRAMS). The Senator from Ohio.

Mr. GLENN. Mr. President, there is not a single Senator who can rise in this Chamber and come out solidly for an unbalanced budget, for going further into debt than we already are. Every person, including myself, knows that we have to get to a balanced budget. We cannot afford to keep on, year after year after year after year, going deeper into debt and, along with it, deeper into the interest payments, increased interest payments on that debt.

We have to resist what I would call "secret agent" budgeting. The proposal on the Republican side this year is you appoint me your agent, and I cannot tell you how I am going to balance the budget but in secret I will decide whether your Social Security is going to be cut, whether Medicare is going to be cut, whether your pension protections in the pension benefit guarantee are going to be cut, and on down with a whole host of things.

I desperately want to achieve a balanced budget, but a little later in my remarks here I will point out what the Democrats did back in 1993 when we faced up to, in advance, laying out exactly what we were doing, what the cuts were going to be, what the tax increases were going to be. It was honesty in budgeting. It was truth in advertising, honesty in budgeting.

I feel the only way to achieve a balanced budget, whether you have the balanced budget amendment in place or not, is to approach this difficult issue openly and honestly. How on Earth can we talk about the balanced budget amendment without talking about what is necessary to balance the budget?

Let us say we vote this out of here; we are going to put out a balanced budget amendment, have the two-thirds vote here, put it out to the States; the States within a couple of months come back—surprising speed for the States. They are allowed 7 years to consider this but instead of that they all right down the line 39 or 40 States—it takes 38 to approve this. But let us say they come right back to us in 60 days, 90 days. They say we voted for it. We think it is a great idea. We have to do that in our States. How are you going to do it nationally? And we approve it. It is now part of the

Constitution. We no longer have an option then. We have to balance the budget.

That is pretty straightforward, really. All the people of the country want to know how the balanced budget amendment will affect them if it is passed. What is it going to do to them? What services will be reduced? What taxes will be increased? That is what they want to know. What is really going to happen? In theory, do we all want a balanced budget amendment? Yes, we do. But in practice, how do we get there?

I do not think that secret agent budgeting is the way we should get there. The people of Ohio, the people of America are the taxpayers of this country and they deserve to know. If I go back home to the people of Ohio and I go to a discussion with some of the elderly people in our State, or I go to a nursing home or I go to a meeting of the AARP, the American Association of Retired Persons, and I point at them and I say, "They are going to cut your Social Security, make no mistake about it," the first person up would say, "Oh, no, wait a minute. They have guaranteed they are going to take that off budget. They are going to take that off budget. They are not going to touch Social Security over here."

I say: "Oh? OK. I am glad to know that. Let me tell you something. They are going to cut your Medicare." The next person up would say, "Oh, no, wait a minute. They have guaranteed they are not going to cut Medicare. That is going to be off base over here." So we have those two things now, Social Security and Medicare, which are not going to be touched by our new budgeting procedures here. Then we add a couple of other things to that. We cannot ignore interest on the national debt. That is running over \$100 billion a year plus—\$200 billion a year now. So we say OK, the interest on the national debt. Here we have Social Security, Medicare, and we have interest on the national debt. Then we say, "How about defense?"

No, we think we are a little thin on defense already. In fact, the Republican side is saying we have to add money for defense. We cannot get any further down. And I do not necessarily disagree with that. I am on the Armed Services Committee. It has given me some concern, too, about how far we have cut, particularly in the area of personnel. I am not sure we could take care of two emergencies, as we are supposed to be able to do, with regard to Korea and the Persian Gulf. I am not at all sure we could do those right with the forces we have right now. Yet, we are the only power in the world that could do that.

We have a lot of people who say, "Yes but we are spending more than all the rest of the world put together on defense." And that is true, we are. But I also say we are the world's leader and we have greater responsibilities than anyone else, too.

So you take Social Security—that is off over here. Then take Medicare—

that is off base. We cannot cut into those two things, Social Security and Medicare. We have to pay interest on the national debt. The good faith of the U.S. Government is behind those payments. Then we take defense off. OK. We have those four items off budget. I do not quarrel one iota with taking all those off budget. But where does that leave us?

I will tell you where it leaves us. It leaves us with everything else in the budget being cut about 30 percent. Everything else in the Federal budget has to average a cut of 30 percent if we are going to leave those four items off budget. Let me give an example of some of this. If you leave all spending programs on the table, the across-the-board cut for everything else is 13 percent, if you are going to achieve a balanced budget by fiscal year 2002; a 13-percent cut in everything across the board: Social Security, Medicare, defense, the whole works.

If you take Social Security off the table then cut across the board for everything else, it goes up to 18 percent. If you take defense off the table, the across-the-board cut for everything else is 22 percent. If you also assume the tax cuts that the House Contract With America proposed, if you put that in, the across-the-board cut for everything else is 30 percent. And if you also take all veterans programs off the table, an across-the-board cut for everything else is 31 percent. If you take military retirement off the table—which has been proposed by some people—it goes up to 32 percent, as a cut that would have to be taken on everything else. If you take civilian retirement off the table, it goes up to 34 percent. And if you add Medicare to that, you take that list I just named there and you add Medicare onto it, it means everything else in the Federal budget—everything has to be cut by 50 percent.

Let us go back just to the four basics I mentioned: Medicare, Social Security, interest on the national debt, and the defense budget. Just take those off and everything else in the budget has to be a 30-percent cut.

Let us look at that a little bit. Do you want AIDS research cut by 30 percent? Oh, no; we cannot cut that. We are going to put that off budget here so we will have to consider that, of course. We are not going to that. So that means something else has to be cut more than its 30 percent.

How about cancer research? No, we cannot cut cancer research.

Let us get over in another area. How about air traffic control? We all fly airliners on occasion, some of us more than others. How about air traffic control? Are we going to cut out 30 percent of the controllers; 30 percent of the budget the FAA uses for air safety? No, I think we have to exempt that.

How about the Food and Drug Administration? Do we want some more thalidomide tragedies contemplated in our future? Do we want to avoid those? Do we want the FDA to be cut by 30

percent? How about Alzheimer's research? Do you want that cut 30 percent? How about meat inspection, poultry inspection, salmonella prevention programs? Cutting out 30 percent of all agricultural research? How about your money in the bank? Do you want bank regulatory authorities to have their budgets cut by 30 percent? How about Americans on pensions? Do we want the Pension Benefit Guarantee Program that the Government has as a backup in case the pensions are not funded properly—do we want that to go?

If we are cutting all these things, too—you know, we just passed an unfunded mandates program here—how about the States out there? They get about \$230 billion a year for environmental programs. That is going to be pretty attractive for cutting, it seems to me, if we are forced to go into a 30-percent cut on everything else.

We can name a whole host of things: Food stamps; highway money; higher education; Social Security for the blind and for the disabled; the Head Start Program; school lunch; the Special Supplemental Food Program for Women, Infants, and Children; all farm support; nuclear regulation—nuclear regulation for those places around the country where there are nuclear plants—nuclear cleanup; research funds; vaccines for children; dollars to track down the fathers of children of unwed mothers; veterans hospitals; eliminating deductions on mortgages—everything.

All the other functions of Government, all of those and far, far more—that is not even beginning to be a complete list—would have to be cut 30 percent. If they are not cut 30 percent, then something else has to make up more than their 30 percent change. And that is only if we put off budget Social Security, Medicare, interest on the national debt, and the defense budget.

No one will tell us what is going to be in this, what is going to be in the budget if we go ahead and pass a balanced budget amendment and it is placed into effect more rapidly than most people think. I want to know up front what is going to be cut. I think that is only reasonable. We did it on the Democratic side back in 1993, when we had the reconciliation bill on the floor. Yet the Republicans in 1995 tell us, "Just trust us, somehow we are going to work this thing out. We are not going to name all these things, as Democrats did back in 1993." We named them in detail. We gave specifics of exactly how we were going to do this, including tax increases. We were honest about this thing. It was truth in budgeting.

There have been a number of estimates of just how this amendment will affect Ohio in specific terms. It is all speculation because Ohioans are not being told what is going to be cut.

I say to my constituents back home in Ohio who may be watching this today, they are not willing to tell us, on the other side, what will be cut or how much your taxes will be raised, or anything about either one of those issues.

We should be able to tell you back home how you are going to be affected by the balanced budget amendment. But we are not. Let me give you just a little bit of speculation on how this might impact Ohio. Here is the speculation.

The Contract With America calls for balancing the Federal budget by the fiscal year 2002 while cutting some taxes. Experts estimate that doing so without cutting Social Security or defense spending or raising taxes would require slicing all other Federal expenditures by 30 percent. Children's programs could suffer even more, if cuts in such programs as Medicare or veterans' services were limited, as is likely. Costs might be cut in several ways: By dropping groups of children from programs, putting them on waiting lists, and reducing benefits or quality of services. For example, by ending Medicaid coverage for some health treatment, cutting AFDC grants by 30 percent, or by requiring families to put up more costs through copayments and cost sharing.

Let me get down to the nut of this for Ohio. The following estimates how many children would be affected in fiscal year 2002 if costs were cut solely by reducing program enrollments. This is just Ohio alone. No. 1 on our list, 74,800 babies, preschoolers and pregnant women would lose infant formula and other WIC nutrition supplements; 183,350 children would lose food stamps; 291,800 children would lose free or subsidized school lunch programs; 284,400 children would lose Medicaid health coverage, those poorest of the poor, those who can afford to lose it the very least; 287,150 cases now served by the State child support agency would lose help to establish paternity or collect child support, something we all want to see happen; 141,900 children would lose welfare benefits under the Aid to Families with Dependent Children; 11,500 blind and disabled children would lose the help we give them under supplemental Social Security income; 10,150 or more children would lose the Federal child care subsidies that enable parents to work or get an education and training; 10,200 children would lose Head Start early childhood services; 20,950 children in child care and Head Start would lose child and adult care food program meals; and, 56,300 children would lose remedial education through title I.

We hear the screams obviously from the other side saying we do not want to cut those programs. Let me repeat again, those estimates are for programs to be cut just for my home State of Ohio. Those are not national figures. We have just under 11 million population in Ohio. Those figures are the

ones that would apply to just our people in Ohio.

They say we are not going to cut all those things. All right, if you are not going to cut all those things, if they are off limits, tell us and tell us now so we do not have all the uncertainty that people have about which programs are going to be cut. Just tell us. That is all. Just be honest enough to do this up front. That is all we are asking.

If you do not cut Social Security, Medicare, interest on the national debt, and national defense, then you have the across-the-board 30-percent cut that I mentioned earlier. What does this do to a State like Ohio? If the same services are to be provided as are provided now—maybe some of those would be eliminated, I do not know—but if the same services are to be provided while we protect the programs at the Federal level, if Ohio is to pick up that difference, it would mean that the State taxes in Ohio would have to go up 14.4 percent to maintain services. If we are going to cut services, OK, those decisions would have to be made. But let us know in advance what we are doing so we know which people are going to be hurt.

Other States get hit even more than Ohio. Some are around 19 percent; New York 17.4; Tennessee, 19.5; Mississippi, 20.8 percent. Their State taxes would have to be increased just to maintain the services.

Mr. President, time and time again I have received letters from my constituents in Ohio asking why the Congress cannot act like the average citizens, why we cannot look at how much money we have, what the programs are, why we cannot in Congress sit down like the people do at home at the kitchen or dining room table and lay out all of the papers and act and decide how they are going to go about balancing the budget. Why cannot we in Congress in effect sit down at our table here and balance a budget and live within our means as every other person in this country has to do?"

If an average middle-class taxpayer can simply state that kind of a goal at home, like sitting there saying I want to pay off all my debts, I want to stop spending more than I am taking in and they look at all the papers in front of them on the dining room table. They say, "Well, the first thing you have to do is—I am glad I sat down here. Now I have to plan out exactly where my belt is going to have to be tightened. I am going to have to decide where I am going to cut back. I am going to have to decide what my income is going to be, and then I am going to have to determine what sacrifices will have to be made so that I am planning for the future in a more realistic way than I have done in the past."

Now, to carry out what the taxpayer sitting at the table back home has to do, the American taxpayers are really in a terrible debt. If they individually at home are in a terrible debt like the Federal Government and they individ-

ually end up in bankruptcy court, you can bet that taxpayer, he or she, will be forced to sit down and draw up a financial plan for the future. I would say today should we not do the same right here in the Senate? Should we be required to do exactly the same thing and not do it with blue smoke and mirrors, not hiding behind something that says we have to have a balanced budget amendment and then we are going to tell you how to balance this thing. Why not do it now?

The Houston Chronicle had a recent editorial that commented on this type of situation. They said a citizen purchasing an automobile might reasonably be expected to be informed of such basics as what type of motor the car has, if it has one at all, what color the auto is, the drive-out price, et cetera. "Would we not take the same or greater care with our Constitution than we would in buying a car?"

Mr. President, I have not given a commitment to either side in this issue about how I will vote on a balanced budget amendment. I frankly would like to be able to vote for it. But I would like to do it on an informed basis that tells me what is going to happen if the balanced budget amendment happens, if it comes back approved, if the States say yes, we want you to act this way. All the services that now we get from the Federal Government, are we going to cut those things out? Or are we going to alter them? And how are they going to be altered? If they would tell me ahead of time what is going to happen, I might assess that with regard to the whole country and my home State of Ohio and say, yes, maybe I can be for that balanced budget amendment. Maybe if that is where they want to cut and they specify those cuts and where the tax increases will be—and I have no doubt there will be some eventually—tell me what they are going to be before, not after I voted for it, tell me before so I know what I am getting my people of Ohio into. How could anything be more fair than that?

Going back to the Houston Chronicle article, I want to make sure before this amendment leaves the lot that we know if we have a real lemon on our hands. Let us have truth in advertising. Let us check the sticker price. Let us look under the hood; let us kick the tires. If everything checks out, we will move down the road to our final destination to a balanced budget, which I absolutely think we have to get to. Above all, Mr. President, let us not embark on this trip without knowing the direction we will take to get there. Let us not do it with blue smoke and mirrors. Let us not hide our intentions.

I think sometimes our fears are not well justified here. I do not think our knees will buckle if somebody says what we have to cut. We will consider it. I do not think the knees of the American people will buckle if somebody is honest with them and says:

Here is exactly how we are going to get to this laudable objective.

There is an old Shakespeare quote, and I do not know what play it was in, but it said:

Our doubts are traitors, And make us lose  
the good we oft might win  
By fearing to attempt.

Never is that more applicable or more true than in our budgeting considerations here. We have to have guts enough to allay those fears and be willing to attempt a balanced budget by telling the American people exactly how we are going to get there.

Mr. President, here we are discussing the balanced budget amendment, and in the immortal words of Yogi Berra: It is *deja vu* all over again. The first time I was part of the debate on the balanced budget amendment here in the Senate was in 1982. That was the second year of our grand experiment with supply side economics. Remember that, where if we just cut taxes it was going to result in such an economic increase of our general economy in the country, the new revenue would more than make up the cuts in what revenue we lost with the cut. We reduced taxes 25 percent over a 3-year period; a 5-percent cut on income tax 1 year, and 10 percent each of the next 2 years. What happened? What happened on that was that the new economic level did not increase the way it was supposed to increase. We could not get those percentages changed through the years, and we wound up with another \$3.5 trillion added to the \$1 trillion in debt we had that had been accumulated from every single President from George Washington through Jimmy Carter. In the last 12 years, the deficit or the debt has gone up to a little over \$4.5 trillion. That is what happened with supply side economics.

Even back then, when we were talking about all this, like today, there was a lot of talk about balancing the budget but almost no talk about how to get there. Instead, we preferred to talk about tax cuts. Cut taxes, smile, be happy, it is morning in America; in the city set on a hill, we can make no mistakes.

After 12 years of feel-good budgeting, we found ourselves with a \$4.5 trillion debt; \$4.5 trillion. It was a credit card. It was all done on a credit card, a great big national plastic credit card. Well, then what happened? We came along with the Presidential candidate who vowed to take the deficit seriously, not by talking about magical fixes, about supply side economics, about Laffer curves, and all the other things we heard about back in those days, but by presenting real options to reduce the deficit.

Luckily for our Nation's fiscal health, that candidate's message of truth-in-budgeting resounded with the American public, and that candidate, of course, now occupies the White House, President Clinton. President Clinton showed us that his campaign commitment on deficit reduction was not just election-year rhetoric.

I referred a little earlier here to what the Democrats did in 1993, contrasted to what the Republicans are proposing to do in 1995, and what happened. In the first year of the Clinton Presidency, he presented a clear agenda for deficit reduction. He offered us real specifics, but he offered us very tough choices, also. I mean, they were tough choices. Congress responded and assigned specific cuts, cut objectives, to the committees of the Senate here, in particular, and the committees went to work on this plan. We came up with a program at that time that was tough, tough, tough. And we made more tough voting decisions back in the summer of 1994 than almost any time since I have been in the Senate.

Why can the Republicans not do the same thing right now that we did back in 1993? They are not giving specifics. Our program back then gave specifics. It was not hidden. It did not say, "Trust me and I will tell you later about how we are going to get to these ends." It was tough. Do you know what happened? The Omnibus Reconciliation Act of 1993 was a major component of President Clinton's overall economic strategy to reduce the deficit by nearly \$500 billion, half a trillion dollars, in 5 years, to create jobs and invest in the American people. It was the largest deficit reduction package in history. The President's deficit reduction and economic growth package, as reported by the House-Senate conference we voted on, was the largest deficit reduction in U.S. history.

When the savings from this reconciliation bill were coupled with the savings on caps on discretionary spending and interest savings, deficit reduction would total almost \$500 billion over the next 5 years.

These historic reductions were achieved through spending cuts and by asking wealthy Americans, those who benefited through the 1980's, to make their fair contribution to make sure of the Nation's economic security. Was there a tax increase? Of course, there was. But there were tax cuts, also, in trying to get at least toward a balanced budget.

The President's plan, though, as agreed to with the House and Senate conference, relied more on spending cuts than revenue increases. Under the plan, Federal revenue would be increased by \$241 billion and Federal spending would be cut by \$255 billion over a 5-year period, with every penny locked in a deficit reduction trust fund. The deficit reduction and economic growth package contained \$38 billion in mandatory spending cuts over the next 5 years. In addition, with discretionary spending caps, there was a net savings of \$102 billion through the regular annual appropriations process, and the resulting lower annual deficits and improved debt management will reduce interest payments by \$65 billion over that same 5-year period.

Those were laudable objectives and we put them into effect. We made

tough judgments in such areas as agriculture, nutrition, forestry, and they were assigned to that committee to report a savings of \$3.2 billion over 5 years. And they did that. They met their goal—\$3.2 billion out of one committee. They modified the so-called Pay-92 programs and had changed some of the cotton targets, dairy products, tobacco assessments, sugar, oilseed, peanuts, home loan rate, wool and mohair programs, refinancing and prepayment of Federal financing, bank borrowing to finance and prepay loans subject to certain penalties, Federal crop insurance, CRP enrollment, Forest Service recreation fees—those were all tough votes and they were taken in committee and brought out here for discussion on the floor. Some were contested on the floor, and we stood up and made our votes on those subjects.

The Armed Services Committee was assigned \$12.63 billion over 5 years. That was tough to meet. We asked military retirees to forgo COLA's. That is a tough vote when you vote on something like that. It is very tough telling the veterans that, no, they are not like some other people who would get cost-of-living increases. We are asking them, in the interest of the national good, to forgo that for a little period.

The reason I am pointing out some of these is we are being asked to accept this proposal on the other side as a pig in a poke. The veterans would not know now what was going to happen to them.

The Banking, Housing, and Urban Affairs Committee was instructed to report savings of \$3.31 billion over 5 years, and they met that goal. Depositor preference changes; transfer of Federal reserve surpluses; HUD-IRS income verification; Ginnie Mae REMIC's, the real estate mortgage investment conduits; and FHA premiums—all of these things were tough votes in committee and out here on the floor.

But we did them back in 1993 as part of that reconciliation package.

The Commerce, Science, and Transportation Committee. They were assigned \$7.405 billion in cuts over 5 years and they achieved that goal, with some of the communications Spectrum auctions, as they are called, and user fees. And those are tough votes.

The Energy and Natural Resources Committee, they were able to report savings of \$737 million over 5 years. They came out \$77 million under the target that was set out for them, but they still made major cuts. And they made controversial votes such as on recreation fees in national parks; some changes in the hard rock mining holding fees; state royalty collection costs.

The Environment and Public Works Committee was assigned \$1.254 billion over 5 years. They went into this on Nuclear Regulatory Commission user fees, the Army Corps of Engineers user fees, and a series of other things I will

not even mention here. NRC's operating budget was another one, requiring nuclear utilities to pay fees to cover all of NRC's operating budget.

The Finance Committee was given a big target and they had to make a number of changes. They did some of these in changing tax rates for high-income earners. They changed gift and estate taxes, meals and entertainment, club dues, executive pay, moving deductions, individual estimated tax simplification, Social Security benefit changes, corporate income tax changes affecting business, lobbying expenses changes, corporate estimated tax rules, treatment of passive loss, credits and AMT credits. And in international businesses, excessive accumulated foreign earnings; research and experimental expenses allocation changes; oil, gas and shipping income foreign tax credit. Transportation fuels tax increase, 4.3 cents a gallon on all transportation fuels currently subject to the leaking underground storage tank trust fund; extension of transfer of current 2.5-cent-per-gallon tax. Other intangibles, change of appreciation of intangible assets; change in charitable contributions, change in expanding the 45-day interest rules for tax refunds, denying business travel deductions for spouses, increasing withholding rates on bonuses to 28 percent.

They had more under the Finance Committee—education and training provisions, and extension of target job tax credit; research and development, R&D credit; targeted capital gains tax cut; real estate investment provisions: Permanent low-income housing credit, passive loss relief for real estate provision, exclusion for discharge of real property business debt. Luxury excise tax changes. Extension of the AMT, alternative minimum tax, provision. Changes in how we would treat empowerment zones and enterprise communities and some other changes also.

They changed some of the things in Medicare and Medicaid also as to how those programs were to be treated. All these under the Finance Committee. Medicaid, some of the changes were made there.

And let me add a couple others here. The food stamp program was changed. States had to match food stamp administrative costs; shelter expense; earned income tax credit. Human resources.

I read all these not to bore my colleagues or to bore those watching but to point out that there were hundreds, literally hundreds, of changes made, hundreds of changes made that we voted up front in committee and/or out here on the floor in advance letting people know exactly how their future would be affected by the votes that we are going to make on that reconciliation bill.

Now, I submit to my colleagues and anyone watching or listening, if it was important enough on a reconciliation bill, just on a reconciliation bill, that we go through all that and let people know specifically how they were going

to be affected and be up front about it on letting everyone know what the votes were, then that is the least we can do if we are taking up something so much more fundamentally important to our whole Government, our whole Constitution as a balanced budget amendment.

The Foreign Relations Committee was assigned a savings of a \$5 million target over 5 years. They met it.

The Governmental Affairs Committee, which I chaired at that time, was assigned a \$10.668 billion in savings. And I can tell you, we sweated over that one in committee and we made it. Once again we had to delay some retirement cost-of-living increases, the lump sum retirement option was knocked out for Civil Service employees, Medicare part B fee limits were changed, changed the extension of the proxy premium law, the D.C.-Federal Employee Health Benefits, payments by the U.S. Postal Service.

All of these things were tough votes, and I hate to keep just saying that, but they were, but we did it up front and let people know exactly what was going to happen to them.

Even the Judiciary Committee a \$345 million target over a 5-year period, and they met that.

The Labor and Human Resources Committee, \$4.5 billion over 5 years, and they met that goal. They brought up such things as student benefits and cost savings that came from the Federal student loan programs being administered differently.

The conference agreement also would require States to be responsible if a default rate for borrowing that attend institutions of higher education located in their State exceeds 20 percent. Those were hard votes—Home loan program changes.

In other words, I bring up all these—and this is just a sampling; this is not a whole listing of everything, but I bring these up to indicate the tough votes.

Now we put this whole package together. President Clinton led the way on this. He sent up where he felt we could cut; took the political heat for this. We joined him in taking the political heat for saying up front how we were going to vote on these things, laid it out. Everybody, all the special interest groups, crowded out here by the elevator, called on us in our offices and said, "You can't touch this. You can't touch that." Yet we did. We made the tough votes.

And there were several hundred votes, either in committee or out here on the floor to put this thing into effect.

Let me come down to the bottom line. And here was what happened out of all that reconciliation bill. Here is what happened.

Our budget deficit, at the time we passed that, was approaching \$300 billion, just the budget deficit. We put that reconciliation bill into effect. The next year it went down to somewhere

around \$250 billion. This year some of the original estimates were that we were going to be down to a budget deficit of only \$168 billion. I think it is back up a little bit now. I think the refined estimate is about \$190 billion. But we have gone from around \$300 to \$250 to \$190 billion. That is heading in the right direction with the budget deficit.

You know, the last time that ever occurred, where we had 3 years where the budget deficit went down 3 years in a row, was under Harry Truman. Clear back to the time of Harry Truman, the last time we had the budget deficit go down 3 years in a row. It is working. That reconciliation bill that we made those tough votes on did have an effect.

Now some of the forecasts are that it is going to level off or it may even turn up again, but let us modify that. Let us take action to correct that. We have it heading in the right direction. Why would anybody want to throw that out now and say we are in effect going to put a gun pointed at us all and say we have to do something that may cut the things I have mentioned earlier.

Social Security, Medicare, no, those are off base; interest on the national debt, no, that is off base; the defense budget, no, that is off base. Take those four items off base and everything else in the budget has to average a 30-percent cut.

And we are not willing to tell people up front what is going to happen, as we were back in 1993. Now in 1993, I say there were tough votes.

When this bill went to conference with the House back in 1993, there were some changes made in the conference. When it came back out here on the Senate floor, it was one of the more dramatic moments I have seen in my 20 years here in the Senate. What happened over in the House was that not one single Republican voted for that conference package in the House. Not one single Republican.

What happened here on the Senate floor? Not one single Republican voted for that conference package that has resulted in the first 3 years of continual budget deficit reduction since the days of Harry Truman. Not one single vote.

The Vice President is the Presiding Officer in the Senate. He shows up quite often when there may be a close vote. That day there was a 50-50 tie. The Vice President voted as is his constitutional duty to do. He broke that tie, and so we had a 51-50 vote to put that reconciliation bill into effect.

We had been up front in telling people what the effect was going to be. What programs—all those that I went through. I did not go through all the litany of the committees here just to fill up time here on the Senate floor. I wanted to point out we went through things that affected every single man, woman and child in this country. We did it upfront. We did it to try and get to a balanced budget. We are trying to



do it without a balanced budget amendment.

Now we are told, "We will not tell you how we will do it. We will not tell you what will happen. We will not tell you what the estimates are going to be, or how it will be implemented if the balanced budget amendment passes, and if it is ratified by the States. We will figure it out. Just trust us. Then we will figure out some things."

Back in 1993 with that reconciliation bill we figured it out in advance and got it started on the right track, honestly and openly, and upfront, by telling every person in this country how they would be affected.

That reconciliation bill of 1993 became law despite the lack of bipartisan support. So we are now seeing our third year of declining deficits. There were dire predictions then by some of our Republican friends. I will not quote names but we have the quotes available. There was going to be a recession and massive joblessness, a dire thing for the economy, we would go downhill because of what we are doing, because we increased taxes in some areas just on that top 1.2 percent of the wealthiest of this country, I would add, was most of it. None of these dire predictions panned out. The economy recovered, remains in good shape, and in Ohio, my home State, as near as we can calculate it has meant over the past several years about an average of 43,000 new jobs every year.

Remember all the talk about how the cuts in that deficit reduction bill were not real? Over a quarter of a trillion dollars in spending has been cut. Has been cut. We are not talking about prospective. We are talking about what has happened. It has been cut.

Fiscal year 1994, 342 Federal programs were reduced before the prior year spending levels. Fiscal year 1995 just ended in October, more than 400 Federal programs were reduced below their prior year's spending levels and another 40 were eliminated entirely. People talk about downsizing Government. Starting to cut back on Government, cut down on the size of the Government.

Know what happened as a result of the programs voted back in 1993? We are doing that. The President set out a goal of cutting the Federal employment by 272,000 people. I thought that was a lot. In the Governmental Affairs Committee we oversee the civil service. We are the committee of jurisdiction that looks into matters involved with civil service. I thought when they talked about cutting back 272,000 people, that was a big cut. I did not quite know how we would do that. We went to work with the administration, at that time, when a lot of people were rolling their eyes and saying they would believe it when they see it. Well, just look at it now. People can believe it because they do see it. I think a lot of people still do not believe it.

Of that 272,000, just over 101,000 positions have already been cut. This is not

prospective. This is not looking on down the pike someplace. They have been cut. I worked with them on setting up programs that would help accomplish that on Governmental Affairs Committee. We passed that legislation. It helped them achieve those goals. There are early buyouts, early retirements. All sorts of things we put in to help get to that end. We were very, very successful.

Know what else we did? We tailored that program at the time. And let me add a side bar: One of the problems in the Federal Government is that we have had too many bosses and too few employees carrying out the words of those bosses or the directions of those bosses. In private industry, across the country, the average is one boss for every 12 to 15 employees. What is it in the Federal Government? One to seven.

While we are getting people out, we tailored these so that the different branches and agencies and departments of Government had some leeway, had some discretion to tailor these programs for the GS 13's, 14's, and 15's. So we got more of those people out who are the bosses. So we are at the same time reducing the overall size of Government, we are correcting some of this imbalance on the ratio between the supervisors and the employees. That means a more efficient Government as we go down the road to the future.

So about 101,000 jobs have been cut from the Federal work force. We are ahead of schedule. We want to continue to work with the administration to make sure that the cuts continue and we get to the objective of 272,000.

All of these things were accomplished because we made the tough cuts. We made the tough votes. We did not ask people to say "Well, just trust us and somehow we will get around to this in the future. Somehow we will get to this end eventually." No, we made the tough votes. We Democrats stood up and took the heat. I would repeat, all these programs that we put through in that reconciliation bill, we did not have one single, not one, Republican vote across the aisle. The Vice President had to break the tie.

There were probably a number of people, judging by what happened in last year's election, who stood up and made some of those tough votes who are not here today. It may have been a factor in why they are not here. I do not know. They had the political courage to stand up and tell people what was going to happen to their lives if we made the tax increases or made the cuts in programs that affect those people across the country. And they did it. And they had political courage, whether they are here today or not. We need to have that same kind of political courage today.

There has been a lot of criticism about the tax increases that were part of that program back then to balance the budget. There is a good article in the Washington Post on the first of

February by Judy Mann, entitled "Fiddling With the Numbers." I will not read the whole article.

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

[From the Washington Post, Feb. 1, 1995]

#### FIDDLING WITH THE NUMBERS

(By Judy Mann)

Gov. Christine Todd Whitman, the Republican meteor from New Jersey, had the unusual honor for a first-term governor of being asked to deliver her party's response to President Clinton's State of the Union message last week.

And she delivered a whopper of what can most kindly be called a glaring inaccuracy.

Sandwiched into her Republican sales pitch was the kind of line that does serious political damage: Clinton, she intoned, "imposed the biggest tax increase in American history."

And millions of Americans sat in front of their television sets, perhaps believing that Clinton and the Democrat-controlled Congress had done a real number on them.

The trouble is that this poster lady for tax cuts was not letting any facts get in her way. But don't hold your breath waiting for the talk show hosts to set the record straight.

The biggest tax increase in history did not occur in the Omnibus Budget Reconciliation Act of 1993. The biggest tax increase in post-World War II history occurred in 1982 under President Ronald Reagan.

Here is how the two compare, according to Bill Gale, a specialist in tax policy and senior fellow at the Brookings Institution. The 1993 act raised taxes for the next five years by a gross total of \$268 billion, but with the expansion of the earned income tax credit to more working poor families, the net increase comes to \$240.4 billion in 1993 dollars. The Tax Equity and Fiscal Responsibility Act of 1982, by comparison, increased taxes by a net of \$217.5 billion over five years. Nominally, then, it is true that the 1993 tax bill was the biggest in history.

But things don't work nominally. "A dollar now is worth less than a dollar was back then, so that tax increase of, say, \$10 billion in 1982 would be a tax increase of \$15 billion now," says Gale. In fact, if you adjust for the 48 percent change in price level, the 1982 tax increase becomes a \$325.6 billion increase in 1993 dollars. And that makes it the biggest tax increase in history by \$85 billion.

Moreover, says Gale, the population of the country increased, so that, on a per person basis, the 1993 tax increase is lower than the one in 1982, and the gross domestic product increase over the decade, which means the personal income rose. "Once you adjust for price translation, it's not the biggest, and when you account for population and GDP, it gets even smaller."

He raises another point that makes this whole business of tax policy just a bit more complex than the heroic tax slashers would have us believe. "The question is whether [the 1993 tax increase] was a good idea or a bad idea, not whether it was the biggest tax increase. Suppose it was the biggest? I find it frustrating that the level of the debate about stuff like this as carried on by politicians is generally so low."

So was it a good idea? "We needed to reduce the deficit," he says, "we still need to reduce the deficit. The bond market responded positively. Interest rates fell. There may be a longer term benefit in that it shows Congress and the president are capable of cutting the deficit even without a balanced budget amendment."

Other long-term benefits, he says, are that "more capital is freed up for private investment, and ultimately that can result in more productive and highly paid workers."

How bad was the hit for those few who did have to pay more taxes? One tax attorney says that his increased taxes were more than offset by savings he was able to generate by refinancing the mortgage on his house at the lower interest rates we've had as a result. The 1993 tax increase did include a 4.3-cent-a-gallon rise in gasoline tax, which hits the middle class. But most of us did not have to endure an income tax increase. In 1992, the top tax rate was 31 percent of the taxable income over \$51,900 for single taxpayers and \$86,500 for married couples filing jointly. Two new tax brackets were added in 1993: 36 percent for singles with taxable incomes over \$115,000 and married couples with incomes over \$140,000; and 39.6 percent for singles and married couples with taxable incomes over \$250,000.

Not exactly your working poor or even your average family.

The rising GOP stars are finding out that when they say or do something stupid or mendacious, folks notice. The jury ought to be out on Whitman's performance as governor until we see the effects of supply side economics on New Jersey. But in her first nationally televised performance as a spokeswoman for her party, she should have known better than to give the country only half the story. In the process, she left a lot to be desired in one quality Americans are looking for in politicians: honesty.

Mr. GLENN. Mr. President, I quote just a short part of this, talking about a writer who commented on this and said:

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I hope, in addition to that, people can read the whole article.

I do not want my speech today to be taken wrong. I am not looking for a job in the President's communications office to try to put out rosy scenarios for the White House. I am trying to make a very simple point. We have seen the wrong way to approach balancing the budget, and we have seen the right way, the honest way, the straightforward way for the American people.

The wrong way led us to a \$4 trillion debt, \$4.6 trillion, I think, is the best estimate right now of what we actually owe. The right way of making the

tough votes around here is such as we did in that reconciliation bill of 1993. That put us back on the track.

What are we being told on the other side today? "No, we won't put out any figures, just trust me." We are going back into supply-side economics again, that which gave us an additional \$3.5 trillion in national debt that we now have to pay interest on. We are going back to some reconsideration of the Laffer curve. It was a "laugher," all right, the way it worked. We have a new name for it; now we are going to rely on dynamic economics. That is what we hear from the House side. We are going to rely on dynamic economics, which is supply-side economics revisited. It says the dynamism comes from the fact that if you cut taxes, it gives more money to the people who will invest, move on to a new, higher level of economics; we will recoup a lot from that, and that will help mitigate the tax loss to begin with. That is exactly what we went through—exactly what we went through—in the early eighties, only then it was called supply-side economics.

We are being asked today to vote on a balanced budget amendment without being told what the cuts are going to be, what the tax increases may have to be, what plans will be cut. Will it be Social Security, Medicare? "No, those are off limits," we are told, "we can't interfere with those." Interest on the national debt? "Oh, off limits." Defense budget? "Oh, off limits." And I favor that defense budget. I agree we probably cut a little further than I would like to see us cut on that.

Take those four things off and everything else in the Federal budget is going to have to be cut by 30 percent if we are going to meet the objectives. And yet we are not told, they refuse to tell us how we are going to do this.

If I ever saw peekaboo budgeting, this is it. Peekaboo budgeting. We just give you a little hint here that we are going to do dynamic economic modeling, or something, and that is supposed to quiet our curiosity, I guess, a little bit. Now you see it, now you do not. But we do not have any plan that lays out for us in this proposal, nothing that even comes close to the type of definition and specificity that we had the guts to vote back in 1993.

As we debate the balanced budget amendment, let us do it the right way. I would like to vote for a balanced budget amendment. I truly would. And I have not said yet that I will vote against the balanced budget amendment positively. But I cannot vote for a balanced budget amendment that just asks the American people and the people of Ohio and all of us to just somehow accept this without any definition whatsoever of how we are going to get there, what is going to be cut, what programs people rely on now are going to be axed out of the program, as we have to get into doing this.

So let us let the taxpayer know what is ahead. Let us lay out a 7-year plan.

Let us present it to the American people. Let us make it in comparable specificity to what we did back in 1993, which had not one single Republican vote when we passed that. Then we will all know whether this balanced budget amendment is a good idea.

In 1993, the Democrats in the Senate showed that we could lay out a plan. We did the hard work in committees, we did the hard debate, the hard work here on the Senate floor.

In 1995, the process that is being proposed from the Republican side basically says they either cannot or will not give us any information on how we are going to achieve this balanced budget, if it passes. They say just, "Trust us, we will somehow figure it out. We will force ourselves. We want a forcing mechanism here with a balanced budget amendment. We have to have that or we cannot get around to saying what the tough decisions are going to be and acting on them."

And yet we have the history just 2 years ago in 1993 when we did this. We did have the guts to do it then. So it is possible in the Senate of the United States to have some political courage and say in advance what is going to happen.

But the saying goes, or what we hear all the time is, if we force ourselves with a balanced budget amendment, then I think we will have an excuse, we will have an excuse for cuts that we would not have the guts to make otherwise, and we would tell the people back home, "I'd have liked to have kept your veterans' benefits, I'd have liked to have kept Social Security, I'd have liked to have kept your Medicare, but we had the balanced budget amendment and so it forced me to vote to do this to you." So we are looking for cover.

Do you remember the comedian Flip Wilson a few years ago? I remember him very well. I thought he was very good. He had this character called Geraldine. Every time Flip Wilson had something with this character of Geraldine that somebody was criticizing him for doing, he would say, "Oh, the devil made me do it; oh, the devil made me do it." Remember that?

It seems to me that is a little of what we are talking about here. The Republicans seem to want this, and some other people, too—not just Republicans—they want this balanced budget amendment so when we have to tell the elderly that we may have Social Security cuts, may have Medicare cuts, defense, may have cuts in women's and infants' programs, may have cuts in a lot of other things, "Oh, the balanced budget amendment made me do it." In other words, not my fault, we have the cover of a balanced budget amendment.

I do not think we need that for political courage here. That is sort of getting your courage out of a bottle or courage out of something false when we are not willing to say what the cuts are going to be, not willing to say what

we will do if a balanced budget amendment passes.

Let us say we pass it here and the States ratify it within about 2 months. Then what are we going to do? Where will the cuts have to be made? "Oh, the balanced budget amendment made me do this thing." Supposedly that gives us political cover.

But I will say, in the meantime, let us not be reckless. I would like to call on my colleagues on the other side of the aisle to show some guts and tell us where you will cut, tell us how much taxes will have to be increased when the balanced budget amendment passes. Tell us now. Tell us up front. Let us be honest. Let the American people know. Let the States know what they are going to have to pick up on this if it passes.

Mr. HATCH. Will my friend yield for a question?

Mr. GLENN. Not right now. I am just about to end, and then I will take any questions.

If we are honest, I say let us get started and do it now. So why wait? Why do we need to wait for a balanced budget gun, in effect, pointed to force us to action? We can take that action right now.

So let us not be reckless. Our Constitution has been amended only 27 times in well over 200 years, and before we amend it again, we ought to at least know what the ramifications will be; for after all, none of us wants the 28th amendment to turn out like the 18th amendment did. I yield the floor.

Mr. SIMON addressed the Chair.

THE PRESIDING OFFICER (Mr. THOMAS). The Senator from Illinois.

Mr. SIMON. Mr. President, if I may respond to my friend from Ohio very briefly—and he is my friend and he is one of the most valued Members of this body. Digressing just a moment, if anyone ever questions JOHN GLENN's courage, take a look at that small little thing that he got into—"thing" is the wrong word, but he knows what I am talking about—that went into space. It is incredible that anyone would get into that and get tossed into space.

But anyway, I think there are some answers for the questions of my friend from Ohio. One is that we know from the General Accounting Office if we balance the budget—and they suggested by the year 2001. That is now 2002—that by the year 2020 we would have an average increase in income per American, inflation adjusted, of 36 percent—that is a huge increase—or, as they say, we are going to continue to go downhill.

Second, we do know some of the options. And we have not spelled them out in detail. One is the Concord Coalition put together a package. CBO has suggested—and they have the most conservative estimate in terms of what the savings would be on interest—the savings would be \$140 billion on interest.

We could follow the present limitations we have through fiscal year 1998

and then put together for fiscal years 1999 through 2002 a combination of the last Bush package and the package that we voted for in 1993. I was pleased and proud to join the Senator from Ohio in voting for that. That is not that onerous. That is doable.

What I do favor—and I have discussed this just very informally with my colleague from Utah, who is the chief sponsor—I favor, once this passes, asking the two leaders to put together a task force to outline in broad terms where we are going so that the States can know with some more specificity. But I would add that you cannot—the Daschle amendment has us down to \$100 million for 7 years out. That is just not realistic. But I think in terms of billions you can do that.

I would add the CBO figure on savings on interest is the most conservative. The Wharton School estimates the savings on interest will be 4 percent; Data Resources, Inc., says a savings of 2.5 percent. Their estimate is that half the savings that we will need by the year 2002 can come out of interest. This is Data Resources, Inc. They also estimate if we do it we will have 2.5 million more jobs in this country. How many that will be in Ohio and Illinois, I do not know. But it is a very substantial amount.

I would add two other points here. One—and my colleague from Ohio may differ with me as well as my colleague from Utah—I happen to think we would not be in a bidding war on tax cuts right now if we had a balanced budget amendment. I do not think it makes any sense, real candidly, for us to say let us give ourselves a little bit of a tax break and impose a further burden on our children and our grandchildren. I think that is a good example of why we need this. We are not going to be able to do everything we want. We are going to be forced to make some tough votes. But I think we have to be forced to do that. And I hope they will be bipartisan.

Let me just add one final point. Those who say we can balance the budget without a constitutional amendment have two things going against them. One is that for 26 years we have not done it. That is a pretty powerful record. And second, they are saying to us you spell out in detail what is going to happen, but they are not spelling it out in detail. And at least we have, by all estimates we are going to save a huge amount of money with interest. Whenever interest rates go down, employment goes up. So there is a revenue plus in addition to the interest savings.

So I hope my colleague from Ohio will continue to keep an open mind on this because I think it is really essential for the future of our country.

Mr. HATCH. Will the Senator yield?

Mr. SIMON. I yield to my colleague from Utah.

Mr. HATCH. We both value our great friend from Ohio, and I have to tell you that there is an offer by the other side

and that is by the President. It is right here, the budget for this year.

I have to say I give him credit for certainly bringing the deficit down from the almost \$300 billion that it was—\$279 billion—to \$190 billion. But from here on in, through the year 2005, this budget, using optimistic economic assumptions that we all know are going to fluctuate, is admitting that the deficits will be \$190 billion at least for every one of those years over the next 10 years. So they are not doing anything to get down to a balanced budget.

If I could just add one other thing to my friend from Ohio. Back in the early 1960's, when President Kennedy said we need to put a man on the Moon, he set that as a goal. Nobody then was fully cognizant of what it was going to cost or what we were going to do to get that man there. But we also know that our friend from Ohio was one of the earliest pioneers in that field. He is a hero to all of us, to everybody who understands space and what it took to get there.

But if before the President could even set the goal, before the President could even get it done, Congress had said we have to know every detail on how you do it before we do anything, we would not be on the Moon to this day.

The fact of the matter is all we are saying here is that if we pass this amendment—and I appreciate my friend keeping his options open on this amendment. That means a lot to me. I know it means a lot to my friend and colleague from Illinois, and I think it means a lot to everybody in this body who is for a balanced budget amendment and maybe some who are not. But the fact of the matter is it is important that we not have to plug in every detail over three successive Congresses, which can change drastically on how we get there, when we have at least 10 programs that have been advanced and there have not been the votes for any one of those without a balanced budget amendment forcing the issue. And that is what this amendment does.

I just cite with particularity that sometimes we have to set the goal out there and provide the mechanism to reach that goal just like we did in space. Had we demanded that we have every detail of how you do it over three successive Congresses, we would not be in space to this day.

So I just cite that as an illustration that in budgetary parlance those who are criticizing the amendment by demanding to know now how we are going to get there—we can give you 10 plans—they are the very people who have never gotten us there for 26 years and who, it seems to me, are not going to get us there if the President's budget is any indication, and this is reality. This is tangible. This is something that all of us got today.

I happen to have Alice Rivlin's copy of this because she gave it to me last night. I did not use it until right now because I did want to use it without

her permission, but she gave me permission to use it once it was distributed.

Frankly, here is tangible evidence that they are not going to do it themselves. But if we put this balanced budget into place, we are going to do it. We will get it done just like we got it done in space.

They are not particularly analogous, I acknowledge that, but still I think there is a point that for three Congresses the only way we get there is to modify this, and the only way we are going to do that is if we have a balanced budget amendment that gives us the incentives to do the same.

I thank my colleague.

Mr. GLENN addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. GLENN. I appreciate the comments of my colleagues here, but I disagree on what happened. We have not gone 26 years without action. I disagree with that.

In 1993, we took action that headed our budget deficit downhill. We were up to almost 300, we went down to around 250, one estimate this year was for 168. It is back up around 190 now. But the point is we have cast tough votes. We took tough action. We told the American people in advance how we were going to do it so they knew how they were going to be affected.

We had things headed in the right direction. We can make all we want out of the President's budget that was submitted today, but let us continue on the track that we are on. And if there is to be, as my friend from Illinois says, a task force appointed to tell us how to do this, let us form the task force now. Hold up the balanced budget amendment. Let the task force get together and tell us where the cuts are going to occur if it passes. Then I would be much more happy with this proposal.

I think we are reading so many things off the record here. I started out my remarks this morning by saying if I go home to Ohio and I point to somebody and I say, "Your Social Security is going to be cut," they say, "Oh, no, wait a minute now, the other side says we are going to put Social Security off limits. That is not going to be cut." Then I say, "They are going to cut your Medicare." And they say, "Wait a minute, Medicare is going to be off budget here. We cannot cut that." Then we say, "Interest on the national debt, we cannot cut back on that because that would destroy the trust in our Government. And defense is not going to be cut—probably it is cut a little too far already given our worldwide responsibilities."

If you take those things off budget, then everything else in the Federal budget—Alzheimer's, cancer, AIDS—everything else, unless you make up the difference, is going to have to be cut by over 30 percent. Those are the facts.

So back in 1993, I think we took real action. We took action that showed we

can lay out these tough choices in advance and then have the political courage to enact them. And we did. Why do we say we cannot possibly make these decisions without a balanced budget amendment, when we did it 2 years ago?

So I say once again, I would love to vote for a balanced budget amendment, but I am not going to vote for a pig in a poke that may wreck the support system for a lot of people in Ohio and across this country without knowing the details of what we are voting for.

I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, I will just take a couple of minutes. I agree with my colleague from Ohio, to the great credit of President Clinton and to the credit of 50 Members of this body, we did start down the right path.

What I also would have to acknowledge, as our colleague from Nebraska, Senator KERREY, said, is that it was a first step. But we have not for 26 years balanced the budget. To go back to another time when, as was pointed out in your remarks, we had that kind of decline, you have to go back to Harry Truman's day. I think we have illustrated we just are not doing it on our own.

I finally point out we can change a lot of things in this body. We cannot change history. And the history of nations is, as they pile up this debt, they keep piling it up because it is politically attractive to do so, and then they end up monetizing the debt. They just start the printing machines running.

That is where we are heading if we do not adopt this amendment, in my opinion.

I yield the floor.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, while the Senator from Illinois is on the floor, I wonder whether he might be willing to engage in colloquy with me about the implementation legislation that would be required under this amendment.

Before I ask him about that implementation legislation, however, I was intrigued by his comment last time that we cannot change history. I agree with that. We can interpret history, but we cannot change it.

Part of the history of this body is that if we put the onus on future Congresses to do something instead of doing it ourselves, it is unlikely to get done. We pass legislation here—see, I remember in 1980—that says, "Congress will balance the budget." I think it became law. We did not. It was in the law, the law that we obligated ourselves to comply with. We took an oath to uphold the Constitution of the United States and the laws created pursuant thereto.

The Senator from Illinois, who is a dear friend of mine, and I had a colloquy back in 1986, I believe—1986—about this same issue. This is about 8 years ago, 9 years ago, when a similar amendment was pending before us.

I asked the Senator from Illinois these questions.

How would the monitoring of the flow of receipts and outlays be done to determine whether the budget for any fiscal year is on the track of being balanced? Would this require implementing legislation?

Mr. SIMON. There would have to be monitoring, and future legislation would have to take care of the implementation of that monitoring.

Mr. LEVIN. What exactly is the definition of receipts and outlays? Specifically, would the receipts and outlays of Bonneville Power Administration be receipts and outlays of the United States pursuant to this constitutional amendment? Would the answer to these questions require implementing legislation?

Mr. SIMON. Implementing legislation will be needed on some of these peripheral questions, but the intent is clear.

\* \* \* \* \*

Mr. LEVIN. \* \* \* In an instance in which the President's Office of Management and Budget and the Congressional Budget Office disagree with each other on what a level of outlays is, how will the dispute be resolved so that it can be determined whether or not outlays exceed receipts?

Mr. SIMON. Future legislation will have to take care of this.

Mr. LEVIN. Who will determine the level of receipts and whether a revenue bill is "a bill to increase revenues"? \* \* \* My question is, What happens if the revenue estimators in the Treasury Department say the bill is revenue neutral, and the Joint Committee on Taxation say the bill will result in a net increase in revenues? Whose estimate will prevail? How will the dispute be resolved?

Mr. SIMON. That will also have to be determined through future legislation.

And on and on.

I am going to read into the RECORD, now, dozens of questions which have to be answered by implementation legislation which we are not going to answer, we are not going to adopt legislation which will answer them, but which are left up to a future Congress.

The Senator from Illinois and the Senator from Utah both said this is not a self-executing provision. This provision requires Congress to act sometime between the year 1995, or whenever we adopt it and the States ratify it, and the year 2002.

The Senator from Illinois has said over and over again courts cannot implement it, cannot enforce it. There is no impoundment here for the President to enforce it. It is up to us to adopt implementation legislation sometime in the next 7 years.

My question of my friend from Illinois, and I do not know he is going to be able to stay on the floor while I read through a whole host of questions which are not answered by this amendment—but which are similar to the ones which we talked about in 1986 is—would he agree that this amendment requires congressional legislation as a practical matter in order to be enforced?

I understand putting the language in the Constitution will make it more likely in his opinion that Congress will

act. He is optimistic Congress will read this language and do, by the year 2002, what it has not done up until now. I understand that he feels there will be a political onus of some kind that will be borne if some Congress does not put together a majority in the next 7 years to adopt that implementation legislation.

But specifically, does he not agree that in order for this amendment to have effect, implementation legislation is going to be required?

Mr. SIMON. Mr. President, if I may respond to my colleague, the answer is yes and no. The answer is the amendment itself has the requirement for 60 percent to extend debt. So that is self-executing. And if Congress would not pass a single bill to implement, that would be the power that is there. But there is no question that we have to pass legislation to implement. I would not wait for future Congresses to act. I think we ought to start right away. I see my new colleague from Maine nodding in agreement here.

But let me make one other point, and that is we can nitpick here and there on this. But the real important question and point is, that dialog took place in 1986. We missed by one vote, passing that in the U.S. Senate. At that point, the debt of this Nation was \$2 trillion. Now it is \$4.6 trillion. What if we had picked up one more vote? We would have more people working; we would have a higher standard of living; we would have lower interest rates; we would have more homes constructed; we would have a much lower trade deficit; we would have millions more jobs in our country. We would have millions more jobs in our country. And so we failed to act in 1986. There is no question.

There are things that we are going to have to work on. I know my colleague from Michigan well enough to know that even though he opposes this, if we have the votes, he is willing to dig in and work on the implementing legislation. He will be a valued Member in doing that. But we should not fool ourselves. We should not nit-pick here and not recognize the basic principle, and that is that we are doing harm to our country in not facing up to our problems.

I thank my colleague.

Mr. LEVIN. If my friend would again be willing to yield, obviously if we had adopted a constitutional amendment 6 years ago, or 60 years ago, which led to a balanced budget we would probably be in better shape than we are now depending on whether or not there was an opportunity during a recession to be flexible.

But the issue I am raising is the opposite of a nit-pick. The issue that I am raising goes to the heart of this amendment. This amendment does not assure us that we will achieve a balanced budget. That is not a nit-pick. That is a statement that goes straight to the heart of this amendment.

I want to get to the language that my friend from Illinois pointed to. The

only language which the sponsor has pointed to that appears to be self-enforcing is in section 2, having to do with the debt of the United States. But section 2 says that "the limit on the debt of the United States held by the public shall not be increased."

Does the Senator from Illinois know whether or not we have adopted a statute which sets a limit on the publicly held debt of the United States?

Mr. SIMON. Mr. President, in response to my colleague, I think those terms are fairly clear. We had testimony on that very question from the former Attorney General of the United States, Bill Barr, who believes that language is very clear.

Mr. LEVIN. No. But my question to the Senator from Illinois—by the way, it is not that clear. But assuming for the moment it is clear as to what is meant by "publicly held debt," assuming for a minute it is clear—I do not think it is; I will accept the statement—my question is: Do we have a statute now which sets a limit on the publicly held debt of the United States?

Mr. SIMON. We have a statute that limits the debt of the United States.

Mr. LEVIN. I understand. But my question is not that, because this section 2 does not say that limit of the debt of the United States shall not be increased unless three-fifths vote. The sponsors have gone over the words very carefully. This is an amendment to the Constitution. They have gone over each word. I assume that it is very clearly their intent that it not be the limit of the debt of the United States, but just a part of that debt which they say will not be increased except by three-fifths vote.

So my question again to my dear friend from Illinois is this: Is there currently a statutory limit on the debt of the United States which is held by the public?

That is my specific question.

Mr. SIMON. Mr. President, if we had changed the language so it just says "debt" instead of "publicly held debt," there would be questions about that. Our intent is clear. When my good friend—he is my good friend—from Michigan implies that we are not going to pay attention to this, the Senator from Michigan, the Senator from Maine, the Senator from Wyoming, and the Senator from Illinois stood over there right to the left of the Presiding Officer. We held up our right hands and we took only one oath—to uphold the Constitution. I do not think this body is going to ignore that. I think that is the real question. I am not suggesting that my colleague from Michigan is not sincere. But we can nit-pick. The principle is clear. The language, constitutional scholars have told us, is clear.

I hope we move ahead and not get sidetracked on this.

I yield the floor.

Mr. LEVIN. Mr. President, let me answer my own question since my friend

from Illinois has not; that is, there is no limit that I know of in statute on the publicly held debt. So when the Senator from Illinois points to that provision as being the self-executing provision of this language, and there is none other that could be pointed to, he is pointing to a limit which does not exist currently in law which would require the Congress to enact a limit. Each one of us upholds the Constitution of the United States within the best of our ability. We each have taken that oath. We each raise our hands. The Senator from Maine did it just a few weeks ago in this body. She has done it many times in the other body. We do not raise our hands as a group. It is not a group oath. It is an individual oath. We can carry out that oath while not agreeing with each other. As a matter of fact, we carry out that oath all the time while not agreeing with each other. If we always agreed with each other because we took an oath, there would be unanimity in this Senate instead of division. We do not always agree, although we have all taken the oath.

This constitutional amendment does not require us to balance the budget in a way which can be enforced. It simply requires us to try to pass a statute within the next 7 years. There is a lot of difference. It basically takes us off the hook for 7 years because it raises the suggestion, it purports to state that we are going to balance the budget by the year 2002 but has no enforcement mechanism in there to achieve it; none. So for the next 7 years we are off the hook, and then there is no hook.

The Senator from Illinois says, yes, there is because there is this language in section 2 which says that the debt limit will not be raised unless 60 percent of the whole Members of each House vote for such an increase.

That is not a hook for two reasons. No. 1, there is no debt limit for publicly held debt that is currently in law, and, therefore, the Congress is going to have to pass a statute setting a debt limit for "publicly held debt." So even that language requires the Congress to establish a publicly held debt limit which is a subpart; by the way, a subpart that is in dispute as to exactly how much it is of the current debt limit.

But it is also not a hook for another reason; that is, that it simply suggests that somehow or other we are not going to pay our debts, that having run up debts, the Congress of the United States is not going to pay our bills. That has historically not worked, and it should not work because we should pay our bills. We should not default on obligations of the United States of America. Catastrophe would result if we did not pay our debts.

I quoted a colloquy between myself and the Senator from Illinois about the 1986 version in which repeatedly the Senator from Illinois, as always, is candid in saying that is going to require implementing legislation, and

that is going to require implementation legislation and that is going to require implementation legislation. There are a lot of other "that's"; probably 30, 40, or 50 other important issues which would require Congress somehow or other to reach agreement as to how to do something.

What is the definition of "receipts"? Do receipts include receipts from the Postal Service, TVA power savings, Medicare premium payments, receipts of government corporations, deposits in non-Treasury accounts? I am sure implementation legislation is going to have to be used for that.

What is the definition of "outlays"? Do they include Federal loans, federally guaranteed loans? Do they include spending by government corporations, quasi-Federal agencies which pay for their activities out of user fees? It goes on and on and on. Will we use estimates or actual expenditures and actual receipts?

What happens if the OMB and CBO disagree with each other on what the level of outlays and receipts are? How is the dispute going to be resolved? What is a bill to increase revenues? It sounds easy. It is not. It is a very difficult question, as a matter of fact. At what point will it be determined that outlays will in fact exceed receipts, which triggers remedial action? Are we going to do it early in the year or in the middle of the year? The answer is we will resolve all that by 2002.

Mr. President, I ask unanimous consent to have printed in the RECORD a list of questions, the answers to which I believe—but we will wait and see—will be left up to implementation legislation.

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

#### BALANCED BUDGET AMENDMENT QUESTIONS

1. What exactly is the definition of receipts? For example, do receipts include the receipts from Postal Service stamp sales and TVA power sales? Do they include Medicare premium payments. Do they include the receipts of government corporations and quasi-federal agencies which deposit money in non-Treasury accounts? Who will make this determination?

2. What exactly is the definition of outlays? For example, do outlays include federal loans and federally-guaranteed loans? Do they include spending by government corporations and quasi-federal agencies which pay for their activities out of user fees instead of out of Treasury accounts? Who will make this determination?

3. Will estimates or actual levels be used for receipts and outlays? In an instance in which the OMB and the CBO disagree with each other on what the outlays or receipts are, how will the dispute be resolved so that it can be determined whether or not outlays exceed receipts?

4. Who will determine whether a bill is 'a bill to increase revenues?' For example, what happens if OMB says the bill is revenue neutral, and CBO says the bill will result in a net increase in revenues? Whose estimate will prevail? How will the dispute be resolved?

5. At what point will it be determined that outlays will in fact exceed receipts, trig-

gering remedial action? August 1? September 15? Who will make that determination—OMB or CBO?

6. At whatever point it is determined that outlays do or will exceed receipts, will automatic spending cuts or tax increases be triggered? When would that happen, and who would be responsible for making it happen? Will cuts affect all programs equally across-the-board, or will certain programs be exempt?

7. Would it violate the language of the amendment if Congress passes, with less than 60% of the votes, a budget resolution that is not balanced?

8. Would it violate the language of the amendment if Congress passes, with less than 60% of the votes, a bill to increase spending from some base level without offsetting spending cuts or revenue increases? Would it matter whether this was the last appropriations bill of the year, and would result total appropriations exceeding expected receipts? If not, how will we ensure that Congress does not increase spending without paying for it?

9. Would it violate the language of the amendment if Congress passes, with less than 60% of the votes, a bill to cut taxes without off-setting spending cuts or revenue increases? If not, how will we ensure that Congress does not cut taxes without paying for it?

10. What happens if Congress passes a budget resolution which is in balance, that enacts appropriations bills on the basis of that resolution, but part way through the year it appears that outlays will exceed receipts? Would Congress be required to vote separately on whether to authorize or eliminate the excess, even through it voted for budget and appropriations bills in the belief that the budget would be balanced? What mechanism would be created to ensure that such a bill would be considered?

11. At what point during the fiscal year would Congress be required to voter to authorize an excess of outlays or to eliminate that excess? What would happen if Congress did not approve either such measure?

12. Would the amendment be enforced through sequestration of impoundment? If so, when and how would that action take place?

13. What happens if Congress approves a specific excess of outlays over receipts by the required three-fifths vote of each House, but the projection turns out to be wrong—the deficit is greater than expected. Would a second vote be required to approve the revised estimate of the deficit? Who determines the dollar amount of excess that Congress will vote on in each case? Who determines that the estimated excess was wrong? How often would such determinations be made, and such votes be required? Who determines when the votes must take place?

14. The resolution requires that three-fifths of each House vote to approve an excess "by law". Does this mean that the President must sign a bill to approve an excess? What happens if three-fifths of the Members of each House approve a deficit, but the President vetoes the bill? On the other hand, what happens if Congress passes a reconciliation bill to balance the budget and the President vetoes it and there are insufficient votes to override the veto? For example, what if Congress votes to increase taxes to eliminate the deficit and the President says he prefers spending cuts and vetoes the bill. If there are insufficient votes to override the veto, who has violated the Constitution—the Congress or the President?

15. Could Congress shift receipts or outlays from one year to another to meet balanced budget requirements? For example, could paydays for government employees be put off

a few days into the next fiscal year to achieve a balance between receipts and outlays? What mechanisms will prevent this type of abuse?

16. Section 2 of the resolution provides that "the limit on the debt of the United States held by the public shall not be increased" without a three-fifths vote. What is the current statutory "limit on the debt of the United States held by the public", if any? If there is currently no such limit, how will such a limit be established?

17. What does the debt of the United States held by the public include? Specifically, does it include the debt of wholly-owned government corporations (like the Commodity Credit Corporation and the Overseas Private Investment Corporation)? Does it include the debt of mixed-ownership government corporations (like Amtrak and the Federal Deposit Insurance Corporation)? Does it include loans guaranteed by the federal government, such as guaranteed student loans, guaranteed agriculture and export loans, or Mexican loan guarantees? If not, could additional government corporations and quasi-governmental agencies be created to conduct federal programs off-budget to evade the amendment? Could new government guaranteed lending programs replace government spending? How would this be prevented?

18. May the President transmit a proposed budget which is not in balance in addition to his balanced budget proposal? May the President transmit a balanced budget, but recommends against its adoption? Can he submit the balanced budget at any time before the fiscal year begins?

19. The Committee report states that the words "bill to increase revenue" covers "those measures whose intended and anticipated effect will be to increase revenues to the Federal Government." Does this mean net revenue? Over what period of time would this be judged?

Would the revenue provision apply to a bill that increases revenues for three years and reduces revenues for the following three years, with a net change of zero over the six-year period? What happens if the amendment is repealed after three years, because it would result in a deficit?

Would a bill to increase the capital gains tax be exempt, since many argue would have the effect of reducing revenue in at least the early years after enactment?

20. Does "revenue" include fees? How do we tell the difference between a revenue measure increasing fees and a spending measure decreasing outlays by requiring users to pay for services provided to them instead of funding the services out of tax revenues?

What about a bill to raise the federal share of receipts from concessions in our national parks?

What if the bill simply required regular competition for national park concessions? Would that be a bill to increase revenue, since it would have the "intended and anticipated effect" of increasing the federal share?

21. Does revenue include tariffs? Would a trade measure which authorizes use of retaliatory tariffs in certain cases be considered a "revenue measure", since it would arguably have the "intended and anticipated effect" of increasing revenues? Who will make this determination?

22. Does revenue include civil and criminal penalties? Would a bill that establishes a new civil or criminal penalty be considered a "revenue" measure? How about a bill that indexes certain penalties for inflation? How about a measure to toughen enforcement of criminal or civil penalties? Would a bill to tighten enforcement of the tax laws or provide more personnel to the IRS be covered,



since it would have the "intended and anticipated effect" of increasing revenues? Who will decide what is covered by this provision?

23. Would a statute that requires a new, lower measure for inflation, be considered a bill to increase revenue, since by slowing the adjustment of tax brackets it would have the "intended and anticipated effect" of increasing taxes? Would the elimination of a special, targeted tax break be covered by this provision? Would it cover a bill authorizing the sale of buildings or land?

24. Sponsors of the amendment have said that the social security trust funds will be protected in implementing legislation and that the budget will not be balanced at the expense of the States. How will this result be ensured?

25. The term "fiscal year" is not defined in the amendment. The report indicates that Congress has the power to define the term "fiscal year." Does this mean that Congress could change the effective date of the amendment by legislation, passed by majority vote, which changes the statutory time at which a fiscal year begins and ends?

Mr. LEVIN. There are about 50 questions here which will determine whether or not in fact this constitutional amendment can be implemented in a way to achieve a balanced budget.

I will submit a copy of these to the sponsors of the legislation so they can give us an answer to the question.

The bottom line for me, Mr. President, is that this proposed constitutional amendment does not balance the budget. It dodges the issue because it depends on Congress passing implementation legislation by the year 2002. What if it were fully implemented? The sponsors are optimistic that it will be fully implemented. I think they are overly optimistic, for all the reasons which I have stated and a whole bunch more.

It is going to be very difficult for Congress to agree on how to make cuts in legislation which will automatically sequester, which will determine who will make the cuts, which will determine what all of the hundreds of other decisions are that have to be made so that we can have a balanced budget assured. Let us assume for a minute that the sponsors' optimism is borne out and we kick the can down the road to the Congress 7 years from now and we say: You folks pass implementation legislation.

I do not think that is a responsible thing to do. In fact, I think what we are likely to do by kicking the can down the road to a future Congress, instead of acting ourselves on either the implementation legislation or the cuts, is to increase the deficit.

So the answer to my friend from Illinois as to whether or not we would not have been, 6 or 8 years ago, had we passed the amendment is probably we would be worse off because probably then we would have said, oh, they will take care of that in that future Congress. We would not have done the hard work necessary a couple of years ago when we finally decided to make some cuts in the deficit. We would have ducked and said, oh, the Constitution will take care of that. A future Congress will take care of that. That is what this amendment does.

But, for the moment, let us say that this legislation, which this amendment relies on—this implementation legislation—in fact will be passed, that somehow or other a majority of individual Members of the House and the Senate will be able to agree on a process to make the cuts that are necessary; what would be the impact? Should we know about them?

I was interested when the Senator from Illinois said: "Well, after we pass the amendment, the leaders ought to get together and give us something of a roadmap—not too specific, but so the States will know what the cuts are."

Why should we wait? The Senator from Ohio asked the Senator from Illinois: "Why are we waiting for whatever roadmap and whatever specificity we are going to get from the leaders? Why do we wait for the roadmap until after we have voted on the amendment? Why not adopt it now and why not see it now? Why not have the benefit of knowing what the impacts will be now, again assuming that this legislation is going to be fully implemented?"

There was no answer to that question that was forthcoming, because I think the same logic that says that the States should have some idea as to what the impacts are would lead to the conclusion that we should know what the impacts are—again, under a very big assumption, the assumption being that this will indeed be fully implemented.

There are two problems with this constitutional amendment that have been pointed out—two big ones. One is that the cuts will be massive and should be known in advance. Another problem that others hold more closely is that in fact it will not be implemented. Neither one of those are particularly desirable outcomes. If it were not implemented, if this is a dodge, if there are so many loopholes in this language that it will not be fully implemented, it would be tragic to use the Constitution that way. We would then be using the Constitution as a way of avoiding our own responsibility of saying that Congress, by 2002, should do something that we are unwilling to do, thereby evading what we should be doing ourselves. I do not think the public is telling us to pass language in a Constitution which says to a future Congress, "Do something." I think the public wants us to do it and not dodge it. That is my view as to what the likely outcome is of adopting this constitutional amendment.

But there is another view which also has a lot of support, it seems to me, behind it, which is that, yes, this thing could be fully implemented, and then we should know what the cuts are prior to our adopting the language of this constitutional amendment. We should know and the States should know before they are sent an amendment for ratification.

Whether we pass this amendment or not, it is still going to take a majority of the votes of the Members of each

House to make the tough choices that are needed to cut spending and raise taxes. But unless and until we make these choices, we are not going to have a balanced budget regardless of whether we pass this resolution and regardless of whether the States ratify.

Saying that we have to balance the budget cannot make it happen. Unless and until we do the hard work of budgeting, or at least unless we adopt the implementation legislation, it is all a dodge. It encourages us to say that we have a cure before we have taken the medicine. That, to me, is the irresponsible part of this amendment, that it allows us to say that we have cured something before we have either taken the medicine or at least adopted the implementation legislation that will lead us to a certain result.

Every one of us in this body knows that we are not going to get to a balanced budget without real sacrifice. One plan which was put forth by some House Republicans last March would have cut spending on the environment by 44 percent, spending on agriculture by 72 percent, spending on energy by 65 percent, and cut the defense budget by \$83 billion. I give those sponsors of that amendment credit for laying out what the impacts would be—at least what they were willing to support. They are entitled to credit, I believe, for what they did. But are we all willing to do that? I hope we have the same kind of courage. It may lead to different kinds of cuts or a different balance of cuts, but at least I hope we will have that courage.

Yet, the reason we are told we should not adopt this roadmap, that we should not lay out what the impacts will be in advance, was set forth by the House majority leader, Dick Armey, who said that once Members of Congress know exactly, chapter and verse, the pain that the Government must live with in order to get to a balanced budget, their knees will buckle.

Think about that for a minute. What he means is if you look at real-world numbers, if we level with the American people about what it will take to balance the budget, in his assessment, it will not pass. I think that is an ostrich-like way of legislating, and far worse. It is an ostrich-like approach to amending the Constitution. And we ought to be much more serious about the Constitution than to pass amendments which do not tell us either what the process will be to achieve it or at least have an enforcement mechanism to achieve it.

I do not know of any other provision of the Constitution—there may be one; I cannot find it—that is not enforceable, either in court or by the executive branch.

Now, we do not want this enforceable in court because we do not want courts deciding to raise taxes or making us do it, and we do not want it enforceable

by the executive branch. And we are sure we do not because we do not want to give the President impoundment authority.

If it is not going to be enforceable by either the courts or the executive through impoundment—which, by the way, I agree with that conclusion that we ought to make it very specific in this amendment that that cannot be, either have courts telling us where the cuts are, courts adopting taxes, or the President impounding—but if it is not going to do that, if the intent of the sponsors is that it not lead to either impoundment or court enforcement, it then totally depends upon Congress implementing and enforcing it. In that case, one of two things is necessary: Either it is not going to be implemented, which would be irresponsible and a misuse of the Constitution; or it will be, in which case the American people and the States should know what the impacts are.

It is one or the other. It either is going to be implemented by the Congress—and I do not share the optimism of my friend from Illinois that a Congress 6 or 7 years from now will adopt implementation legislation. I think it is wrong for us to pass the buck to them. But if it is not going to be implemented by them, it is wrong. If it is going to be implemented by them, we should know the impact and the American people and the States should know the impact.

We have been down this road before. This is not new, that we considered constitutional amendments before.

We actually put into our laws before that Congress shall balance the Federal budget by a certain year. We put in our laws the Gramm-Rudman mechanism which did not work, and it did not work because it did not have an enforcement mechanism which assured that we would get to a certain point by a certain time. It was left to future Congresses. Always future Congresses.

But what is unique about this legislation is that this is not a bill. This is a constitutional amendment which fundamentally says, "Congress shall do something." It leaves it to a future Congress to pass the implementation legislation to do it instead of us doing it.

And, I must say, I am intrigued by reference to the Founding Fathers. It is unthinkable to me that those Founding Fathers of this country, in a constitutional convention, would pass language that says a future Congress should do something. Not that we should do it, not that we should take the responsibility, not that we should be accountable, not that we should act, but we should put into the document which is nearly sacred for every American, the Constitution, language which says "Congress, by a certain year, should adopt a law which will achieve something."

Would any of us vote for a constitutional amendment which reads something like this: "Congress, within the

next 7 years, shall adopt a law which will make racial, religious, or ethnic discrimination unlawful"? Would we put that in the Constitution? "Congress, within the next 7 years, will adopt a law to prohibit religious, racial, and ethnic discrimination"? I cannot believe we would do that. I think we would pass the law to prohibit the discrimination. We would take the responsibility.

The Founding Fathers would take the responsibility for passing the law or they would put into the Constitution a right or a prohibition which is enforceable.

The Constitution is the place where we put in rights and prohibitions which are enforceable. They are not a place where we put in language such as this which allows us to kick the can down the road for 7 years which allows us to tell a future Congress to do what we are unwilling to do, either to make the cuts or to adopt a process which will lead to it.

There is no other constitutional amendment like this, and for a good reason.

We should face up to the obligation. We either should adopt the cuts or adopt the process. Either make the cuts or adopt the implementation legislation so we all know what it is. We should not simply say, "We are going to amend the Constitution to tell a future Congress that they should do something," knowing full well the difficulties for any Congress to do it.

Now, Senator SIMON and others are optimistic that a future Congress will do it, much more optimistic in those future Congresses being able to do things that we have been unable to do, frankly, than I am. But their optimism should be tested now. We should adopt the implementation legislation. If a future Congress can do it, we can do it, and that is the test of their optimism.

In the absence of our doing it, either making the cuts or adopting the implementation legislation which their language requires a future Congress to do, this balanced budget amendment is, I am afraid, going to be little more than a feel-good amendment which purports to address the problem of Government spending and deficits without actually addressing the problem.

The people want us to move to a balanced budget. They want us to do that. They do not want us to push the responsibility off to a future Congress, as this amendment would do. They want us to do it.

The proposed amendment is full of loopholes and ambiguities. For example:

The implementation of the amendment depends on economic estimates that can be made overly optimistic if that is what is necessary to project a balanced budget. We have seen enough rosy scenarios in the budgets of both Republican and Democratic administrations to know how this game is likely to be played.

The amendment requires a balanced budget in each fiscal year. Throughout

the 1980's Congress and the President artificially lowered the reported deficit and met Gramm-Rudman targets by shifting the timing of spending from one fiscal year to another. Under the proposed amendment, we can expect similar budgetary shell games.

States with balanced budget requirements have frequently avoided them by creating independent or quasi-public agencies and placing their expenditures off-budget. We did much the same thing in the 1980's with the costs of the savings and loan bailout. Because the amendment does not define key terms such as "receipts" and "outlays," it is certain to lead to similar manipulations.

Costs could be shifted from the Federal Government to State and local governments by simply reducing funding for existing programs. Reduced grants to the States would shift the burden of the deficit from the Federal Government to State and local governments but would not shrink the overall gap between Government revenues and Government spending.

The authors of the amendment have acknowledged that the proposed amendment would be unenforceable without further legislative action by the Congress. If outlays exceed receipts, they say, neither the President nor the courts could step in to address the problem. I am not aware of any case in which we have enacted a constitutional amendment which the sponsors themselves claim to be unenforceable, but that is what the authors of this resolution have said.

This resolution does not tell us what an "outlay" is. It does not tell us what a "receipt" is. It does not tell us how Congress, which enacts appropriations and revenue measures, will regulate the precise level of outlays and receipts. It does not tell us how Congress will monitor the flow of outlays and receipts. It does not tell us who will determine the levels of outlays and receipts, whether it is CBO or OMB. And it does not tell us what will happen if outlays in fact exceed receipts.

The answers to all of these questions are left to a future Congress. But, Mr. President, amending the Constitution is far too important an undertaking to be done in the dark.

Mr. President, I yield the floor.

Mrs. HUTCHISON addressed the Chair.

THE PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Thank you, Mr. President.

Mr. President, I think it is about time for us to start voting on this amendment. After a week of talking about the balanced budget, I believe that just about every argument against it is pointless, except maybe one. The opponents' arguments are just many different ways of saying, "I don't want a balanced budget amendment, because I don't want a balanced budget."

The one I had to research to respond to is that the amendment is nothing more than a gimmick. After the fourth or fifth time I heard this, I stopped assuming that I knew what a gimmick is and decided to look it up.

One dictionary says a gimmick is "A trivial or unnecessary innovation added to enhance appeal."

The opponents of this constitutional amendment say we are supposed to pass responsible budgets without constitutional requirements.

Now, how would you explain that, when we have run deficits in this country for 34 of the last 35 years? When were they planning to start being responsible? Mr. President, when were they planning to say we are going to be serious without a balanced budget amendment that says we are going to be serious and there is no wiggle room?

The opponents also say this amendment is a gimmick and we should not mess with the Constitution. The Framers expressly provided for constitutional amendments.

We have been debating this proposal for over 12 years. The entire Constitutional Convention took about 4 months in 1789. We are not proceeding recklessly. We are acting after careful deliberation. We passed a balanced budget amendment here in the Senate in 1982. We failed in 1986, 1992, and 1994 by a handful of votes. The House tried in 1990 and 1992.

A few days ago, with its new Members elected by a public demanding a real change in Washington, the House passed the amendment for the first time. With so many years of debate and preparation, Mr. President, we cannot throw away this opportunity to put America on a new course. I believe this is the most important vote that we will take in our terms in the Senate.

Now, the opponents say, "We should not legislate on the Constitution." Well, I agree, we should not legislate on the Constitution. It is a framework for Government and it should not spell out particular policy choices. But the same opponents that make this claim also propose amendments to this resolution which legislate exemptions into the Constitution for high-priority items.

Such exemptions would, themselves, create gimmicks. Every possible program would get squeezed into the off-budget constitutional exception. Such exceptions, Mr. President, would require future Congresses and future generations to follow our priorities. They would have to use our programs instead of setting their own priorities and using their own plans, public or private, to address them.

Even the minority leader's motion to recommit with instructions provides for a balanced budget amendment that says, "The directives required by subsection A-3 shall be deemed to be directives within the meaning of section 310(A) of the Congressional Budget Act of 1974. Upon receiving all legislative submissions"—now, does that sound

like James Madison? It sounds an awful lot like legislation to me. It sounds like the Budget Act, something no Member really wants to see enshrined for all time in our Constitution. If we start amending the Constitution with sentences like that, people will not be able to carry our Constitution in their vest pockets anymore.

Now, my dictionary has another definition for gimmicks. It says it is "a significant feature that is obscured, ordinarily misrepresented; a catch." Now, the opponents of this amendment keep trying to say there is a catch. They are trying to scare the public into thinking that all of the services that the Federal Government provides will be eliminated. Of course that is not true. To balance the budget by 2002 we only have to slow down future increases in total spending, not cut spending below its current level.

We can cut the bureaucracy and the redundancy of the Federal Government while preserving our most important programs. That is prioritizing. We must provide the programs that help those who cannot help themselves. We have always done that in this country. What is to change? We will feed the hungry. We will care for children and disabled people who cannot help themselves. And we can do it while continuing to cut waste, and do it more efficiently.

Like all bureaucrats whose kingdoms are threatened, the opponents of this amendment claim that any cut would destroy the most popular program, while they hide the waste, fraud, and abuse in the back. Now, I have heard this argument before. It is called the "Washington Monument argument." They show us the most popular program and they say, "This is what is going to be cut." They are acting like we do not have the sense or the commitment or the ability to prioritize what are the most important uses of taxpayers' dollars.

They are like the boy who cried wolf one too many times. We do not believe them anymore. We do not believe that the Government cannot really operate with a few cents less on the dollar. That is what balancing the budget comes down to. Pennies on the dollar. We can reach a balanced budget by the year 2002 without cutting Social Security or Medicare.

(Mr. THOMPSON assumed the chair.)

Ms. SNOWE. Mr. President, will the Senator from Texas yield for a question?

Mrs. HUTCHISON. Mr. President, I yield.

Ms. SNOWE. I thank the Senator.

I think the Senator is raising some very significant issues concerning this constitutional amendment to balance the budget. The Senator was mentioning the fact that so many of the opponents of this balanced budget amendment call it a gimmick. My response has always been if it were a

gimmick, Congress would have passed it long ago.

As the Senator knows, over the years we have had a number of statutory approaches. Now there have been suggestions under the Daschle amendment and the so-called right to know that somehow we should pass implementing legislation to tell the American public how we plan to balance the budget over the next 7 years. But that is also statutory language.

On the other hand, they are saying the constitutional amendment we would not necessarily have to enforce. How do we know the Congress in the year 2002 will actually enforce a constitutional amendment? Would the Senator not agree that this is the only way, given your experience here in this institution, to get a balanced budget for the American people and for future generations, is through a constitutional amendment to balance the budget?

Mrs. HUTCHISON. Mr. President, I think the Senator from Maine has made the most important point. Gramm-Rudman was a wonderful idea that should have worked. But what happened? Congress came along and bypassed it, and bypassed it again, and bypassed it again. So it meant nothing.

That is exactly the point that I was making about having an exception to the amendment. Any exception. What will happen? Congress will start putting more things into what we except, and it will bind future generations to say, "That is the area that you must except out." It could be that in 20 years Social Security or whatever exception they are going to put forward may be taken care of. It may not even be an issue at all. Why would we put that in the Constitution and take away the ability of future generations to just act within a framework?

It is clear that we have to have a framework in the Constitution. Saying that there would be this exception or that exception does not take into account the changes in our society that might happen in the next 50 or 100 years.

Ms. SNOWE. Mr. President, would the Senator further yield for a question?

Mrs. HUTCHISON. Mr. President, I yield.

Ms. SNOWE. Mr. President, as the Senator was mentioning, the constitutional amendment establishes a very important framework, as our forefathers established through our Constitution. We obviously take an oath of office, individually; we take an oath of office, on behalf of this institution and on behalf of the American people. So, we logically would follow up in enforcing that constitutional amendment.

As the Senator was mentioning about the various pieces of legislation that have been enacted over the years in Congress, for example, in the Gramm-Rudman-Hollings to which she was referring, again, numerous adjustments were not made. It gets back to the

issue of whether or not we would be able to balance the budget through the Constitution, statutory approaches. But we know the statutory approaches have already failed on numerous occasions, stretching back to the year 1921.

We had the Budget Accounting Act, the Revenue Act, the Byrd Act. We have adjusted the Gramm-Rudman-Hollings Act on numerous occasions because we could not meet the requirements within that legislation for balancing the budget, believe it or not, by 1993 and then again in 1995, and in the 1990 revision of the Gramm-Rudman-Hollings. So it is clear that that has not worked.

Now, as the Senator knows, this amendment that is before the Senate concerning the right to know, I think the American people do not agree that we are right in terms of what we are enacting in this hypothetical budget that has been suggested here, that we would pass accompanying the Constitution an amendment which would somehow be the budget that would be operative in the year 2002. Of course it would hot.

Would the Senator not agree that this approach is somewhat of a dilatory action, or hypothetical sideshow not to enact a constitutional amendment, knowing full well that we will get a balanced budget through a constitutional amendment and not through a statutory approach?

Mrs. HUTCHISON. I think the Senator from Maine is making an important point. When you are doing something that is as important as this, we do need to do it right because it is going to be an amendment to our Constitution that will last. Our Constitution has prevailed over the centuries because we have been very careful not to bind future generations. With the Constitution, less is more.

There is one thing that we have to do, and that is make a bottom line. We have to say, like every business in America, like every household in America, like every State government and every local government in America, there is an end. We must set our parameters and then work within those parameters to set our priorities. That is what every other entity in America does.

As the Senator from Maine has said, this is the time. It is a very short window that we have to make a difference in the direction this country is going, and we have the mandate.

For the first time, the House of Representatives has passed a balanced budget amendment, and if we miss this opportunity, it may be that the window will not return.

I wonder what all of these people who are convinced we should not have an amendment, I wonder what they are going to say to the American people about how they will balance the budget if they do not want it in the Constitution and they say, show me first. Show me what you are going to do if we do not have it. What is going to be dif-

ferent today than 34 out of the last 35 years? Isn't that really the question?

Ms. SNOWE. Will the Senator yield? I think that is exactly the question. Would you not agree that those who are opposed to a constitutional amendment have a greater burden to prove how they could enact a balanced budget statutorily, because all previous attempts have failed time and again?

There has been obfuscation, diversion, delays, distraction, and, in the final analysis, we have only seen our debt grow. We have heard some discussions how the deficit has come down in recent years, but what we do not hear is the fact the deficit is going to go back up for the remainder of this decade. In fact, since the last time the Senate passed a balanced budget amendment in 1982, the debt has grown 309 percent.

Even the President's own budget, interestingly enough—we hear so much talk about the President's tax package in 1993, and I well recall that because I served on the House Budget Committee. We were challenged to bring up our own specific line-item cuts. As Republicans on the committee, we did. We did \$435 billion worth of specific line-item reductions in the budget.

Guess what? They were all rejected. So we got a tax increase, which happens to be the largest tax increase in the history of the country. It was supposed to reduce the deficit. To some extent it did, but, again, what happened is the deficit continues to rise. In fact, one of the reasons why it is rising is that the revenues projected from that tax increase are less than had been anticipated and projected by the administration. As a matter of fact, the Congressional Budget Office has recalculated the deficit by \$25 billion for each of the next 5 years, and that is based on an 11-year economic expansion. That would be 3 years longer than the longest postwar expansion.

And so we can understand what is going to happen; we are just going to see more debt. There will be obfuscation here about the right to know, what we ought to do, we should do implementing legislation. But the bottom line is, are we willing to balance the Federal budget?

As the Senator has mentioned, the only way that can be done is through a constitutional amendment because we have all taken an oath of office. That is why the opponents of this amendment do not want this amendment enacted, to become law, because they know that we will take our responsibilities seriously and we will be obligated to balance that budget.

Mrs. HUTCHISON. Since the Senator brought up the President's budget and the inability of Congress to deal with this issue in the past, I should say that the budget did come out today from the President, who promised to cut the deficit in half, and it actually spends \$200 billion more than we have in revenue this year.

After the Clinton administration is over, he will have added \$800 billion to

the national debt. The debt today is about \$4.7 trillion. That is \$18,500 for every man, woman and child in this country. So every baby that is born can be welcomed into our country knowing that that poor baby has an \$18,500 debt hanging over his or her head the minute he or she comes into the world.

They talk about not putting it in the Constitution and yet as recently as today, a budget is submitted that is again not in balance. I think it is time for us to say enough is enough.

They talk about the sky is falling if this is passed, but do they realize what we are going to have to do to get to a balanced budget by the year 2002? According to the Joint Economic Committee, we can balance the budget without cutting Social Security or Medicare and permitting Medicaid to grow by 5 percent if we just limit the growth of all other programs to 2 percent a year—that's the growth, not current spending.

If we exempt only Social Security, we can balance the budget in 6 years by cutting projected spending by 4 cents on the dollar.

We are talking about limiting the amount of growth. We are talking about prioritizing within our budget to limit the growth. If you set aside Social Security and Medicare, you can still grow 5 percent in Medicaid and 2 percent in all other programs and balance the budget.

Ms. SNOWE. Will the Senator yield?

Mrs. HUTCHISON. Yes.

Ms. SNOWE. Again, I think the Senator is focusing on some key issues that I think are important focal points for this debate. The Senator was referring to the President's budget. Were you not surprised to see the President did not sufficiently address spending reductions in his budget, basically accepting the economic status quo? In fact, the variances in his package on projected deficits between now and his package of 1993 is more than an 11 percent change in the deficit, for the worse.

Mrs. HUTCHISON. You say you were not surprised. Well, after seeing the State of the Union Message where he challenged Republicans to come up with spending cuts and yet did not offer spending cuts for us to consider, it is really not a big surprise.

Ms. SNOWE. Will the Senator further yield? I think the President has in the past, as the Senator referred to, challenged us to offer specific cuts. As I said, I served on the House Budget Committee for the last 2 years and the last two budgets that we presented had very specific cuts of \$435 billion in reduction in spending over 5 years. And then for the 1995 budget, we proposed an additional \$150 billion. The fact is, there was another budget that was offered on the floor, in addition to the Republican-offered budget, and that was a budget that would have provided additional spending cuts over the

President's by \$182 billion for a total of \$682 billion worth of spending reductions in the Federal budget over 5 years.

But the fact is, no one is prepared to accept those spending reductions and recommendations unless we are forced to because there is no discipline, and I think the American people are savvy enough to recognize that we are not going to take that self-enforced action unless we are required to.

That has been the past and clearly will be the future without a balanced budget amendment.

The Senator was referring to the issue of restraining growth as proposed by the Joint Economic Committee in terms of what we could do to balance the budget just by restraining the growth in Federal spending. It is remarkable. If we were to restrain growth in spending by 2.4 percent exempting Social Security, we could save \$28 billion in new spending every year. That is \$28 billion. Increased spending based on growth is \$420 billion over the next 7 years and we can increase spending by half that amount. I do not think there is anybody in America who would not think that is a substantial amount or sufficient enough to address some of the issues and some of the programs and the needs of this country and our changing priorities because over the next 7 years I would expect that we would have some changing priorities and needs and concerns as they arise.

Mrs. HUTCHISON. I think the Senator from Maine is making an important point. We are starting to talk about prioritizing—what can we cut in order to put more in the programs that we need, the ones that are really essential. In the President's budget he says he is going to look at reinventing Government by paring down HUD and the Department of Transportation, and I applaud the President and I wish to give him credit for taking that step.

However, I think what we have to do is to start looking at how we can do things in a different way. Maybe it is not just cutting down departments. Maybe it is cutting down the infrastructure. Why do we necessarily have to keep the entire infrastructure of the Department of Transportation and the infrastructure of the Department of Housing and Urban Development?

Perhaps we could take away some of the bureaucracy by having fewer departments, by streamlining Government, by terminating some programs, such as the ICC, which the President has proposed again to eliminate and which I am going to support, and by handing power back to the States. Handing power back to the states is very important in the overall effort to make the Federal Government smaller. When we do that, let us not keep all of these massive bureaucracies in place. Let us consolidate some departments—maybe the Department of Education.

I think the Senator from Maine would probably agree with me that if we are going to get this country going

in a different direction, the one most important thing we can do is to pass a balanced budget amendment and force ourselves to stop deficit spending. Let us start working toward the balanced budget and then eventually we will be able to start working on paying down the \$4.7 trillion debt.

Ms. SNOWE. Will the Senator yield? I think the Senator is absolutely correct in referring to performance-based budgeting which was part of the testimony that was submitted to the Senate Budget Committee recently.

The Senator is correct in suggesting that what we should do is look at every Federal agency, look at Federal programs, examine how we can deliver them more efficiently. Perhaps they are best delivered by the States and local governments. How can we be innovative and creative rather than just accepting the status quo.

We have hundreds and hundreds of programs that we have been delivering for years and years in pretty much the same manner, and there has been no incentive to address them differently or to rework them in a way where it could save taxpayers money.

I think the taxpayers of this country understand full well that the Federal Government should be balancing its revenues with its expenditures because ultimately that debt is being passed on to future generations.

So the Senator is correct in saying that we should examine—and I gather that is what the Senator is recommending—all of these Federal programs and agencies so that we have a better understanding of what we can afford, what is best left to the States to address and perhaps the Federal Government should not be implementing some of the services programs that we currently do.

We have never looked at it from that standpoint in the past. It has never been a performance-based driven budget, and we have no innovation and creativity delivered in a way that will save taxpayers money. The constitutional amendment to balance the budget will clearly be incentive considering there has been no incentive in the past other than to divert and avoid the statutory requirements of balancing the budget.

Mrs. HUTCHISON. I think the Senator from Maine would agree that for us to be able to put our best creative efforts forward, to decide how we can go forward into the 21st century by doing things a different way, doing things more efficiently, and giving the States back the power that they had when our Founding Fathers made the Constitution, we have to say there is a limit. The Government, like everyone else in America, will have to live within a budget.

We are not going to cut everything. The sky is not falling, as you have heard on this floor day after day after day. We are going to make responsible expenditures.

The Federal Government needs to do what it does well. It needs to have a

strong national defense. We need to have big science projects to create the new technologies that create the new jobs for the future and improve the quality of life. We need to deliver our mail; that is one of the things that everybody assumed the Federal Government would do. We are not doing it very well. We could do it a lot better. We need to have foreign representation. We need to have foreign policy.

There are many things that the Federal Government should do and do well, and we need to appropriate the money to do that. We need to appropriate the money for closing our borders to illegal immigrants. There are many things that we will need to fund. But the difference is, from the debate we have heard between the two parties disagreeing on this issue, with some exceptions, of course, are we going to live within the budget and are we going to make those tough decisions? It is not a cart before the horse—you tell me what the decisions are going to be and then I will decide if I am going to do the responsible thing by saying you have to live within your budget.

There can be no question that we must live within our budget. And it is irrefutable that for 34 of the last 35 years we have not lived within a budget. We are going to have to take the necessary precaution of making parameters, and in this case the parameter is a balanced budget amendment which says Congress, you are going to live with a budget, and you can decide the priorities.

I think we should give Congress the freedom through the generations of the future to decide its priorities. But for heaven's sake, let us not miss this opportunity to promise to the American people that we are going to stop putting an \$18,000 debt on every child born in this country.

Ms. SNOWE. Will the Senator yield?

Mrs. HUTCHISON. I will be happy to yield.

Ms. SNOWE. Would the Senator be surprised to know that half of the citizens of this country, half under the age 35 have only witnessed Congress balancing the budget just once? I guess it would not be surprising, given the fact we have seen on so many occasions Congress has avoided that responsibility.

As the Senator knows, before the Senate is pending the Daschle amendment, the right-to-know amendment. Do you think it is fair, I would like to ask the Senator, that we would present a budget, according to the Daschle amendment, a balanced budget plan to the American people knowing full well that that might not be the plan in the year 2002 because we have three intervening elections with two Presidential elections, different makeups of Congress, different priorities, different emergencies that might arise? If we only recall what has happened in the 7 years since 1988, we can only appreciate

what might happen over the next 7 years.

Under the Daschle amendment, we are being asked to set forth a balanced budget plan, right to know, send it out to all the States accompanying the ratification of the constitutional amendment. People will be making their decisions thinking that this will be the balanced budget plan in the year 2002 when in fact, of course, it would not because in the meantime Congress will be making all kinds of changes to that balanced budget plan.

So, Mr. President, I would ask the Senator, do you think it is fair to present that kind of plan to the American people knowing full well that that will not be the plan ultimately in the year 2002?

Mrs. HUTCHISON. I would only say to the Senator from Maine that I think it would be more fair if the minority leader would put forth in his right to know to the American people what they are going to do to balance the budget if we do not pass the constitutional amendment to require it.

I think that is what the American people would like to know. What are you going to do differently today than you did 34 out of the last 35 years? That is a right I think the American people have, to know before someone votes to kill this opportunity to have a balanced budget amendment for this country for the future, to know what they would do if it is defeated.

We must make sure that our future generations do not carry the debt of overspending and the excesses of the present day. We should not have the right to bind future generations from any present point by not living within our means. That is the bottom line.

It is not fair to say you are going to kill this amendment with a right-to-know provision if you are not going to say to the American people what they have a right to know, and that is what are you going to do to balance this budget if you do not have the amendment? That would be the responsible approach. Does my colleague not agree with me?

Ms. SNOWE. Mr. President, if the Senator will yield, I certainly do agree. I am sure that she will agree the fact is these amendments that are being offered—certainly the Daschle amendment is an attempt ultimately to kill the constitutional amendment to balance the budget. Which, as the Senator has mentioned, this will be our last occasion. This is our window of opportunity, because we have seen a historic vote take place in the House of Representatives last week. For the first time, that body enacted a constitutional amendment.

The last time the Senate enacted a constitutional provision and the House did not was in 1982. As I said, since that time, we have seen a 309-percent growth in the debt. That is \$3.5 trillion since the last time the U.S. Senate enacted a constitutional provision.

We certainly cannot put that onto future generations by failing to do what

is important here today. I think all of these amendments that are being offered are being offered in the spirit of killing the constitutional amendment to balance the budget, because they know full well we will in the final analysis balance that budget because we will take that action now.

Does the Senator not agree we would obviously begin that process to achieve that goal of balancing the budget so we can be prepared for meeting the final goal in the year 2002?

I know when I was in the House working on this issue, and we worked on to 1992, and in 1994 we in fact had planned to begin to set the process forward, in the first year and the second year, of course, as we are here, to begin the process of gliding us toward that path of a balanced budget in the year 2002, in anticipation of and presuming the States would ratify the constitutional amendment.

Mrs. HUTCHISON. Mr. President, I think the Senator from Maine has come to the bottom line. The amendments that are being offered are being offered to kill the amendment. I hope the American people will see this debate for what it is.

I have so much faith in the American people, in the good common sense of the people of this country. They can see the people who are being sincere about wanting to change the course of America, and those who are throwing up the roadblocks in the name of—whatever. Whatever exception they would like to have. It is a smokescreen. It is an effort to keep us from doing what really will get this country back on track.

We will have to make very tough choices. There is no question about that. Everyone knows that. But as I go out in my State and in the other States I am able to visit, I think people are ready. I think people more than ever are ready to say, "You know, I would really like to have that expenditure, or some other program, but if it takes not having that particular program in order to balance our budget, we are willing to say in the scheme of things this may not be as important as the big things that only the Federal Government can do and do well."

I am sensing that.

Does the Senator sense that in the State of Maine as she goes home and talks to the good, commonsense folks of Maine?

Ms. SNOWE. Mr. President, if the Senator will yield, I certainly do. Having been involved, of course, in this last election, I certainly understood the concerns of the people of my State of Maine, which was that we needed to be accountable for our actions and to be fiscally responsible.

People are no longer prepared to accept the notion we were going to continue with the economic as well as the political status quo. They understand we have not been accountable fiscally in the past. They are concerned not only about their own futures; they are

concerned about their children's futures, as well. They know the impact of the deficit has affected their standard of living, whether it is through loss of jobs, the loss of productivity, the loss of savings that allowed this country to grow—it has prevented us from making the necessary investments in our infrastructure so we can invest in the future of this country. We cannot grow if the pie is getting smaller because we are consuming greater and greater pieces of that pie to pay the interest on our growing national debt.

The American people understand that. I know my constituents in the State of Maine understood that. For those people who are not involved—and I know the Senator was involved in an election last November—but for those who were not involved, they clearly misunderstood the message if they think the American people do not want a constitutional amendment to balance the budget. They do. They do not understand, as the Senator has mentioned, that the Federal Government does not balance its budget. Because everybody else in America does. They cannot understand why the United States Congress is not required to meet the same bottom line as every State save one in America, every family, and every business.

So in the election last November, that was the message. I think, in the final analysis, if we fail to pass this constitutional amendment, it really will send a message to the American people that somehow we do not get it. I think that would be unfortunate.

As the Senator from Texas would agree, the American people deserve more than that.

Mrs. HUTCHISON. Mr. President, I think the Senator from Maine has hit the nail on the head. Those of us who were in the election, an election that I think was to change the course of this country, do get the message. We got the message from the American people that they want a balanced budget amendment. Probably of all the issues they were voting on, this was among the very top.

I saw a poll in the Washington Post that showed 4 out of 5 Americans want a balanced budget amendment. Of course, the people will have another say in this. They do have the right through their legislatures to act on this balanced budget amendment to the Constitution. It does not just automatically go into the Constitution if we do pass this amendment by our two-thirds vote here. It will go to the States and three-fourths of those State legislatures must ratify the amendment.

So the people are going to have their say. They will be able to have the final word. I think it is very important for us, because of the message the people sent so loud and clear, that we are required to send it to the States to let



people have their say. I think the people will feel much better if they have the opportunity to act in this way on a very important part of the election of 1994; the election in which they said we want a more accountable Government, we want a more accountable Congress, and we want responsibility to be shown by our leaders.

That is exactly what we are trying to do. As the Senator from Maine pointed out, I think the people are going to send another very clear message in 1996, if they do not see that things are being done differently in the Halls of Congress. I think particularly because the House has acted on this already, it is very important the Senate, hearing the people's voices, give them a chance to let their legislatures ratify this amendment, or not ratify it, as they see fit. That is their voice.

But I think it is incumbent on us to let the people speak, through their legislatures, exactly what their feelings are on this issue.

We have the opportunity of a lifetime. For the first time in years, this Congress has the opportunity to change the course of this country by letting people have their say. I think we must do it. We really must do it. If we do not, if we did not get the message, I think that the people in the U.S. Senate who are now representing the people of our Nation will hear a lot more from the people. I got the message. I think the Senator from Maine got the message. But I am not sure that everybody that I have heard debating for the last week has gotten the message. I certainly hope for everyone's sake that we do the right thing.

Last year, when we were debating this amendment, Senator SIMON from Illinois, who was the sponsor of the balanced budget amendment and who did a wonderful job, was talking about the importance of this balanced budget amendment. He said the reason there were so many heroes in the Alamo is because there was no back door. Well, of course, no Texan could let that pass because I had to defend the honor of the heroes at the Alamo. I had to set history straight and say to the good Senator from Illinois there was a back door at the Alamo. The back door was when the line was drawn in the sand and every man at the Alamo was given a choice to cross the line and stay and fight or not to cross the line. Any man that did not cross would have been able to leave the Alamo before the siege began and go to the rear. Of course, everyone knows that every man crossed the line, including Jim Bowie, who had to be carried across the line in a stretcher. In effect, the Senator from Illinois was correct. The back door was a line in the sand. The line in the sand gave them the escape but the great heroes at the Alamo chose to close that door.

What the Senator was saying was we have a balanced budget amendment that is closing the door. We are not going to have heroes because we are

going to close the back door, and we are going to do what is right. It is not heroic. It is just good common sense. Every person in America should know that it does not take a hero to do what everybody else in America is already doing, and that is living with a balanced budget; setting the parameters of what they think is best, and, saying, OK, this is what I have and I am going to prioritize with the resources that I have.

That is what we are asking the Congress of the United States to do, not just for today, but for our future generations. It is right that we amend the Constitution because this is a very important policy. It is part of our structure of government that we say we will live with a balanced budget.

Just about every State in this country has a balanced budget amendment in its constitution. It is the framework of government, whether you live with a debt or not. It is right to put it in the Constitution. What is not right is to legislate on the amendment by saying we are going to balance the budget but we will have these exceptions. That is not a document that will live through the centuries as our Constitution has.

Our Founding Fathers created a living document because they put the framework in place. It is a giant step to amend this wonderful document. That is why it has not been done very often. But it has been done when there was a need to continue to make it a living document, and that is why our Founding Fathers gave us a chance to amend it. They knew things would change in the course of our country's history. They knew that they would have to provide some way for us to be able to add to it so that it would continue to live, so that our people would not be oppressed with the document that did not protect them from the changes that they could not even envision.

I think a balanced budget amendment to the Constitution is very proper because it says this is going to be part of the framework of our Government, that we will live within our means and that we will not put a debt on the heads of our children for the spending that we do today.

It is pretty simple, and I think the American people understand that. I think the American people are a lot smarter than the politicians give them credit for. I think the American people are going to understand in this vote exactly whether the Senate of the United States got the message from November 8, 1994. They are going to be able to determine from this vote whether they need to send another message in 1996, or whether we are going to get this country back on track. Whether we are going to do responsible budgeting for our future and for the future of our children and grandchildren.

We must pass this amendment if we are going to take that first step toward bringing our country back to what our Founding Fathers thought it should be;

that is, a very strong Federal Government that is limited in its powers and very strong States that can make the decisions for their people because they are closer to the people.

So I hope the Senate of the United States does the right thing for the people who have voted for us and who sent a clear message on November 8, 1994.

Thank you, Mr. President.

I yield the floor.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, let me just take a few minutes. I want to reply to the distinguished minority leader who took time to come to the floor and chat about some of the arguments that we have been making. I want to point out that the distinguished Senator from North Dakota mistakes my arguments.

I pointed out that article V sets forth the exclusive conditions for promulgation of a constitutional amendment. The distinguished Senator from North Dakota brought up that there is a 7-year time limit and that is a condition on ratification. Promulgation and ratification, of course, are distinct acts and are two different acts. They should not be confused. Under article V once Congress has passed an amendment by the necessary two-thirds margin in both Houses, the amendment must be promulgated to States for ratification. There is nothing in the text of article V nor in the constitutional history that suggests that Congress can play slick games with the States by passing an amendment but keeping it from going to the States.

The act of promulgation is a ministerial act that must be performed once the two-thirds vote has been obtained. By contrast, there is ample reason why Congress should be permitted to include additional terms and conditions on ratification such as the 7-year time limit.

Article V makes it clear that it is up to Congress to specify the "Mode of Ratification." There is also substantial precedent in our constitutional history for Congress to specify time limits on ratification. In *INS versus Chadha*, a 1983 case—the case that struck down the legislative veto—the Supreme Court expressed the principle that when the Constitution sets out a methodology, Congress cannot expand on it, contract it, or otherwise alter it. Article V provides that a Constitutional amendment that is passed by both Houses shall be proposed to the States for ratification. The Daschle substitute is unconstitutional in that it would place an additional condition on, and thereby delay, Congress' promulgation of the balanced budget amendment. So I wanted to point out that difference.

In the meantime, what I would like to do, Mr. President, is just point out what is happening as we debate the balanced budget amendment. We call this chart the balanced budget amendment debt tracker. In other words, this is the

increase as we debate. On day one of the debate, the American taxpayers were called on to pay \$829,440,000 in additional debt. That is day one of the debate. Now we are in day eight since the debate started. I have to tell you that if we put day eight down and accumulate it up to today's date, we are talking about a \$6,635,520,000 increase in the national debt as we have debated the balanced budget amendment. In just 8 days, we shot up from here to here. We have gone up from a little less than a billion dollars to almost \$7 billion—\$6,635,520,000—in just 8 days. We intend to put this balanced budget amendment debt tracker on the floor every day. Day 9 will go up even a little bit more, and we will keep that going on as we go through each day of debate, because there are those who think that a prolonged debate and a defeat of the balanced budget amendment in the end, of course, is a good thing for America. We think a prolonged debate and defeat of the balanced budget amendment is a disaster for America, and this shows us the difference in just 8 days of debate, what it means to the American taxpayers.

According to the Concord Coalition, our national debt increases at \$9,600 a second. That is \$576,000 a minute, \$34,560,000 per hour, and \$829,440,000 a day.

So as this chart shows, the national debt on January 30, 1995, the day we began debating this amendment, was in excess of \$4.8 trillion. That is what this red line means. On the first day of that debate, we added \$829,440,000 to the national debt, all while we are standing here talking about the balanced budget amendment.

By 2 o'clock today, 7 days later, the eighth day, the debt has increased by \$6,635,520,000. So as I have said, beginning today, I will post on this chart how much the debt has increased since the debate began. As you can see, the amount is tremendous.

Mr. President, we have been debating day in and day out, for the 19 years that I have sat in this body, how we should balance the budget. We ought to have the guts to do it and we should do it. Yet, every day we are going up \$1 billion in national debt while Washington spins around and does business as usual. Mr. President, that is what is happening here—business as usual, the old order, the old way of doing things. I loved James Q. Wilson's article in the Wall Street Journal. He has never been a believer in the balanced budget amendment, but he has come to the conclusion that it is the only thing that politically will work. I think this type of a chart helps him to understand why it has to be.

Mr. President, I am tired of the old order. I am tired of the old arguments. I am tired of the excuses. I am tired of the American taxpayers having to live with our profligacy. I am tired of your children and my children, your grandchildren and my grandchildren, having to pay for the profligacy of people who

do not have the guts to do what is right here. We have a population out there, in part, that is demanding that we cut the deficit but the reason we do not do it is that we are demanding tax cuts while they want more spending. If someone tries to bring fiscal order around here, many of these people will scream that it may hurt my program.

That is why we need a balanced budget amendment. We have to do something in the best interest of the country as a whole, of our children and our grandchildren. This chart, I think, as well as anything I know, shows us where we are going. Each one of these days we will put up how much, since the first day of debate, spending and the deficit has gone up.

The best argument I know to make for the balanced budget amendment is to read this budget of the administration that they just handed out today. I know the administration tried to do its best, but even it has thrown its hands in the air and said we cannot do any better than almost \$200 billion deficits every year for the next 12 years.

I have to tell you, that is not the answer, Mr. President. The answer is the balanced budget amendment that says, look, the game is up, fiscal responsibility is finally here, or else you are going to have to vote to not be fiscally responsible and face the wrath of the taxpayers. That is what this amendment will do. That is why our colleagues should vote for it. I hope they all will.

I yield the floor to my colleague from Alabama.

Mr. HEFLIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. HEFLIN. Mr. President, there is certain language in the resolution calling for a constitutional amendment to balance the budget that I think needs some explanation and may throw some light on some aspects of our Government that we need to be informed about.

Section 2 speaks of the debt of the United States. This is a section that I believe should be very strongly included because I think it gives enforcement power. It reads as follows:

The limit on the debt of the United States held by the public shall not be increased, unless three-fifths of the whole number of each House shall provide by law for such an increase by a rollcall vote.

Now, the particular language that I want to direct the attention of the Senate to is "the debt of the United States held by the public." In the committee report, which I intend to offer in its entirety into the RECORD, there are explanations on various aspects of the language found in the resolution. Let me direct your attention to these words

\*\*\* debt of the United States held by the public \*\*\* a phrase which is a widely used and understood measurement tool. The General Accounting Office, in its "Glossary of Terms Used in the Federal Budget Process" [(Exposure Draft, January 1993)], defines "Debt Held by the Public" as "That part of

the gross Federal debt held outside the Federal Government. This includes all Federal debt held by individuals, corporations, State or local governments, the Federal Reserve System, and foreign governments and central banks. Debt held by government trust funds, revolving funds, and special funds is excluded from the debt held by the public."

The current, accepted meaning of "debt \*\*\* held by the public" is intended to be the controlling definition under this article.

I think it is very important, relative to trust funds, that we understand that the debt held by Government trust funds, revolving funds, and special funds is excluded from the language "debt held by the public."

Now, under section 2, it takes a three-fifths vote to be able to raise the national debt held by the public. I interpret this to mean that in the event that we did not raise the national debt, we did not vote by the three-fifths vote to do it, then trust funds, revolving funds, and special funds that are in surplus could continue to be paid.

Normally, in the course of events, if the U.S. debt is not raised, you have reached the maximum of the debt. Therefore, you cannot borrow. When you cannot borrow and do not have funds to operate on, the Federal Government comes to a halt.

But by this language, "trust funds, revolving funds, and special funds" are excluded from this. Therefore, if there is surplus in those trust funds, then payments can be made to the recipients of those trust funds or those revolving funds. Now, that would apply to Social Security funds. That would apply to highway trust funds. That would apply to aviation trust funds and others, according to the way I read this, relative to the operation of the Federal Government in the event that a debt limit is not raised in order for the government then to continue to borrow.

I want to also speak briefly on trust funds and to some of the other aspects of this language. Under section 1, we have a situation where the total outlays shall not exceed the total receipts for the fiscal year unless you have a three-fifths vote. In the definition as to what "receipts" means, under section 7, it is defined in the language and it is the explanation given in the committee report that:

Total receipts \*\*\* is intended to include all moneys received by the Treasury of the United States, either directly or indirectly through Federal or quasi-Federal agencies created under the authority of acts of Congress, except those derived from borrowing. In its present usage, "receipts" is intended to be synonymous with the definition of "budget receipts," which are not meant to include offsetting collections or refunds.

The exception to total receipts is "except those derived from borrowing." And this "is intended to exclude from the receipts the proceeds of debt issuance. To borrow is to receive with the intention of returning the same or the equivalent. It is intended that those obligations, the title to which can be transferred by the present owner to

others, such as Treasury notes and bonds, be excluded from receipts."

Now here is an important aspect of this explanation: "Contributions to social insurance programs, though also carrying an implied obligation, are not transferable and should be included in receipts."

Basically, I interpret this language to mean that trust funds, like Social Security, which take in contributions, should, therefore, consider those contributions as receipts within the meaning of the foregoing language. Therefore, they are not excepted from the definition of total receipts. Actually, I believe the way this is written, "to include all moneys received by the Treasury of the United States," will mean that Social Security funds and other trust funds cannot legislatively be declared to be off-budget. I believe that the way this language is written constitutionally requires that trust funds be on-budget as opposed to being off-budget.

Now, trust funds are in instances loaned to the Government where there is a surplus like in the Social Security trust fund or in the highway trust fund or in the aviation trust fund, and so forth. They are placed in Government securities, as required by Federal law. Being placed in Government securities, therefore, they are not transferable, because they are a unique type of obligation that is required for the Government to purchase.

Therefore, a surplus that is invested from the Social Security trust fund can be repaid under the language of this amendment and the definition of outlays has to be considered. In the definition of outlays, the amendment says, "Total outlays shall include all outlays of the United States Government except for those for the repayment of debt principal."

So, in regard to the application of the balanced budget amendment and the balancing of the budget to require a three-fifths vote, we see that, first, trust funds surpluses are included in the total receipts but for the pay-back of the trust funds. Therefore, there is the exception that excludes it from the three-fifths vote in that it is a repayment of debt principal. And the repayment of debt principal allows the borrowing that is done from trust funds to be repaid without having to go through the three-fifths votes or to be, in effect, on budget in that manner.

Now, there is a problem, as I see it, where the Social Security trust fund or any other trust fund with a surplus, is taken and put into the special types of instruments by which the Government invests in Government securities. But there is a problem in that attributable interest is not included in the "total outlays" exception.

As the attributable interest on the debt principal becomes due and payable, therefore, a question is raised as to whether or not it has to be paid through the regular budget and could Congress, by law, refuse to pay the in-

terest due on the principal debt? These are questions which must be answered in the days ahead as we debate the implications of whether or not there should be a Social Security exclusion within the proposed constitutional amendment to balance the Federal budget.

A similar question is raised in regard to an issue pertaining to a capital budget. As I interpret the language, the definition of total receipts excepts from the total receipts those that are derived from borrowing. If we borrow, then we would have the right for that income not to be included in regard to total receipts.

Then, on outlays where we have an exception for the repayment of debt principal, we have an exception which can apply to a capital budget. But again, the attributable interest has to be handled through the two-thirds vote and through the three-fifths vote in a manner that it is brought up.

I do not think the language of this excludes a capital budget, but on the other hand there is the question pertaining to the interest that I think is a matter that ought to be considered and about which we ought to be knowledgeable as we further debate this amendment.

Mr. President, I ask unanimous consent that the committee report filed on this proposed resolution be considered, as fully printed, a part of the debate at this point in my remarks.

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

Mr. HEFLIN. Now, Mr. President, we know all the statistics and have heard all the arguments for and against an amendment requiring a balanced Federal budget on numerous occasions over the years. It appears, however, that this body will finally get its best chance yet to draw upon the potential of this Nation and finally adopt a balanced budget amendment resolution and send it to the States for ratification.

The 104th Congress has seen a confluence of political and fiscal developments that makes the amendment's chances of passage this year by both Chambers of the Congress better than ever before. The House has already acted, and has said emphatically that this is the discipline we need. The intense concern to do something about the deficit has become part of the national psyche: It is on the mind of every person who thinks and cares about the future of America. This resolution enjoys broad bipartisan support.

For most of our history, a balanced budget at the national level of government as an unwritten part of our Constitution. A balanced or surplus budget was the norm for the first 100 years of the Republic. In recent decades, however, Americans have witnessed a continuing cycle of deficits, taxes, and spending. We tend to look at each program in isolation, not realizing how each appropriation affects an already strained treasury.

Alexander Hamilton, while serving as Secretary of the Treasury, once said: "Public debt swells 'till its magnitude becomes enormous, and the [burdens] of the people gradually increase 'till their weight becomes intolerable. Of such a state of things great disorders in the whole political economy, convulsions, and revolutions of government are a natural offspring." Hamilton made this observation nearly 200 years ago, but it is surely instructive to us as we debate the balanced budget amendment.

Similarly, once our Constitution was finally adopted, Thomas Jefferson warned, "The public debt is the greatest of dangers to be feared by a republican government" Jefferson knew the long-term evils of deficit spending.

Over the course of history, we have lost sight of our Forefathers' warnings. I am firmly convinced that the Federal Government does not have the will power to reduce spending and balance its budget without a constitutional amendment mandating that it do so.

Yes, this amendment's opponents argue that if we possessed and practiced a stronger discipline, such a drastic measure would not be needed. I do not dispute that sentiment. I wholeheartedly wish that we did not need this amendment. I do not take amending the U.S. Constitution lightly. But I do dispute the sentiment's reality. Incredibly, the last balanced budget came 25 years ago under President Johnson. The haphazard fiscal policies of the last 20 years or so show that the problem goes much deeper than individual or collective resolve. We have to admit that simple collective will power will not solve this dilemma, regardless of who is responsible for the state of affairs as it now stands. We all must accept responsibility. It is the institutional structure of government that encourages short-term responses to individual need, rather than their implications for the greater good and the future.

Others argue that such an amendment would alter forever the balance of power between the executive and legislative branches. But under this amendment, each branch will retain its constitutional powers. The stalemate we have now with regard to national fiscal policy would be broken without significant changes in the balance of power.

Other opponents say that this amendment will result in economic policy and budgeting by court decree, significantly higher taxes, and severe cuts in important programs. The provisions in this resolution address each of these arguments and provide safeguards against them. The bottom line is that the amendment will impose upon the executive and legislative branches the discipline needed to set priorities.

It is important to understand what will happen if we do not get our national deficits and debt under control. Increased debts leave smaller safety margins necessary to deal with possible

economic adversity. This poses a certain threat to our economy, leaving it highly vulnerable to increases in interest rates or shortfalls in income.

Moreover, should interest rates rise during this period of high personal and corporate debt, many individuals and businesses would be unable to meet the high interest payments to follow. Bankruptcy and economic instability would become widespread.

If we look back just a few years, we can see that the refusal of the executive branch and Congress to take seriously the mounting deficit was one reason the American economy faltered during the period before the 1992 elections. As our national savings pool shrank, our rate or gross investment became too low, our interest rates too high, and job creation too slow. The favorable economic conditions we have now are encouraging, and proof that the omnibus bill we passed in August 1993 was the right thing to do. But this should in no way absolve us from taking further, more definitive action by passing this resolution.

We should not fear the State's approval of an amendment to balance the Federal budget, as over 30 have already signaled a willingness to do. The State legislatures are where the heart of this debate should be, since more than 40 out of 50 have already learned to operate under laws mandating balanced budgets.

There is no doubt as to what our responsibilities as national leaders are in this regard. There is also no question as to what the American people want and deserve. The only question is whether we are willing to respond affirmatively by accepting the challenge. What this debate boils down to is the very future of this country. A constitutional amendment to require a balanced budget is the only way to once and for all control spending and eliminate record high deficits. It is time to take decisive action rather than to continue divisive rhetoric.

Indeed, we have already exhausted a wealth of different options to bring our finances under control, but they remain out of kilter. The right thing to do is to amend the Constitution so that Congress and the President are required to balance the budget.

Mr. President, I yield the floor.

Mr. BREAUX addressed the Chair.

THE PRESIDING OFFICER (Mr. CRAIG). The Senator from Louisiana.

MR. BREAUX. I thank the President for recognizing me.

Mr. President, we are engaged in debate on the question of whether we should submit to the States a constitutional amendment to ask them to approve that which would require the Federal Government to balance the budget. You would think that on such a historic debate people in the galleries would be falling over themselves to listen to the words of all of the Members of the Senate because, indeed, this is a very important debate. But I do not see there is that great interest in what we

are doing on the floor of the Senate this afternoon, and that is unfortunate, because I think it is very, very important that Members of Congress, not only in Washington, but elected officials in our States, also reflect on what we are doing because it, indeed, will affect them directly.

I take this time to call to the attention of my colleagues a very excellent editorial which appeared this morning in the Baton Rouge Morning Advocate, one of the, I think, outstanding papers that covers the State of Louisiana. I will ask that it be made part of the RECORD. It addresses what I think is a key part of this debate.

We, in the Senate, cannot pass a balanced budget amendment by ourselves. I want to say very clearly, I support a balanced budget; I support a balanced budget amendment. I think it should be part of the Constitution. But I think that we should recognize that there is a partnership arrangement here. We cannot do it by ourselves. A balanced budget amendment can only be part of the Constitution if 38 States ratify it. Then it is going to be incumbent upon them to look at the balanced budget when they get it, say, my State of Louisiana, and say, "All right, what does this mean? How is it going to affect the people of Louisiana?" not just how does it affect Congress or how does it affect Washington, because the real effect is going to be on the people in the various States.

The editorial is headlined "People Deserve an Explanation." And it says:

House majority leader Dick Armey, R-Texas, is right when he says spelling out necessary spending cuts will make it tough, maybe impossible, to enact a balanced budget amendment.

However, Armey and his party are wrong to refuse to level with the people about what this would entail.

The editorial continues:

As Armey has suggested, knees are likely to buckle in Congress if the pain this will cause is detailed. Many citizens also will lose zeal for fiscal responsibility when they discover that it is likely to affect them.

The Republicans' refusal to say how they propose to balance the budget sends a clear message that they believe the cowards among us, in Congress and elsewhere, outnumber those who are willing to face unpleasant facts and do what is necessary to correct this problem. Recent history supports that premise, but this can change with responsible national leadership in the White House and Congress.

In a representative democracy the people deserve to be given information they need to make up their minds about vital issues. Given that information, the people might well make the wrong decision, but that is the privilege of a free society.

Furthermore, the political strategy of refusing to divulge details, as smart as it might seem to congressional leaders, could backfire on them.

The public's appetite for detail is not always keen, but the American people don't appreciate politicians who deliberately keep them in the dark.

The editorial concludes by saying:

We want the budget balanced and the national debt reduced, but we cannot support

the notion that what the people don't know won't hurt them.

I ask unanimous consent that the entire editorial be printed in the RECORD.

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

[From the Baton Rouge Morning Advocate, Feb. 6, 1995]

#### PEOPLE DESERVE AN EXPLANATION

House Majority Leader Dick Armey, R-Texas, is right when he says spelling out necessary spending cuts will make it tough, maybe impossible, to enact a balanced-budget amendment.

However, Armey and his party are wrong to refuse to level with the people about what this would entail.

As Armey has suggested, knees are likely to buckle in Congress if the pain this will cause is detailed. Many citizens also will lose zeal for fiscal responsibility when they discovered it is likely to affect them.

The Republicans' refusal to say how they propose to balance the budget sends a clear message that they believe the cowards among us, in Congress and elsewhere, outnumber those who are willing to face unpleasant facts and do what is necessary to correct this problem. Recent history supports that premise, but this can change with responsible national leadership in the White House and Congress.

In a representative democracy the people deserve to be given information they need to make up their minds about vital issues. Given that information, the people might well make the wrong decision, but that is the privilege of a free society.

Furthermore, the political strategy of refusing to divulge details, as smart as it might seem to congressional leaders, could backfire on them.

The public's appetite for detail is not always keen, but the American people don't appreciate politicians who deliberately keep them in the dark.

We don't doubt that Democrats are politically motivated in calling for the Grand Old Party to detail its grand new plans. As columnists Jack Germond and Jules Witcover recently noted, Democrats realize details would bring out special interests in opposition to the amendment. They correctly observed that details of President Clinton's health-care proposals were "the ammunition for their rejection" last year.

On the other hand, we are convinced that Hillary Rodham Clinton miscalculated mightily when she and a legion of advisers undertook to draft those health-care proposals in secrecy. That tactic might have delayed attacks by special interests regarding the specifics, but it also aroused considerable public suspicion about what was being fashioned behind closed doors.

The Democrats' motivation might be petty indeed, but their position is quite correct. As the saying goes, the devil is in the details, and that is precisely why the public is entitled to know them.

A balanced-budget amendment has been approved in the House and likely will come to a vote in the U.S. Senate shortly. U.S. Sen. Bennett Johnston, D-La., has announced his opposition to the amendment. Sen. John Breaux, D-La., says he is undecided.

Breaux, Johnston and 39 other senators support a "right-to-know" provision for the amendment. We don't necessarily favor putting that language in the amendment, but we do support the concept behind it.

Breaux says Congress cannot spell out every projected budget cut in every federal program over the seven years Republicans

want to gradually balance the budget. However, he says Congress can pass a seven-year outline of general intent and budget-writing methods.

Breaux is right.

We want the budget balanced and the national debt reduced, but we cannot support the notion that what the people don't know won't hurt them.

Mr. BREAUX. Mr. President, the point that the editorial attempts to make, and I think does a good job of doing, and the point I have been trying to make is that we are, in effect, by this amendment, without the right to know accompanying it, sticking it to the States and doing it in the dark. We are saying to the States that you should trust us to do the balanced budget efforts that are necessary in Congress in a way that you are going to like or a way that you can handle it or in a way that you can support, but do not make us tell you how we are going to do it.

We are saying, we are going to give you the balanced budget and you should ask your State legislators to vote for it, make it part of the Constitution. And then sometime later, the Congress is going to tell you, after you have already voted for it, after the fact, we are going to tell you what it is going to mean to your State.

But I suggest at that point it is too late, they will have already voted. They will have already voted to cut programs, they will have already voted to have to raise taxes, if they are going to keep a level of program funding for their respective States. But then it is going to be too late.

So I say, what is wrong with trying to require that, when we submit the balanced budget amendment to the respective States, it is accompanied with a budget resolution that says to the States that if you adopt this, here is what it is going to mean to your State? Like the editorial said, they might not vote for it, they may make the wrong decision, but at least they will have made the decision knowing what the implications are.

I asked the National Governors Conference when I spoke to them last week: "Governors, how are you going to answer the question of your speaker of the house or your president of the senate when he or she comes to you and says, 'Governor, if I ask our colleagues to vote for this, what is it going to mean to the people of our State?'"

And the Governor is going to have to say: "I don't know. Trust Congress."

That is not a sufficient answer. It is like Ronald Reagan used to say when he talked about the Soviets, he said trust, yes; trust but verify. I suggest that if the only verification we can give the States is to tell them how we are going to reach that time in the year 2002, in effect achieve a balanced budget in 7 years, what is wrong with telling them how we are going to do it?

Some of our colleagues say, "We can't do that, we can't do a 7-year balanced budget amendment; it is too dif-

ficult, it is too hard to do it." I suggest we did it 2 years ago when we passed a 5-year reconciliation. We cut the Federal deficit by over \$500 billion. It was not easy. Not a single Republican voted for it, but we did it for 5 years. And if my Republican colleagues say, "Well, we can't do it for 7; that is just impossible," how about 5? Make me an offer. Let us do it for 5. I will go along with 5. But at least give the States some information so they can cast an intelligent vote when we ask them to vote for the balanced budget amendment.

Like the editorial said:

We cannot support the notion that what the people don't know won't hurt them.

I suggest that as the States become more concerned about what this really means, they will demand that the Congress give them an indication of what we are going to do, how we are going to do it, before we ask them to vote for it. I think that is fair. I think it is the right thing to do.

Mr. President, I yield the floor.

Mr. ROCKEFELLER addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROCKEFELLER. Mr. President, I rise today to address the Senate, not only as a Senator representing the State of West Virginia, but also in my capacity as ranking member of the Senate Committee on Veterans' Affairs.

To repeat a point I made before this body last Thursday, I still do not understand why so many of my colleagues want to add another page or even more to the U.S. Constitution to force us to do the job we were sent here to get done.

From the day I entered the Senate, and saw the way the Federal deficit was growing out of control, I braced myself for the decisions and the public, out-in-the-open votes that would be required to deal with our budget crisis. Making actual cuts in programs and benefits is hardly ever easy—they almost always take something away from someone. but that's what our job requires. And that is why just 50 of us voted less than 2 years ago to enact a record level of real, actual deficit reduction. We did not need to clutter the Constitution to enact a more responsible and fair budget.

And to speak to today's question, I cannot emphasize enough how enormously troubled I am by the idea of using the Constitution to force \$1 trillion or even \$1.4 trillion in more cuts without West Virginians or the rest of the American people having any idea where those cuts would be made.

At the moment, I want to speak not only for the people of my State, but for the 202,200 West Virginians who are veterans—and for the 26,364,900 veterans across the country.

Mr. President, the veterans of West Virginia and the United States of America have the right to know. They have the right to know what this proposed amendment to the Constitution

will do to the services and benefits that come to them because they once served, or fought, or even physically suffered to stand up for the very rights that our Constitution stands for. What a cruel irony it will be if Congress revises the Constitution to break faith with the very men and women who have served their country so faithfully.

It is not that veterans have excluded themselves from dealing with the country's fiscal problems. Sitting on the Veterans Affairs Committee, I have heard the leaders of veterans organizations repeatedly tell us they are willing to do their fair share in solving the Nation's problems, and that includes the Federal deficit. In fact, veterans made a major contribution to the package that we enacted in 1993. That deficit reduction plan required \$2.6 billion in savings in veterans' programs, spelled out on paper for anyone and everyone to evaluate, debate, support, or oppose.

The difference between the 1993 deficit-cutting plan and this constitutional amendment is that the former told veterans, in my State and across this country, what Congress felt had to be done to cut waste and reduce Government spending—where the latter, this balanced budget amendment, may as well say, "Sign now, pay later." There is not a clue in this amendment to even hint at what will happen to veterans' compensation, pensions, health care, widows' benefits, prosthetics, education, and claims processing. Not one word.

That is why we want to attach a Right-to-Know "rider" on the business before us. We are simply saying a better, more honest policy is for the proponents of the balanced budget amendment to first show upfront who will pay, and when and how, and then we can talk about signing at the bottom line.

I have said before, and I continue to say, that we in this body owe the American people a clear explanation of where the trillion dollars or more of cuts will come from, not vagueness about where they might come from or whether taxes will be increased or decreased. We owe those who have served and sacrificed for this country, the more than 26 million veterans from coast to coast, a clear explanation. They have at least earned the right to hear the full truth.

The Federal Government's agencies and experts are struggling to forecast what impact this constitutional amendment might have on Americans. Most sources from the Government or private organizations say that the size of the cuts required will be unprecedented—immense in scope. Because the budget would have to be balanced in 7 years, one-third of programs from anticrime efforts to Medicare may have to be eliminated. That is a figure, a number: one-third.

In the real world, that figure translates into less police and fewer prison cells. It means seniors finding out their

doctor cannot see them anymore because Medicare has stopped paying. It means rural hospitals going under when payments aren't keeping up with the cost of providing the world's greatest medical care I always hear about on this floor when we try to enact health care reform.

And today, I want to talk about what all this might mean to our Nation's veterans.

I have sometimes told veterans that when you are a veteran yourself, or when you work at the VA or volunteer for a veteran's service organization, you do not need to be reminded about the sacrifices of those who served in our Armed Forces. It is part of your daily life—and it is very easy, Mr. President, to begin to think that everyone thinks about veterans, and the veterans community. But it is not always the case.

Veterans have carried the torch of freedom proudly from one generation of Americans to the next, by their courage in war, in defense of America—and by their dedication in peace to keeping America strong.

So how exactly will this constitutional amendment affect veterans? I do not see a single provision in this proposal to exempt veterans' benefits and services, like monthly compensation for disabled, service-related veterans. I cannot find any large or even fine print that gives one single clue on how veterans' programs will be cut, where they will be cut, when they will be cut.

Make no mistake about it. Veterans' benefits will have to be on the cutting table under a balanced budget amendment that tries to get the job done in the next 7 years. The contract made to veterans will have to be rewritten to rush this quickly and this blindly toward the Promised Land.

Let us talk just a minute about veterans' benefits, Mr. President. We hear a lot about them. What exactly do we mean when we say "veterans' benefits"?

First, there is service-connected disability compensation. This compensation is paid to veterans who were injured while in service to this country. It is a benefit valued perhaps more than any other in VA. Why? Because our Nation recognizes and respects, as we should, the commitment we made to those who gave up their livelihood, left their homes, agreed to risk their lives for their country, and suffered an injury while doing it. Many never came home. Who here intends to break our contract with the disabled men and women who have served their country and risked so much?

When commenting recently on the Contract With America, the Secretary of VA, Jesse Brown, said, "America already has a contract, if not a sacred thrust, with its 26 million veterans who have honorably and faithfully served their country."

Veterans with low incomes get help through a pension program. It differs from compensation in that it is a

needs-based program. It is available only to a totally disabled veteran who served during wartime and though not injured while in service, suddenly finds himself or herself in need of help just to survive. And with the amount of money the Government pays them under this program now, it is all they can do to survive.

Jesse Overbaugh and his family in Richwood, WV, are a good example of how a pension works. Jesse was ill this past year with serious circulatory problems and unable to work. He and his wife, Lucena, still had four children living at home. Jesse is a Vietnam combat veteran who was awarded the Bronze Star. The VA was able to help the Overbaughs until they began receiving other help. The family received a monthly check for \$1,296 from VA. Not much money for a family of six, but it was all the help they could get at the time—and the least our government could do for a man who risked his life in Vietnam.

Do the proponents of this constitutional amendment want to tell Jesse Overbaugh and his family to expect to lose a third of that pension? Or what does the Senator from West Virginia tell them about how this amendment will affect them? They have a right to know, and I would like to know.

When we combine the amount of money VA spends on compensation, pension, and education, it makes up almost 50 percent of the total VA budget. Many people do not realize that.

Yes, the budget can be balanced in 7 quick years through a plan that includes slashing veterans' benefits by 30 percent. That is, indeed, an option. But it is not this Senator's idea of a just or responsible plan.

The veterans and families of my State and this Nation have a right to know what exactly is being contemplated to get the budget balanced this quickly. Is one idea to break promises—our contract—with the men and women who agreed to risk their lives for freedom at home and around the world?

As I stand here today, let us think about reducing our debt—by a third—to the veterans of the 11th Airborne who 50 years ago this past weekend parachuted into the mountains outside of Manila as part of the operation to liberate the Philippines. What do the proponents of this amendment have to say to these veterans and their families, as we debate a constitutional amendment to balance the budget that does not include a single detail on how the job will get done?

Last year, we celebrated the 50th anniversary of the GI bill, often referred to as the most comprehensive legislation ever passed. Twenty million veterans benefited from its programs.

In keeping with that tradition, over 380,000 service members and veterans received benefits from the Montgomery GI bill just in 1994. The veterans still counting on this help to attend college or more education have a right to

know. It is time to tell them, many of them Persian Gulf veterans, to give up on that hope? If this program is cut by a third, there will be \$258 million less in return for the contributions they made to their education. Shouldn't someone be telling them that Congress may be on the verge of breaking this contract with them?

How about our contract with America's military widows? How do you tell the widow of a disabled veteran who died as a result of his service-connected injuries, that her monthly income will be cut from \$769 a month to \$539? That is less than \$7,000 a year. These are not rich people—these are the sons and daughters of America, people often on the margin. We need to remember the price that is paid by those who are left behind during a time of war and world conflict, those left behind to worry—to wonder—to wait. The wives, daughters, and mothers; the fathers, sons, and brothers. War leaves its mark on all of them. They, too, have the right to know what this proposed amendment to the Constitution will mean to them.

Recent surveys show that between 250,000 and 600,000 veterans are homeless each night. Imagine—some 250,000 veterans on any given night living on the streets or in shelters. These figures are absolutely staggering. Outrageous.

I want to remind my colleagues that in 1994, 20,200 homeless veterans received assistance in VA regional offices, shelter sites, and on the streets. How many homeless veterans are living in Maine—in Florida—in New Mexico, or Oregon? My colleagues may not be hearing from homeless veterans. There are good explanations for that. Like not even having the pen and paper or the money for a phone call to be in touch.

We will know soon enough, if this amendment is attached to the Constitution, just how serious the problem of homeless veterans is in every State. The States and communities that don't want unfunded mandates will be handed an immense, unfunded shift in responsibility for veterans living on the streets and grates.

There is not one hospital, one vet center, one outpatient clinic, one veterans' home or domiciliary, that will be safe. If we put the budget on this speeding train, it may have to trample any one of these.

I cannot say which veterans hospitals will be hurt the most by the cuts. Because this constitutional amendment does not come with details like that. I can only guess.

I can speculate that hospitals in rural States and communities will be especially vulnerable. Then I think about small States like Delaware. Would the veterans of Delaware lose their only VA hospital? Or other rural States where VA medical centers provide health care to thousands of lower income people who have no place else to go? Medical centers like those at



Hot Springs, SD, or Fort Harrison in Montana?

Mr. President, I ask unanimous consent at this time that tables from the 1994 Annual Report of the Secretary of

Veterans Affairs showing the number of patients receiving inpatient and outpatient medical care, broken down by State and facilities, be printed in the RECORD.

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

TABLE 7.—PROGRAM SUMMARY, INPATIENT AND OUTPATIENT MEDICAL CARE, FISCAL YEAR 1994

Location of VA facility	Inpatient care—patients treated <sup>1</sup>								Outpatient medical care	
	Hospitals			Nursing homes			Domiciliaries			
	VAMC hospital care component	Non-VA <sup>2,3</sup>	State home <sup>2,4</sup>	VAMC nursing home care component	Community <sup>2,3</sup>	State home <sup>2,4</sup>	VAMC domiciliary care component	State home <sup>2,4</sup>	Visits to VA staff	Fee basis care
Departmentwide:										
Totals	906,925	20,377	2,056	30,926	29,096	17,873	18,244	6,453	24,134,839	1,023,144
Transfers	33,651			614	452		20			
All facilities: Totals	940,576	20,377	2,056	31,540	29,548	17,873	18,264	6,453	24,134,839	1,023,144
Alabama:										
Birmingham	7,455	86			129				166,437	
Montgomery	3,668	88			37	205			45,299	20,092
Tuscaloosa	4,016	3		236	19				65,562	
Tuskegee	5,822			208	60				82,849	
Alaska: Anchorage (ROC)	46	1,700			55		71		57,349	33,113
Arizona:										
Phoenix	10,379	122		306	211				232,574	10,718
Prescott	2,533	12		77	177		706		77,304	
Tucson	5,966	2		664	370				183,676	
Arkansas:										
Fayetteville	3,733				60				76,726	
Little Rock <sup>6</sup>	16,696	214		307	397	34	268	15	288,136	27,375
California:										
Fresno	4,376	29		330	80				125,171	4,786
Livermore	1,365	87		206	31				49,131	
Loma Linda	7,504			273	267				191,043	
Long Beach	11,961	233		496	268				358,982	
Los Angeles (IOC)									158,800	349
Martinez		666			115				293,825	15,767
Palo Alto <sup>6</sup>	10,389	117		775	583		212		278,897	13,420
San Diego	8,280	211		308	202				261,458	19,695
San Francisco	7,719	245	570	256	274	883		1,284	228,609	22,200
Sepulveda	1,788	176		72	107				250,206	
West Los Angeles <sup>6</sup>	15,683	52		318	609		956		407,912	
Colorado:										
Denver	7,732	29		239	247	301		42	213,383	7,986
Fort Lyon	840	48		192	35				37,583	
Grand Junction	2,428			71	67				42,410	
Connecticut:										
Newington	2,713	66	717		102			971	80,393	7,083
West Haven	7,330	5		159	197				177,174	
Delaware: Wilmington	3,142	23		129	90	455			80,271	2,091
District of Columbia: Washington	10,295	124		233	222	368		124	241,055	3,740
Florida:										
Bay Pines	11,560	1,594		488	481		609		264,921	61,692
Gainesville	9,604	47		224	143				183,575	
Lake City	6,059	6		216	59				89,620	
Miami	12,051	235		421	246				396,341	
Tampa	12,325	48		506	437				372,733	
Georgia:										
Atlanta	8,662	422		225	291				176,838	44,653
Augusta <sup>6</sup>	9,870	4		88	245	358			147,809	
Dublin	4,588	2		174	153	396	743	135	74,004	
Hawaii: Honolulu (ROC)		2,009			52				81,929	15,956
Idaho: Boise	3,275	25		277	105	253		132	92,650	2,977
Illinois:										
Chicago (Lakeside)	6,746	23			133				171,059	
Chicago (West Side)	8,177	225			340				265,084	11,016
Danville	6,271	43		358	142				122,187	
Hines	13,080	75		495	543	515		15	273,266	
Manon	4,858	21		133	283				92,650	
North Chicago	4,465	40		554	476		211		146,396	
Indiana:										
Fort Wayne	3,102			132	144				37,560	
Indianapolis <sup>6</sup>	7,995	182		218	305	417		78	183,679	21,416
Manon	2,418			100	79				54,701	
Iowa:										
Des Moines	4,041	9	256		121	742	75	184	78,740	11,062
Iowa City	6,576	40			233	581		103	106,962	
Knoxville	2,349			368	53		433		55,620	
Kansas:										
Leavenworth	4,014	27		183	200		695		108,640	3,145
Topeka	5,178	23		159	82				142,153	3,467
Wichita	3,902	110		151	150	93		165	79,776	13,057
Kentucky:										
Lexington <sup>6</sup>	8,570	14		215	115	299			130,061	
Louisville	7,944	144			260				157,053	11,732
Louisiana:										
Alexandria	4,504	22		256	195				84,724	
New Orleans	7,622	105			140	187		128	250,013	5,966
Shreveport	6,515	59			252				116,000	6,674
Maine:										
Togus	4,475	122		113	72	332			121,664	28,945
Maryland:										
Baltimore	7,157	76			179				239,150	6,862
Fort Howard	1,907	31		69	33				39,484	
Perry Point	3,496	5		159	83				92,646	
Massachusetts:										
Bedford	2,919	22		327	135		144		143,386	
Boston	9,501	112	405		200	119		390	355,437	3,746
Brookton <sup>6</sup>	7,818			195	258				235,745	
Northampton	2,891	38	108	119	167	391		40	123,643	
Michigan:										
Allen Park	8,154	219		155	88	661		103	208,982	10,748
Ann Arbor	6,489	16		407	181				169,602	
Battle Creek	4,646	19		282	99				145,378	
Iron Mountain	2,432	12		117	45	216		62	40,551	1,724
Saginaw	2,453	24		225	96				49,029	
Minnesota:										
Minneapolis	14,629	508		801	715	537		285	331,284	18,530

TABLE 7.—PROGRAM SUMMARY, INPATIENT AND OUTPATIENT MEDICAL CARE, FISCAL YEAR 1994—Continued

Location of VA facility	Inpatient care—patients treated <sup>1</sup>								Outpatient medical care	
	Hospitals			Nursing homes		Domiciliaries				
	VAMC hospital care component	Non-VA <sup>2,3</sup>	State home <sup>2,4</sup>	VAMC nursing home care component	Community <sup>2,3</sup>	State home <sup>2,4</sup>	VAMC domiciliary care component	State home <sup>2,4</sup>	Visits to VA staff	Fee basis care
St. Cloud	2,889	84		285	62		269		87,900	2,938
Mississippi:										
Biloxi <sup>6</sup>	6,015	12		160	180		880		198,294	
Jackson	9,107	77		248	258	208			136,795	15,083
Missouri:										
Columbia	7,670	11		126	292				84,852	
Kansas City	7,834	138			375				160,354	15,366
Poplar Bluff	3,341	21		89	117	219			46,463	1,073
St. Louis <sup>6</sup>	13,141	104		433	225	865			279,566	8,544
Montana:										
Fort Harrison	3,527	16			173	128		52	43,196	12,185
Miles City	971	27		38	39				26,663	
Nebraska:										
Grand Island	1,378			208	25	347		50	32,211	
Lincoln	3,095	59			89				49,584	6,658
Omaha	6,059	44			188	277		6	108,156	
Nevada:										
Las Vegas (IOC)		108							106,804	2,587
Reno	3,910	58		415	109				122,044	7,200
New Hampshire: Manchester	2,691	77		358	84	172			82,933	6,199
New Jersey:										
East Orange	9,626	57		109	192	620		11	204,476	3,718
Lyons	3,723			332	51		155		73,626	
New Mexico: Albuquerque	9,821	81		247	225	258		21	258,524	3,305
New York:										
Albany	6,469	57		306	257				186,461	7,062
Batavia	983	6		118	58				69,762	
Bath	2,032	7		208	75		647		59,639	
Bronx	6,272	14		237	125				230,835	
Brooklyn <sup>6</sup>	9,327	75		357	209		156		376,524	214
Buffalo	8,469	30		189	187				204,517	6,081
Canandaigua	2,165	4		140	34		175		74,359	
Castle Point	2,223	7		187	74				56,686	
Montrose	3,603	9		193	46		165		69,048	
New York	7,837	57		270	142	646			312,765	1,212
Northport	6,407	6		208	95	184			249,112	
Syracuse	5,226	135							132,144	14,055
North Carolina:										
Asheville	6,484	13		89	178				88,976	
Durham	8,220	143		414	245				131,329	
Fayetteville	4,349	8		90	150				100,447	
Salisbury	3,987	111		181	202				93,196	47,686
North Dakota: Fargo	3,449	215		280	63	41		143	54,141	10,971
Ohio:										
Chillicothe	6,124	44		705	437				84,925	
Cincinnati	6,688	159		106	223		189		158,974	3,499
Cleveland <sup>6</sup>	10,462	255		330	262	415	1,159	231	342,239	8,349
Columbus (OC)		273							112,108	20,230
Dayton	6,384	53		406	370		627		192,709	
Oklahoma:										
Muskogee	4,274	98			208				127,340	24,138
Oklahoma City	8,780	59			314	1,646		61	215,845	
Oregon:										
Portland <sup>6</sup>	10,786	137		351	544		196		234,694	23,891
Roseburg	3,936	127		202	193				93,735	12,660
White City (Ind. Dom.)		51			45		1,850		23,100	
Pennsylvania:										
Altoona	2,397	63		93	52	649		337	43,699	9,893
Butler	2,249	29		206	92		256		54,844	2,411
Coatesville	3,168	31		318	172		390	150	68,361	1,191
Erie	2,028	41		47	122	102		122	63,098	2,059
Lebanon	3,777	61		275	151				78,040	7,931
Philadelphia	7,980	138		305	82				241,715	5,942
Pittsburgh (Highland Dr.)	3,388	58		193	193		109		101,330	2,767
Pittsburgh (Univ. Dr.) (6)	7,776	81		364	304				132,633	7,418
Wilkes-Barre	5,450	154		232	111	97		17	153,993	11,074
Philippines: Manila (ROC)		1,001							9,650	
Puerto Rico: San Juan	11,551	464		292	24				364,215	30,555
Rhode Island: Providence	4,251	35			203	312		32	170,151	5,642
South Carolina:										
Charleston	6,289	48			117				136,677	
Columbia	6,545	615		187	181	473			177,943	20,827
South Dakota:										
Fort Meade	2,848			158	80				53,427	
Hot Springs	2,441				56	62	554	134	64,171	
Sioux Falls	3,538	114		130	84				64,675	8,391
Tennessee:										
Memphis	10,494			361	222				213,727	
Mountain Home	6,937	76		168	375		1,000		176,215	
Murfreesboro	4,886	22		256	122	283			103,371	
Nashville	8,316	95			182				163,920	8,254
Texas:										
Amarillo	4,000	17		177	235				126,877	7,794
Big Springs	2,951			103	90				37,314	
Bonham	1,767	16		219	153		417		49,554	
Dallas	11,791	201		365	450		130		310,449	16,408
El Paso (IOC)		864			19				84,300	10,740
Houston	17,709	39		246	359				397,542	1,786
Kerrville	3,485	2		221	120				41,603	
Martin	1,542				61				18,035	
San Antonio	13,014	331		452	247				319,120	11,569
Temple	7,408	22		214	269		828		211,593	
Waco	4,157	69		196	127		142		90,196	7,072
Utah: Salt Lake City	7,811	49			400	93			151,603	10,480
Vermont: White River Junction	3,578	62		153	74	280		43	82,534	2,483
Virginia:										
Hampton	5,166	32		254	150		1,055		176,981	529
Richmond	11,968	12		150	257				213,059	
Salem	7,242	340		327	120			68	176,722	20,821
Washington:										
American Lake	2,386	311		126	129		252		141,202	11,213
Seattle	8,967	148		209	530	434		218	219,302	15,309
Spokane	2,840	84		222	109				76,458	6,867
Walla Walla	1,528	29		206	85				36,121	4,926
West Virginia:										
Beckley	3,001	4		73	86				40,502	

TABLE 7.—PROGRAM SUMMARY, INPATIENT AND OUTPATIENT MEDICAL CARE, FISCAL YEAR 1994—Continued

Location of VA facility	Inpatient care—patients treated <sup>1</sup>								Outpatient medical care	
	Hospitals			Nursing homes			Domiciliaries			
	VAMC hospital care component	Non-VA <sup>2,3</sup>	State home <sup>2,4</sup>	VAMC nursing home care component	Community <sup>2,3</sup>	State home <sup>2,4</sup>	VAMC domiciliary care component	State home <sup>2,4</sup>	Visits to VA staff	Fee basis care
Clarksburg .....	3,633	1			246				72,301	
Huntington .....	4,762	41			329			199	83,985	11,848
Martinsburg .....	4,818	5		201	158		727		129,085	1,159
Wisconsin:										
Madison .....	5,239	13			45	660		126	74,145	
Milwaukee .....	8,193	225		377	206		813		250,097	18,591
Tomah .....	2,761	3		158	151				56,917	
Wyoming:										
Cheyenne .....	1,760	108		71	52	59		75	43,786	2,507
Sheridan .....	1,819			48	37			101	24,610	

<sup>1</sup> Number of discharges and deaths during FY1994, plus the number on the rolls (bed occupants and patients on authorized leave of absence) on September 30, 1994. Transfers to another facility are included in the count of discharges for each facility.  
<sup>2</sup> As reported by VA authorizing facility.  
<sup>3</sup> Authorized and paid for by VA.  
<sup>4</sup> Supported by VA.  
<sup>5</sup> Medical visits to private physicians authorized by VA on a fee-for-service basis.  
<sup>6</sup> Includes data for two divisions of the VA medical center.

Mr. ROCKEFELLER. Mr. President, do my colleagues realize that the VA just last year added four new Women Veterans Comprehensive Health Centers, bringing to eight the number of such VA facilities in the country? Do we need to let those facilities know they better prepare to roll back care for these women who served side by side with their male counterparts, or nursed dying soldiers and sailors?

VA medical centers admitted over 870 quadriplegic veterans last year. With a balanced budget amendment, will we need to tell 261 of them to seek treatment elsewhere? I do not know the answer, because I can't find the budget that goes along with writing new promises into the Constitution.

VA is predicting a loss of 63,000 full-time employees under the balanced budget amendment. Understand that these employees are the doctors, the nurses, the technicians who administer health care, as well as the vital support staff that keep our facilities operating. It would require closings.

The loss of this staff would mean that literally thousands of veterans who are now receiving health care would no longer be able to get treat-

ment. VA figures suggest there would be 488,000 fewer inpatient visits and 11,403,000 fewer outpatient visits at our medical centers.

Staff cuts will create severe problems in an already troubled adjudication system within VA. Timely decisions in benefits claims will become impossible. Over the past 2 years, in my capacity as chairman of the Senate Committee on Veterans' Affairs, I have heard from literally hundreds and hundreds of veterans from across the country complaining of the time it takes to receive the benefits they are entitled to as a result of the injuries they sustained in the service. Some veterans wait years. Who is going to tell them it will get worse?

Veterans write us daily about the long delays in processing their claims. I know because I get copies of those letters to my colleagues, because of my duties with the Senate Committee on Veterans' Affairs.

It currently takes VA 25 to 30 weeks to process an original claim. Are my colleagues aware of that, Mr. President? Disabled veterans—disabled because of something that happened to them when they were serving their

country—and they wait 30 weeks to get a claim processed? And as if that weren't bad enough, they often wait years if they file an appeal.

A recent study showed that 50 percent of veterans believe that VA took too long. That adds up to approximately 60,000 unhappy veterans in the State of Georgia, 24,000 unhappy veterans in the State of Oregon, and 110,000 unhappy veterans in the State of Florida. A 30 percent cut in veterans' benefits will not help them get their claims faster, and every Senator will hear from those unhappy veterans.

Am I going to have to tell the 32,000 veterans and dependents who receive benefits in my State of West Virginia, that the promises made to them will no longer be kept?

Mr. President, at this point I ask unanimous consent that the tables from the 1994 annual report of the Secretary of Veterans Affairs showing estimated expenditures of VA benefits for veterans, broken down by State, be included in the RECORD.

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

TABLE 57.—ESTIMATED SELECTED EXPENDITURES BY STATE<sup>1</sup>—FISCAL YEAR 1994

State	Total of selected expenditures (\$000) <sup>2</sup>	Total readjustment benefits (\$000) <sup>2</sup>	Readjustment benefits				
			Post-Vietnam conflict (chapter 32) amount (\$000)	Education assistance			
				Montgomery GI Bill			
				Active duty chapter 30		Selected reserve chapter 106	
			Trained during fiscal year	Amount (\$000)	Trained during fiscal year <sup>3</sup>	Amount (\$000)	
U.S. total <sup>2</sup> .....	\$37,065,479	\$1,353,964	\$74,621	274,208	\$742,457	101,411	\$121,645
Alabama .....	785,715	32,530	1,307	6,049	16,851	3,984	4,603
Alaska .....	66,312	5,414	492	1,261	2,460	0	267
Arizona .....	670,660	33,104	1,687	7,851	20,355	1,518	1,568
Arkansas .....	587,811	15,226	439	2,327	6,983	1,867	2,261
California .....	3,365,923	125,891	8,009	29,201	77,984	6,392	7,125
Colorado .....	516,016	32,789	1,999	6,823	18,100	1,289	1,532
Connecticut .....	385,507	10,284	619	1,562	4,448	1,171	1,541
Delaware .....	110,636	3,533	190	656	1,640	0	345
District of Columbia .....	967,169	3,433	236	806	1,130	1	164
Florida .....	2,298,565	82,537	4,626	19,681	52,348	3,481	3,574
Georgia .....	1,032,498	44,585	3,214	9,795	27,297	3,832	3,159
Hawaii .....	150,428	7,803	824	2,494	4,565	1	361
Idaho .....	104,717	8,451	405	1,747	4,893	753	907
Illinois .....	1,299,820	49,215	2,167	11,582	32,326	1	6,096
Indiana .....	591,100	23,285	1,282	4,341	11,484	2,451	2,813
Iowa .....	391,646	15,431	674	2,465	7,319	0	2,343
Kansas .....	402,285	16,616	985	3,515	9,719	0	2,023
Kentucky .....	576,813	21,932	1,138	4,052	11,663	1,546	1,772
Louisiana .....	662,189	26,150	793	4,471	13,187	4,688	6,365
Maine .....	242,324	8,744	340	1,033	3,023	528	632
Maryland .....	581,570	22,837	1,954	5,373	10,641	1,038	1,704
Massachusetts .....	1,035,435	21,606	1,125	2,932	7,945	2,525	3,549
Michigan .....	1,013,182	34,797	2,453	8,309	21,196	2,432	2,703

TABLE 57.—ESTIMATED SELECTED EXPENDITURES BY STATE <sup>1</sup>—FISCAL YEAR 1994—Continued

State	Total of selected expenditures (\$000) <sup>2</sup>	Total readjustment benefits (\$000) <sup>2</sup>	Readjustment benefits				
			Post-Vietnam conflict (chapter 32) amount (\$000)	Education assistance			
				Montgomery GI Bill		Selected reserve chapter 106	
				Active duty chapter 30	Amount (\$000)	Trained during fiscal year <sup>3</sup>	Amount (\$000)
Minnesota	610,199	25,701	1,227	4,459	13,022	1	3,939
Mississippi	510,578	13,510	375	1,996	5,802	2,465	3,240
Missouri	843,611	29,324	1,396	5,537	14,101	14,569	2,866
Montana	135,931	7,508	293	1,227	3,906	528	763
Nebraska	272,180	12,676	496	2,604	7,111	1,541	1,944
Nevada	215,290	9,082	520	1,495	3,775	0	303
New Hampshire	157,206	6,493	367	777	2,257	1	518
New Jersey	732,046	16,633	1,161	2,750	7,132	1,455	1,688
New Mexico	327,691	13,368	682	3,094	8,612	0	931
New York	2,364,552	51,795	4,151	8,544	26,795	5,390	4,380
North Carolina	1,033,147	46,054	2,701	8,946	26,253	2,331	3,013
North Dakota	96,701	6,850	195	1,034	3,406	0	1,412
Ohio	1,290,547	46,852	2,534	9,799	24,838	3,803	4,608
Oklahoma	667,384	27,678	1,162	4,954	12,936	4,200	2,599
Oregon	539,912	21,609	1,014	3,858	11,082	1,122	1,245
Pennsylvania	1,615,823	45,247	2,345	8,094	23,358	3,884	4,895
Rhode Island	169,601	5,207	283	776	1,828	0	543
South Carolina	523,427	25,556	1,234	5,063	13,657	2,249	2,723
South Dakota	198,971	8,383	300	1,111	3,793	976	1,312
Tennessee	927,700	28,630	1,418	5,303	15,395	1,953	2,383
Texas	2,649,635	106,722	4,985	24,102	63,069	5,661	6,241
Utah	236,066	11,311	516	1,717	4,805	1,814	2,014
Vermont	106,809	2,820	96	289	909	0	318
Virginia	995,424	51,903	3,834	11,474	28,969	2,219	3,095
Washington	793,159	47,044	2,567	9,672	27,562	1,637	1,861
West Virginia	431,465	10,257	268	1,432	4,519	1,060	1,405
Wisconsin	647,126	25,644	1,390	4,323	13,504	2,770	3,675
Wyoming	99,606	3,916	153	852	2,504	284	324

<sup>1</sup> Expenditures for Compensation and Pension for the 50 states and D.C. were derived from the Federal Assistance Awards Data System (FAADS) and are gross expenditures. Education expenditures come from the COIN EDU 666, information for insurance and indemnities for the 50 states and D.C. are statistical estimates. All other dollar estimates are derived from VA accounting reports.  
<sup>2</sup> The totals for "Readjustment Benefits" are the sums of the programs shown plus \$5.1 million for the Service Members Occupational Conversion Training Act (SMOCTA), which is not shown.  
<sup>3</sup> As reported by station of jurisdiction which may report for more than one state.

TABLE 57 (continued)—ESTIMATED SELECTED EXPENDITURES BY STATE <sup>1</sup>—FISCAL YEAR 1994

State	Readjustment benefits (continued)									
	Education assistance (continued)			Vocational rehabilitation (title 38, U.S.C., ch. 31)	Automobiles and other conveyances for disabled veterans (\$000)	Specially adapted housing for disabled veterans (\$000)	Insurance and indemnities amount (\$000)	Hospital domiciliary and other construction amount (\$000)	Medical services and administrative costs amount (\$000)	
	Dependents educational assistance (title 38, U.S.C., ch. 35)		Total trained during FY							
	Sons and daughters	Widow(er)s and spouses								Trained during fiscal year
U.S. total	33,714	4,422	\$102,341	43,668	\$274,540	\$24,861	\$8,006	\$1,975,804	\$627,015	\$16,470,058
Alabama	1,025	133	3,146	958	5,791	515	266	27,060	37,284	292,424
Alaska	68	12	227	399	1,920	25	0	2,678	11,210	2,145
Arizona	810	147	2,256	1,015	6,070	960	196	38,552	4,963	269,036
Arkansas	626	70	1,970	474	2,920	354	158	17,078	4,837	242,797
California	2,872	413	8,325	3,588	20,883	2,453	510	219,313	62,273	1,623,737
Colorado	598	103	1,840	1,344	8,556	439	112	31,135	647	192,858
Connecticut	173	13	673	358	2,617	180	190	33,242	4,582	201,525
Delaware	83	18	252	222	1,049	28	0	5,850	4,518	55,102
District of Columbia	114	5	243	153	1,645	15	0	4,362	8,424	897,908
Florida	2,410	352	7,018	2,095	11,795	2,064	762	163,325	41,632	759,754
Georgia	1,262	174	4,079	977	5,901	669	194	43,687	13,717	379,525
Hawaii	118	19	411	283	1,528	89	0	15,054	5,504	52,309
Idaho	182	27	520	274	1,570	112	0	7,867	457	51,257
Illinois	639	66	1,998	812	5,876	514	190	87,060	16,598	752,069
Indiana	546	61	1,515	951	5,515	502	114	30,188	24,117	247,372
Iowa	229	19	654	434	3,868	319	232	23,448	4,574	202,763
Kansas	400	58	1,248	434	2,452	132	0	19,770	8,263	195,742
Kentucky	704	77	1,913	910	5,040	264	113	19,475	3,374	218,943
Louisiana	598	77	1,951	551	3,454	360	0	24,498	7,771	281,976
Maine	335	56	1,133	490	3,264	153	190	9,791	6,937	76,526
Maryland	472	73	1,544	1,200	6,358	471	74	43,068	4,695	232,300
Massachusetts	710	48	2,080	703	6,089	502	273	55,625	7,481	510,201
Michigan	876	77	2,448	810	5,208	632	0	55,883	91,739	400,762
Minnesota	383	45	1,333	708	5,295	725	114	40,079	9,091	290,195
Mississippi	508	54	1,634	322	1,949	193	309	14,772	2,655	219,102
Missouri	616	100	2,009	1,109	8,132	656	38	38,651	12,740	405,640
Montana	131	11	407	316	1,989	59	0	7,649	1,036	47,908
Nebraska	349	44	1,053	337	1,899	120	38	13,918	264	130,460
Nevada	131	14	410	637	3,908	74	76	11,275	2,330	87,036
New Hampshire	198	20	630	319	2,295	177	190	10,095	101	49,515
New Jersey	407	46	1,663	710	4,526	417	0	72,964	7,234	282,614
New Mexico	350	39	943	369	1,838	222	76	13,267	2,661	140,968
New York	1,335	110	4,171	1,467	10,846	957	118	143,402	31,316	1,274,225
North Carolina	1,464	229	4,603	1,277	8,081	906	403	44,245	18,596	345,783
North Dakota	99	6	352	196	1,408	37	0	5,249	1,631	44,385
Ohio	904	96	2,705	1,262	10,235	1,539	190	77,523	6,872	553,423
Oklahoma	1,035	148	2,869	1,450	7,318	434	228	22,279	9,897	197,974
Oregon	352	56	1,013	973	6,609	464	38	24,374	5,138	257,743
Pennsylvania	919	96	2,834	1,145	10,262	839	114	104,254	11,651	752,636
Rhode Island	177	10	475	206	1,840	122	38	8,579	1,668	74,939
South Carolina	857	136	2,503	991	4,604	390	392	25,104	1,197	183,512
South Dakota	140	18	416	376	2,365	95	76	5,818	2,727	120,560
Tennessee	762	93	2,176	1,114	5,866	865	431	29,216	7,290	448,757
Texas	3,165	441	9,415	3,698	20,319	1,485	772	112,710	78,768	1,019,808
Utah	317	47	899	458	2,815	184	0	11,399	7,153	125,459
Vermont	74	9	232	142	1,199	19	37	4,471	444	58,294
Virginia	1,400	209	4,592	1,637	10,427	738	228	56,910	7,397	348,214
Washington	830	132	2,566	1,647	11,180	701	280	43,561	6,549	290,245
West Virginia	329	38	999	430	2,811	175	0	10,850	7,365	221,392
Wisconsin	551	55	1,796	789	4,523	487	208	41,402	5,023	301,780
Wyoming	81	10	199	148	632	31	38	3,779	2,628	58,462

<sup>1</sup> Expenditures for Compensation of Pension for the 50 states and D.C. were derived from the Federal Assistance Awards Data System (FAADS) and are gross expenditures. Education expenditures come from the COIN EDU 666. Information for insurance and indemnities for the 50 states and D.C. are statistical estimates. All other dollar estimates are derived from VA accounting reports.

<sup>2</sup>The totals for "Readjustment Benefits" are the sums of the programs shown plus \$5.1 million for the Service Members Occupational Conversion Training Act (SMOCTA) which is not shown.  
<sup>3</sup>As reported by station of jurisdiction which may report for more than one state.

TABLE 57—(continued)—ESTIMATED SELECTED EXPENDITURES BY STATE<sup>1</sup>—FISCAL YEAR 1994

State	Compensation and pension									
	Living and deceased veterans								Living veterans	
	Total		Burial benefits (\$'000)	Service-connected		Nonservice-connected		Total		
	Number	Amount (\$'000)		Number	Amount (\$'000)	Number	Amount (\$'000)	Number	Amount (\$'000)	
U.S. total	3,254,932	\$16,638,638	\$58,558	2,474,684	\$13,619,967	780,248	\$2,960,113	2,604,420	\$12,906,987	
Alabama	78,829	396,416	1,375	52,860	284,684	25,969	110,357	58,216	288,352	
Alaska	7,940	44,865	57	7,571	42,894	369	1,913	7,460	40,910	
Arizona	58,518	325,004	978	49,893	288,844	8,625	35,182	49,291	254,748	
Arkansas	50,579	307,873	1,173	33,308	238,527	17,271	68,173	37,908	239,334	
California	270,727	1,334,710	4,117	219,440	1,152,717	51,287	177,876	220,024	992,633	
Colorado	49,271	258,587	605	42,541	231,380	6,730	26,601	41,557	202,924	
Connecticut	29,667	135,874	524	25,023	121,000	4,644	14,260	25,250	110,854	
Delaware	8,618	41,633	170	6,939	35,603	1,679	5,860	7,069	32,423	
District of Columbia	9,026	53,043	165	6,169	40,339	2,857	12,539	6,979	39,630	
Florida	238,368	1,251,318	3,114	198,620	1,105,840	39,748	142,364	197,330	971,126	
Georgia	104,509	550,984	1,929	76,620	447,248	27,889	101,807	79,384	406,135	
Hawaii	12,732	69,758	165	11,521	64,618	1,211	4,975	10,949	55,431	
Idaho	14,016	72,685	265	11,520	62,087	2,496	10,333	12,001	59,525	
Illinois	89,023	394,878	2,132	62,120	288,105	26,903	104,641	70,863	307,636	
Indiana	55,755	266,138	993	41,784	213,672	13,971	51,473	44,972	212,343	
Iowa	29,399	145,429	688	21,069	111,569	8,330	33,173	23,337	115,236	
Kansas	31,129	161,895	642	23,529	129,800	7,600	31,453	24,963	126,315	
Kentucky	58,944	313,089	1,180	38,111	226,760	20,833	85,148	44,493	240,883	
Louisiana	63,277	321,795	1,163	36,997	213,673	26,280	106,959	45,208	235,274	
Maine	23,256	140,325	405	17,206	117,406	6,050	22,513	19,154	117,688	
Maryland	55,153	278,670	1,079	44,779	240,837	10,374	36,754	44,333	209,629	
Massachusetts	90,525	440,523	1,507	75,595	393,556	14,930	45,460	75,745	356,422	
Michigan	93,653	430,001	1,380	72,341	347,597	21,312	81,024	77,228	350,685	
Minnesota	51,390	245,133	1,182	39,145	198,414	12,245	45,537	42,176	198,689	
Mississippi	48,002	260,539	1,027	27,823	183,343	20,179	76,170	34,139	193,923	
Missouri	67,617	357,256	1,425	46,474	265,774	21,143	90,057	52,523	277,006	
Montana	13,182	71,830	246	10,352	61,014	2,830	10,330	11,330	61,174	
Nebraska	20,752	114,862	453	15,669	91,483	5,083	22,926	16,824	91,615	
Nevada	22,220	105,568	418	18,636	91,159	3,584	13,991	19,343	84,780	
New Hampshire	16,719	91,002	288	14,220	80,863	2,499	9,851	14,350	75,416	
New Jersey	77,252	352,601	1,305	64,885	312,051	12,367	39,245	64,720	281,182	
New Mexico	28,032	157,428	426	22,053	133,517	5,979	23,485	23,075	125,396	
New York	180,913	863,814	3,773	136,280	709,995	44,633	150,046	146,100	694,641	
North Carolina	108,132	578,470	1,820	76,158	454,132	31,974	122,518	81,844	433,219	
North Dakota	8,031	37,956	181	5,982	29,574	2,049	8,202	6,709	31,508	
Ohio	127,478	605,877	2,189	96,132	482,272	31,346	121,415	103,510	483,509	
Oklahoma	64,837	409,556	1,252	46,162	310,834	18,675	97,470	51,130	324,660	
Oregon	41,447	231,048	721	32,288	190,148	9,159	40,178	34,719	188,326	
Pennsylvania	148,652	702,035	2,835	111,177	575,082	37,475	124,118	117,879	552,091	
Rhode Island	15,223	79,208	350	12,350	69,303	2,873	9,555	12,557	63,285	
South Carolina	57,238	288,058	1,156	39,020	219,404	18,218	67,498	42,350	207,635	
South Dakota	11,572	61,483	297	8,040	45,586	3,532	15,600	9,443	50,505	
Tennessee	79,751	413,807	1,679	51,656	304,708	28,095	107,420	59,569	313,633	
Texas	247,939	1,331,626	4,446	188,353	1,102,254	59,586	224,926	193,861	999,636	
Utah	15,763	80,745	277	13,313	70,803	2,450	9,665	13,535	66,262	
Vermont	7,320	40,781	157	5,593	34,506	1,727	6,118	6,010	33,199	
Virginia	100,056	532,001	1,860	79,481	454,537	20,575	74,604	79,049	391,930	
Washington	78,647	407,760	1,070	68,917	365,966	9,730	38,724	67,423	322,175	
West Virginia	32,992	181,601	798	21,491	132,205	11,501	48,598	25,216	142,172	
Wisconsin	54,846	273,277	999	42,493	225,473	12,353	46,805	46,084	227,515	
Wyoming	6,015	30,821	122	4,985	26,722	1,030	3,977	5,238	25,772	

<sup>1</sup> Expenditures for Compensation and Pension for the 50 states and D.C. were derived from the Federal Assistance Awards Data System (FAADS) and are gross expenditures. Education expenditures come from the COIN EDU 666. Information for insurance and indemnities for the 50 states and D.C. are statistical estimates. All other estimates are derived from VA accounting reports.

TABLE 57 (continued)—ESTIMATED SELECTED EXPENDITURES BY STATE<sup>1</sup>—FISCAL YEAR 1994

State	Compensation and pension—Continued									
	Living veterans—Continued				Deceased veterans					
	Service-connected		Nonservice-connected		Total		Service-connected		Nonservice-connected	
	Number	Amount (\$'000)	Number	Amount (\$'000)	Number	Amount (\$'000)	Number	Amount (\$'000)	Number	Amount (\$'000)
U.S. total	2,182,465	\$10,775,024	421,955	\$2,131,963	650,512	\$3,673,093	292,219	\$2,844,943	358,293	\$828,150
Alabama	45,584	216,030	12,632	72,322	20,613	106,689	7,276	68,654	13,337	38,035
Alaska	7,197	39,314	263	1,596	480	3,897	374	3,581	106	317
Arizona	43,865	227,343	5,426	27,404	9,227	69,278	6,028	61,500	3,199	7,778
Arkansas	28,284	190,368	9,624	48,966	12,671	67,366	5,024	48,159	7,647	19,207
California	190,059	860,022	29,965	132,612	50,703	337,960	29,381	292,695	21,322	45,265
Colorado	37,694	182,540	3,863	20,384	7,714	55,058	4,847	48,841	2,867	6,217
Connecticut	22,918	100,348	2,332	10,505	4,417	24,496	2,105	20,741	2,312	3,755
Delaware	6,184	28,193	885	4,230	1,549	9,040	755	7,410	794	1,630
District of Columbia	5,273	29,871	1,706	9,759	2,047	12,248	896	10,468	1,151	2,780
Florida	173,976	865,108	23,354	106,018	41,038	277,077	24,644	240,732	16,394	36,346
Georgia	65,202	337,102	14,182	69,033	25,125	142,920	11,418	110,146	13,707	32,774
Hawaii	10,226	51,672	723	3,759	1,783	14,162	1,295	12,946	488	1,215
Idaho	10,403	51,226	1,598	8,299	2,015	12,895	1,117	10,861	898	2,034
Illinois	55,938	230,656	14,925	76,980	18,160	85,111	6,182	57,449	11,978	27,661
Indiana	37,692	175,624	7,280	36,719	10,783	52,802	4,092	38,048	6,691	14,754
Iowa	18,875	90,375	4,462	24,861	6,062	29,506	2,194	21,194	3,868	8,312
Kansas	20,782	103,010	4,181	23,305	6,166	34,938	2,747	26,790	3,419	8,148
Kentucky	32,961	179,020	11,532	61,863	14,451	71,026	5,150	47,470	9,301	23,286
Louisiana	31,540	162,197	13,668	73,077	18,069	83,358	5,457	51,476	12,612	33,882
Maine	15,392	99,989	3,762	17,719	4,102	22,231	1,814	17,437	2,288	4,794
Maryland	39,060	184,094	5,273	25,535	10,820	67,963	5,719	56,744	5,101	11,219
Massachusetts	68,590	323,529	7,155	32,894	14,780	82,593	7,005	70,027	7,775	12,567
Michigan	65,973	290,866	11,255	56,820	16,425	77,936	6,368	56,732	10,057	21,204
Minnesota	35,690	164,613	6,486	34,077	9,214	45,261	3,455	33,801	5,759	11,460
Mississippi	23,333	140,827	10,806	53,096	13,863	65,590	4,490	42,516	9,373	23,074
Missouri	40,781	211,581	11,742	65,425	15,094	78,826	5,693	54,193	9,401	24,632
Montana	9,536	52,850	1,794	8,323	1,852	10,411	816	8,164	1,036	2,247
Nebraska	13,858	73,609	2,966	18,006	3,928	22,794	1,811	17,874	2,117	4,920
Nevada	16,816	73,263	2,527	11,517	2,877	20,370	1,820	17,896	1,057	2,474
New Hampshire	12,904	67,607	1,446	7,809	2,369	15,298	1,316	13,256	1,053	2,042
New Jersey	58,860	253,619	5,860	27,563	12,532	70,115	6,025	58,432	6,507	11,683
New Mexico	19,425	107,483	3,650	17,912	4,957	31,606	2,628	26,034	2,329	5,573

TABLE 57 (continued)—ESTIMATED SELECTED EXPENDITURES BY STATE<sup>1</sup>—FISCAL YEAR 1994—Continued

State	Compensation and pension—Continued									
	Living veterans—Continued				Deceased veterans					
	Service-connected		Nonservice-connected		Total		Service-connected		Nonservice-connected	
	Number	Amount (\$000)	Number	Amount (\$000)	Number	Amount (\$000)	Number	Amount (\$000)	Number	Amount (\$000)
New York	123,702	588,042	22,398	106,599	34,813	165,401	12,578	121,954	22,235	43,447
North Carolina	65,432	351,727	16,412	81,492	26,288	143,431	10,726	102,405	15,562	41,026
North Dakota	5,517	25,294	1,192	6,214	1,322	6,268	465	4,280	857	1,988
Ohio	87,136	396,541	16,374	86,968	23,968	120,179	8,996	85,732	14,972	34,447
Oklahoma	39,872	249,151	11,258	75,509	13,707	83,644	6,290	61,683	7,417	21,961
Oregon	29,013	157,722	5,706	30,604	6,728	42,001	3,275	32,426	3,453	9,575
Pennsylvania	99,793	466,992	18,086	85,100	30,773	147,108	11,384	108,090	19,389	39,018
Rhode Island	11,053	56,050	1,504	7,235	2,666	15,573	1,297	13,253	1,369	2,320
South Carolina	33,167	163,054	9,183	44,581	14,888	79,267	5,853	56,350	9,035	22,917
South Dakota	7,274	38,285	2,169	12,220	2,129	10,681	766	7,301	1,363	3,380
Tennessee	44,630	239,403	14,939	74,230	20,182	98,495	7,026	65,305	13,156	33,190
Texas	161,799	839,273	32,062	160,363	54,078	327,544	26,554	262,981	27,524	64,563
Utah	12,079	58,692	1,456	7,570	2,228	14,207	1,234	12,112	994	2,095
Vermont	4,983	28,435	1,027	4,765	1,310	7,424	610	6,071	700	1,353
Virginia	68,319	340,184	10,730	51,745	21,007	137,211	11,162	114,352	9,845	22,858
Washington	61,613	291,648	5,810	30,527	11,224	82,515	7,304	74,319	3,920	8,197
West Virginia	18,744	107,049	6,472	35,122	7,776	38,631	2,747	25,156	5,029	13,476
Wisconsin	38,908	190,970	7,176	36,545	8,762	44,764	3,585	34,503	5,177	10,261
Wyoming	4,560	22,587	678	3,185	777	4,927	425	4,135	352	792

<sup>1</sup> Expenditures for Compensation and Pension for the 50 states and D.C. were derived from the Federal Assistance Awards Data System (FAADS) and are gross expenditures. Education expenditures come from the COIN EDU 666. Information for insurance and indemnities for the 50 states and D.C. are statistical estimates. All other dollar estimates are derived from VA accounting reports.

Mr. ROCKEFELLER. Mr. President, I spoke earlier about a West Virginia veteran receiving pension benefits. I would like to take just a moment now to give you an example of a disabled veteran receiving disability compensation and medical care in our VA medical centers. I do not want any doubt about who is getting VA benefits and why.

Jim Honce lives in Bridgeport, WV, and I am enormously proud of him. Jim is a World War II disabled veteran. He is a Navy man and served aboard a minesweeper, the U.S.S. *Skill*. During the war, a minesweeper would travel 3 or 4 hours ahead of a convoy, sweeping for mines in the water, setting buoys for ships to follow, and cutting channels for them to land. It was a vital mission. Thousands upon thousands of American lives were saved because of the work done by those on our minesweepers. It was incredibly important and dangerous work.

On September 23, 1943, off the coast of Italy, Jim's life was changed. The U.S.S. *Skill* took a direct hit from an enemy torpedo and sank. Only 32 of the heroic 102-man crew survived. They were all wounded. Not one of the ship's officers survived.

Jim was thrown 70 feet to a lower deck, suffered flash and fuel oil burns over his entire upper body, his left arm and ribs were fractured, and he had a scalp wound. He remembers being dragged off the burning ship by an electrician's mate, who was suffering from a broken arm himself. They made it about 100 yards from the ship when it went down.

Jim was not able to be placed on a liferaft with 12 other survivors because of his injuries, so he held onto a rope in the water. The water was shark infested, and Jim tells of a sister ship shooting at the sharks when it arrived to rescue the men. Just imagine it. It sounds like an action movie—but it was real life—it happened.

Once he arrived back in the States, home for Jim for the next 2 years was the naval hospital in Bethesda, MD. During his stay there he had nine oper-

ations and had to learn to walk all over again.

Jim has gone on with his life, went on to college, married, and raised a family. But he still suffers terribly from both his physical and emotional wounds—and the memories of those crew mates lost—and the events he experienced in that war—will never go away.

Jim was awarded the Purple Heart—he earned his "Contract With America." Today, he is one of our 2.1 million veterans receiving a service-connected compensation check for the injuries that still plague him and that changed his life forever.

Mr. President, there is no way that I, in good conscience, can vote for an amendment to balance the budget without being absolutely positive that Jim Honce, and the many, many disabled veterans like him—and Jesse Overbaugh and his family, and the many, many other families like his—will retain what little repayment the Government now provides them. They have earned their contract with their country—and we should not let them down.

There is a lot of talk about sacrifices on this floor, Mr. President. The American people need to make sacrifices and shoulder the burden for the sake of the future. Somehow, that wasn't the talk that led 50 Senators to vote against a historic plan of real deficit reduction before us 2 years ago.

But the talk is back, and now it is around the idea of using the Constitution to make a mad, blind dash to a balanced budget, and maybe even \$400 billion of tax cuts to take along for the ride.

My purpose in taking the floor is to ask the proponents of this speed chase to the finishing line to let more than 26 million Americans called veterans—those who are disabled, those who are widows, those who are poor, those who are sick, know something about what happens to them along the way. Will they be sidestepped or stomped on? Will their benefits and services be untouched or will they get sliced down the middle?

Mr. President, if anyone in America has earned the right to know, it is America's veterans and their families. With more than 200,000 veterans just in my State, and more than 26 million veterans across the country, I could not possibly consider this proposed use of the U.S. Constitution, before knowing what it will mean to the men and women who have paid the highest honor to this sacred document through their military service.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER (Mr. FRIST). The Senator from New York [Mr. MOYNIHAN] is recognized.

Mr. MOYNIHAN. Before the Senator from West Virginia leaves the floor, I hope he will pause long enough for me to congratulate him on his remarks. The Senator from New York joined the U.S. Navy 50 years ago last July 1 and, without having any expectation of it, came to benefit enormously from the GI bill, from veterans' insurance. I shall be remarking this afternoon that during the first year of the KENNEDY administration, in an effort to stimulate the economy back from the sharp recession of 1960 that came so quickly on the recession of 1958, the VA issued a double dividend on that \$10,000 life insurance we had all signed up for. It was not a lot, but it was enough to enable us to buy our little farm in Delaware County, the last hills in Appalachia which connect us with West Virginia. We live there to this day.

I do not think that would be possible under the proposed amendment. I am confident that if it were tried it would be litigated, and that years after the effort was made by Walter Heller and James Tobin and President Kennedy, and such, we might find out we had or did not have such a benefit, but it would not help those who needed it at the time. The prospect of any litigation and leaving the decisions of the Federal Government, taking them out of the Senate Chamber across the park to the Court, or down the avenue to the



Federal Reserve, is baffling and certainly troubling, and he has described it with great clarity and force. I thank him.

Mr. President, this week I propose to present three papers to the Senate arguing in opposition to House Joint Resolution 1, "Proposing an amendment to the Constitution of the United States to require a balanced budget."

The first of these papers will show that the current deficit is a recent event that marks a sharp departure from fiscal problems of earlier administrations that were directed primarily to the seemingly intractable problem of a persistent full employment surplus, with its accompanying downward pressure on consumer demand.

The second of these papers will relate the singular events of the 1980's which led to huge deficits and a correspondingly huge debt. I will show that there is no reason whatever to think we will repeat this behavior, or misbehavior, especially now that the events are better understood.

The third paper will explore the folly and danger of writing into the Constitution decrees concerning fiscal policy which would have been inappropriate to a small 18th century republic and would be absurd and potentially destabilizing to a world power in the 21st century.

Representative democracy in the United States is fully capable of balancing the Nation's accounts without an amendment to the Constitution. Deficits are not endemic to democracy. As recently as the Nixon administration, the President's economic planners faced a problem of surplus in the national accounts, and thought it wise to create deficits in order to move the economy toward full employment.

In those not notably distant years full employment with price stability was the central goal of fiscal policy; this had been indicated by the Employment Act of 1946 which established the Council of Economic Advisers, and became steadily more feasible as economic projections became steadily more reliable. The Nixon administration inherited a difficult economic situation. Contrary to advice from the Council, President Lyndon B. Johnson had been unwilling to raise taxes to pay for the increased outlays occasioned by the Vietnam war. The result was inflation. This was stamped out, but then unemployment rose. It became necessary to stimulate the economy once again by deliberately incurring a deficit. George P. Shultz, then Director of the newly established Office of Management and Budget, explained the policy in the budget of the U.S. Government, fiscal 1973:

Budget policy.—The full-employment budget concept is central to the budget policy of this Administration. Except in emergency conditions, *expenditures should not exceed the level at which the budget would be balanced under conditions of full employment.* The 1973 budget conforms to this guideline. By doing so, it provides necessary stimulus for expansion, but is not inflationary. [Italic in original]

George P. Shultz is one of the most admired public men of his generation. His service as Secretary of State in the Reagan administration won the esteem and gratitude of much of the world, along with that of the American people. It is useful to recall that he is by profession an economist, having once been dean of the School of Business at the University of Chicago. He had joined the Nixon administration as Secretary of Labor. He was speaking in terms then readily understood by fellow economists, but not always clear to laymen, such as myself. The key phrase in his policy statement is italicized:

*\*\*\* expenditures should not exceed the level at which the budget would be balanced under conditions of full employment.*

Which is to say that in the absence of full employment, as was the case in fiscal year 1973, the Federal Government should deliberately contrive to incur a deficit equal to the difference between the revenues that would actually come in at levels of underemployment and those that would come in at full employment.

Far from being inevitable and unavoidable, there were points in the business cycle where a deficit had to be created. Otherwise surpluses would choke off recovery.

The contrary thought, that budget deficits will be continuous and uncontrollable is surely the oldest of prejudices against democracy. Which is to say the assertion that a majority will continuously vote itself benefits which the economy cannot sustain.

In an earlier age this supposed tendency was seen as a threat to property. Benefits would be obtained by confiscatory taxation—or plain confiscation. Hence, John Locke's prescription for a stable society: the security of "Life, liberty, and estate." In the Declaration of Independence, Thomas Jefferson devised a more felicitous formula: "Life, liberty, and the pursuit of happiness." Yet, there was never any doubt that the security of property was essential to such happiness. In the Federalist No. 10, James Madison address this issue with not the least apology. Ours would be a representative Government, concerned to moderate, if not indeed to control appetites.

From this view of the subject, it may be concluded, that a pure Democracy, by which I mean, a Society, consisting of a small number of citizens who assemble and administer Government in person, can admit of no cure for the mischiefs of faction. A common passion or interest will, in almost every case, be felt by a majority of the whole; a communication and concert results from the form of Government itself; and there is nothing to check the inducements to sacrifice the weaker party, or an obnoxious individual. Hence it is, that such Democracies have ever been spectacles of turbulence and contention; have ever been found incompatible with personal security, or the rights of property; and have in general been as short in their lives, as they have been violent in their deaths. Theoretic politicians, who have patronized this species of Government, have erroneously supposed, that by reducing mankind to a per-

fect equality of their political rights, they would, at the same time, be perfectly equalized and assimilated in their possessions, their opinions, and their passions.

In modern times a more common fear has been that the excesses of democracy would debauch the currency through the monetization of debt, which is to say inflation. Indeed, there have been such episodes, albeit relatively rare. Twentieth century democracies have experienced fairly steady price increases. Yet nothing ruinous. Far the greater fact has been the economic growth of the 20th century. Far from inhibiting such growth, democracy is now widely seen as an essential precondition. If democracy caters to wants more than to needs, it has proven itself reasonably capable of satisfying both, not least because we have developed a profession of economics which, if not in any sense perfected or even especially scientific, even so has a lot to show for itself. In the United States, for example, real per capita income has increased fourfold over the course of the 20th century from about \$4,300 to \$20,500 per person.

The historian Alan Brinkley has recorded the development of the idea of Federal spending as a route to prosperity, dating back to the 1890's, particularly for public works to counteract the business cycle. In the 1920's, William Trufant and Waddill Catchings argued for public spending as an antidote to underconsumption, an idea that would come to dominate both theoretic, to use Madison's term, and applied economics. The theoretical approach to underconsumption is much associated with the publication in 1935 of John Maynard Keynes "the General Theory of Employment Interest and Money." That master of the calling, John Kenneth Galbraith, records that by the autumn of 1936, "the General Theory" "reached Harvard with tidal force." In a review of Galbraith's autobiography, I have commented there has been no other event like it in the history of the social sciences. The Great Depression, then two-thirds over, had seemingly falsified the central tenet of classical economics, which is that markets clear through the price mechanism—that whatever is offered for sale, including labor, is purchased. There were business cycles, to be sure, but, most important, there was said to be an inherent tendency for the system to return to an equilibrium in which all resources were fully employed. But for 6 years there has been no such return; none was in sight. In "the General Theory of Employment Interest and Money," Keynes demonstrated that there could be unspent savings, and that when this happened prices would not adjust downward to ensure that the same volume of goods would be purchased with the reduced—after saving—purchasing power. Galbraith summarizes:

Instead, output and employment fell until reduced profits, increased losses and the need to spend from past savings ensured that all income from current production or its equivalent was thus established, one with a lot of people out of work—the under-employment equilibrium.

After an unprecedented period of depression, mounting crisis, and something like intellectual desperation, this had indeed the quality of revelation.

However, by the time any considerable portion of the economics profession had converted to Keynesianism, the Second World War had commenced. And so to a considerable irony, Keynesian economics was to be given its first trial not in the conditions of depression for which it had seemed designed but in the very opposite circumstances of a wartime economy, when the central problem was an excess of consumer demand and a shortage of consumer goods production.

Yet, in the crucible of war, the new doctrine produced, well, astonishing results. In a series of newspaper articles, Keynes set forth how to maintain price stability, during wartime, and in the United States a new Office of Price Administration did just that. Until, that is, the war ended and wartime controls collapsed. Here are the inflation rates for that period.

	Percent
1941 .....	9.7
1942 .....	9.3
1943 .....	3.2
1944 .....	2.1
1945 .....	2.3

With the war ended, Congress enacted the Employment Act of 1946. The authors of the legislation, and perhaps especially committee staff, were convinced that this new economics could now be used as originally intended, which is to say to ward off a recurrence of the Great Depression of the 1930's. It was widely assumed that the depression would indeed resume at war's end. Hence, for example, the Interstate Highway Act of 1944, a public works program in the classic New Deal mode. The Employment Act established the annual economic report of the President which steadily became a more detailed and instrumental document. By 1947, for example, we established the current survey methods measuring unemployment on an annual basis, a national statistic previously gathered through a patch-work of survey and administrative data. In 1960, with the election of John F. Kennedy, the new economics was well-established. Kennedy assembled a brilliant Council of Economic Advisers, Walter W. Heller, Kermit Gordon, and James Tobin. Although but little noted at the time, the present Senator from New York became Assistant Secretary of Labor for Policy Planning and Research. What I now report, I saw. I dare to think that what I saw is of great importance in the matter now before the Senate.

The unemployment rate had remained remarkably low throughout the post-war period. Then, in 1958 recession

struck. The unemployment rate rose to 6.8 percent, two-and-one-half times the 2.9 percent rate of 1953. A recovery followed. But then stalled. By 1961, when the new President took office, it was back up to 6.7 percent. What had happened? In their first annual report to the President, in January 1962, the new Council of Economic Advisers offered a striking explanation. The Federal budget was running a surplus. This was termed "the full employment surplus." Chart 6 in the report, entitled, "Effect of Level of Economic Activity on Federal Surplus or Deficit," showed how this worked. Higher Government expenditures during the 1957-58 recession helped to reduce the unemployment rate from 6.8 percent in 1958 to 5.5 percent in 1959. But the fiscal 1960 program, the next to last of the Eisenhower administration, and which, according to the Council, was "The most restrictive program of recent years \* \* \*" had a large full employment surplus amounting to almost 2 percent of potential gross national product. This surplus came about as follows. As the recovery from the 1958 recession got underway, economic activity grew and so did the revenues of the Federal Government. But Congress would not, or in any event, did not spend the additional revenue. As a result, the recovery stalled. This untoward event was ascribed to "fiscal drag." Accordingly, the President's economic advisers devised a fiscal 1962 program with a built-in deficit, which moved the economy closer to full employment. To say again, the Federal Government had to find ways to prevent a recovery from stalling because of an accumulation of a budget surplus.

The President's economists then proceeded to explain their actions and plans to reduce the full employment surplus.

The full employment surplus is a measure of the restrictive or expansionary impact of a budget program on over-all demand.

\* \* \* \* \*

THE BUDGET IN 1958-60

The analysis of the budget program in terms of the full employment surplus points to a probable major cause of the incomplete and short-lived nature of the 1958-60 expansion. The most restrictive fiscal program of recent years was the program of 1960. Its full employment surplus exceeded any from 1956 to date . . . The full employment surplus declined sharply as a result of higher expenditures during the 1957-58 recession until it reached an estimated \$3 billion in the second half of 1958. Thereafter, it rose gradually through most of 1959 but then increased sharply to about \$12½ billion in 1960. Thus, whereas the Federal budget contributed to stability during the contraction phase of the cycle and during the first year of the expansion, it was altered abruptly in the direction of restraint late in 1959 at a time when high employment had not yet been achieved.

\* \* \* \* \*

FEDERAL FISCAL ACTIVITY IN 1961-62

Immediately upon taking office, the new Administration moved vigorously to use the fiscal powers of the Federal Government to help bring about economic recovery. Federal

procurement was accelerated by presidential directive early in February, and tax refunds were also expedited . . . Changes in transfer programs added about \$2 billion to the combined total of transfer payments for fiscal years 1961 and 1962. The Veterans Administration advanced the payment of \$150 million of veterans' life insurance dividends into the first quarter of calendar year 1961, and then made an extra dividend payment of \$218 million at midyear. The Congress promptly adopted a number of measures requested by the President. A Temporary Extended Unemployment Compensation Act was adopted, providing for extension of exhausted benefits and giving the Administration time to develop a comprehensive program for permanent improvement in unemployment compensation.

In time, the Council came forward with a proposal for a tax cut, which was enacted in 1964, and Walter Heller hit upon the idea of revenue sharing. If the Congress would not spend the surplus, then surely the Governors would oblige. Those were heady times. I recall visiting the White House mess in the company of that most eminent of public men, Arthur J. Goldberg, then-Secretary of Labor, later an Associate Justice of the Supreme Court and Permanent Representative to the United Nations. Walter Heller was there and recounted in the most precise terms just how much GNP had been lost by congressional delay in the tax cut, just how much would be gained once it was enacted. His projections were perhaps too confident, but his principles were sound, as well as the practice that went with them. That double dividend on G.I. bill life insurance brought our family savings to just the point where we were able to buy the farm near Pindars Corners in Delaware County which has been our home ever since.

In the economic report of the President transmitted to Congress in January, 1969, the Council of Economic Advisers, now headed by Arthur M. Okun, could report.

The full employment surplus was a particularly enlightening measure of fiscal policy in the early 1960's when the economy was far below its potential. Actual Federal budgets were then in deficit. But after taking account of the large shortfall in tax revenues associated with the gap between potential and actual output, there was a large full employment surplus. It meant that the economy could realize its potential only if private investment far exceeded private saving. By that standard, discretionary fiscal policy was highly restrictive.

The vigorous and unbroken expansion of the last 8 years is in dramatic contrast to the 30-month average duration of previous expansions. No longer is the performance of the American economy generally interpreted in terms of stages of the business cycle. No longer do we consider periodic recessions once every 3 or 4 years an inevitable fact of life.

As remarked earlier, the Johnson administration left office with too much of a deficit, which had to be reversed. And was. But the 1960's had produced an economics capable of understanding such matters to a degree never previously achieved. An understanding which we are asked to reject altogether by an amendment to the Constitution

which economists of every political persuasion reject as potentially ruinous.

This consensus was stated February 3, in a statement issued by hundreds of such economists. They state:

When the private economy is in recession, a constitutional requirement that would force cuts in public spending or tax increases could worsen the economic downturn, causing greater loss of jobs, production, and income.

That insight is the great legacy of the economics that emerged from the great depression of the 1930's. It was hard-won knowledge. It is not to be lost in the turbulence and contention that accompanied and now follow a single congressional election.

Mr. President, seeing my distinguished friend from California on the floor—she has been waiting patiently to address the Senate—I am happy to yield the floor and I look forward to her remarks.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. BOXER. Mr. President, I say to my friend, the Senator from New York, I thank him for his leadership, protecting the senior citizens of this Nation. I think as we develop the arguments on this balanced budget amendment to the Constitution, both pro and con, his leadership will be a real bright spot in this U.S. Senate.

Mr. MOYNIHAN. I thank my friend from California.

Mrs. BOXER. Mr. President, I do hope all Americans are paying close attention to this debate on the balanced budget amendment to the Constitution and that they are listening very carefully to the arguments presented on both sides. This is a very important debate. We do not very often even discuss amending the Constitution of the United States of America. So it is important that we hear the arguments, we debate both points of view and the various amendments that will come before us as those on each side of the aisle try to perfect this amendment and some will try to defeat it.

Some will say the only way to balance our budget is to write the requirement to balance it into the Constitution. Others will say the Constitution is not the appropriate place to put economic theory. I myself am not philosophically opposed to the idea of amending the Constitution with a balanced budget amendment if it provides flexibility to the people's elected representatives to respond to national security threats, disasters, emergency situations, and recessionary conditions. It also must protect our commitment to American workers past and present, by exempting the Social Security trust fund from its procedures.

By flexibility I mean specifically that such an amendment should not enshrine a supermajority vote into the Constitution. The balanced budget amendment pending before the Senate now, which has the strong support of the Republican leadership, a part of the

Contract With America, does not meet that criterion of flexibility. It does, in fact, require a supermajority and I think that is a tremendous mistake and it does violence to what I consider the rule of democracy. I think majority rule is what our ancestors fought and died for.

Amending our Nation's most important document is not something that should be done lightly. I know this is the time of the 30-second sound bite, the wisecrack, the easy solution. But some issues are more complicated than that, and this, amending the Constitution of the United States of America, is one of those issues. The Californians I represent—and I might say 31 million strong—and all Americans should ask the following questions in this critical debate.

First, should we build into the Constitution the requirement of a supermajority vote to take the budget out of balance? For example, if we are in a deep recession one year, or a depression—and this country has gone through recessions and depressions—should it take a supermajority to enable us to respond? In the Republican contract it will take a three-fifths vote in each House to enable us to act. In the Senate that is 60 votes. I think that is downright dangerous.

The second question we should ask is should we build into the Constitution the requirement of a supermajority to respond to a natural disaster, an earthquake, for example, or a flood that ravages our homes, our towns, our farms? I know the Presiding Officer sitting in the chair tonight has gone through that as a brand new Senator. He has seen what floods can do. The Republican contract would require a three-fifths vote to respond to a natural disaster and I think that is very dangerous. I am going to talk a lot more about the whole issue of disaster relief later in my remarks.

Third, should we build into the Constitution the requirement of a supermajority to respond to a flood of illegal immigrants or a public health crisis or an internal terrorist attack—a terrorist attack that strikes us unexpectedly?

If we have to move and we have to act, should we have to have a rule of a supermajority for us to respond to that? The Republican contract would require a three-fifths vote for us to go out of balance to respond to that. I think that is very dangerous.

(Mr. ABRAHAM assumed the chair.)

Mrs. BOXER. So, what the constitutional amendment before us will do is require a supermajority for us to do our jobs as U.S. Senators. And, as I said, I think that does violence to democracy itself, which is based on majority rule. I do not believe in the tyranny of the minority. And I am in the minority now. I am not happy about it. I see my friend, the Senator from Utah, has a big smile on his face because he should be happy. The Republicans won control of the Senate. But I do not like

the idea of giving the minority the right to stop things in their tracks. I think it is wrong. I thought it was wrong when the Republicans were in the minority. I tried to change the filibuster, for example, even when it was not in my own best interests as now a member of the minority party.

There are those who say we will never balance this budget if we do not put that amendment into the Constitution and if we do not have a supermajority requirement. History shows us that this is not the case. I think it is very important to learn from history. History has shown us that it is an aberration to have these kinds of deficits. Our ballooning deficits, as a share of the size of the overall economy, did not become a problem until around 1980.

I want to quote Herbert Stein of the American Enterprise Institute. He was the chairman of the Council of Economic Advisers under Richard Nixon. I want to say that again. Herbert Stein worked in the Republican administration of Richard Nixon. Let us hear what he said about this amendment.

I see that we have a very strong leader on the floor right now, the Senator from West Virginia, who to many people is still their leader. He is still their chairman. Certainly when it comes to defending the Constitution of the United States of America, I say unequivocally that I know of no one else who does it with the style and substance of the Senator from West Virginia. Last year, the Senator from West Virginia held hearings on this balanced budget amendment to the Constitution, and they were extensive. I urge every Senator, Republican and Democrat, to read those hearings.

Herbert Stein came down to the hearing. This is what he said:

Our experience under the current regime without the amendment has not been terrible. Between 1950 and 1980 the annual deficit averaged about 1.2 percent of the GDP. After 1980 there was a break in history. Deficits became much larger than they have been, averaging 4 percent of GDP.

I think it is very important for us to know that it was Democratic President Bill Clinton and a Democratic Congress that began reversing the anomaly of the eighties. It is true there was a budget agreement under George Bush, and it did start down the track. But I believe it was that vote that we cast here in the Senate for the deficit reduction plan that brought us to a point where we can be very proud of that \$500 billion deficit reduction package which passed this Senate. I want to point out that not one Republican voted for real, substantial, deficit reduction. They talked about the amendment then. They talked about how terrible it was to have deficits. But not one Republican joined us. We did not just talk about the procedures as gimmicks for getting us to a balanced budget. We actually took the steps needed to reduce our deficit.

With the President's leadership, we made some very tough choices. We cut spending. We cut taxes also for millions of working families and, yes, we did raise some taxes on the top 1 percent of families in America, the top 1 percent of the economic strata. The very wealthy did pay a tax increase. That is not an easy vote, my friends. No one likes to go home and say, "I hate to tell you, but I had to vote to raise your taxes." But we did it. We did it because I believe it was the right thing to do to get this deficit on the downward track.

How can I explain that someone making \$400,000 a year was paying the same tax rate as someone making \$55,000 a year? I believe the Tax Code must be fair, and every one of us has to do his or her share to reduce that deficit. What is interesting is after that deficit reduction plan, for every American who pays higher taxes, 10 pay lower taxes. So it was a fair bill, a fair package. And it brought fairness to the Tax Code, and it started us on this decline of this deficit without a constitutional amendment. We started to get the deficit on the decline.

So here it is in plain view, in this Senator's perspective, the difference between making the tough votes on budget and making this very simple vote on amending the Constitution. Let me say how I feel about that. I respect every one of my colleagues, Democrats and Republicans, who will vote for this, no matter what the shape of it is. I do not particularly think it is a courageous vote. I think it takes this country into a position where the minority Members of Congress can hold our country hostage to depression, recession, disasters, and unknown emergencies.

I have heard many of my colleagues say, because I am very concerned about this, "Oh, in times of recession and depression, in times of disaster, we will all come together and it will be easy to get 60 votes in the U.S. Senate. It will not be a problem, Senator BOXER. It will be easy. We will pull together as Americans. We will have supermajorities to go out of balance and to increase the debt ceiling"—which by the way also takes 60 votes. I have read the RECORD. That is just not so. Supermajorities are hard to get, and I will show that in this debate.

I think we are going to find that our hands are tied, ensuring our inability to act when we should act. Why else do we come to the Senate? Why else do we want to be here if not to help the people, particularly in times of crisis, whether it is an earthquake, whether it is a veteran who is, yes, a paraplegic? We heard Senator ROCKEFELLER, who lives his life here in the Senate in behalf of veterans. We heard what he said about what would happen to veterans if this passes.

Why are we here? Why are we here? I ask my friends. To tie our hands, to make it impossible for us to act? I hope not. I hope the American people ask

those who support this amendment if they voted for real deficit reduction last year. If they did not, then I say they are hiding behind this constitutional amendment. It is a figleaf. They want to be able to say they are for a balanced budget. Well, whoopee. That is easy. Saying you are for a balanced budget is easy. What is tough is making the tough votes to make it happen. But when they had the opportunity to vote for deficit reduction by casting a very difficult vote—and it was difficult—they took a powder on that vote. If they had prevailed, we would not have had the success we have had thus far in getting that deficit under control.

I think it is very important to continue to talk to the American people about—since the Republicans did not vote for the deficit reduction that the President put forward and the Democrats supported—what kind of deficit reduction do they support?

I know what I supported because I supported the President's package. So I can show you what I supported. It was difficult. But I can show you. And I will take the heat for it, and I took the heat for it.

But I say they have not shown us their hand. They support an amendment to the Constitution that supposedly outlaws deficits unless a supermajority decides to go out of balance. And I say they have a moral obligation to tell us what their version of deficit reduction looks like.

Now, I heard Senator BYRD discussing this the other day, and he said something very sensible. He said if an average American goes to buy a used car, would they not look under the hood and see what is under the hood?

Well, I say to my Republican friends, if you want to put forward this balanced budget amendment, show us your budget. Open up the hood. We need to see what you mean and what you want to do. It is the right of the American people to know and to know before, not after, we vote for this amendment.

Now, in the deficit reduction bill that I voted for, which passed in 1993, we protected education and children and new technology investments and health research and Social Security and the fight against crime. We did cut other things. As I said, over 200 Government programs were terminated or reduced.

I say, what are the Republican priorities? Where is their budget? We know that the Republican Contract With America promises \$700 billion of tax cuts over the next 10 years and, by the way, not targeted to the middle class but to those also in the high tax brackets. They have proposed the same child tax credit for families making \$200,000 a year as for families making \$30,000 a year.

Now, think that is not going to drain the Treasury. I can assure you that it will. How will they pay for these tax cuts? How will they pay for these tax

cuts? They already said they do not want to cut defense. Indeed, they want to spend more on defense. They already said they do not want to touch Social Security even though, by the way, many of them do not support the amendment to exclude Social Security from the balanced budget amendment. They say they do not want to touch Social Security. I am going to vote to remove Social Security from the balanced budget requirement. Social Security should be separate and apart from the budget, untouchable because it is a trust fund and it must be there for current and future retirees.

The Republicans want to leave it right there. In the House, they defeated the amendment to delete Social Security from the requirements of this amendment. But I want to take them at their word tonight. I am going to take them at their word tonight. Even though they did not want to remove Social Security from the requirements of the balanced budget amendment, let us take them at their word that they will not touch Social Security.

Now, if Social Security is off the table, what would we have to cut? We already know they do not want any new taxes. They have already said that. They want tax cuts. They do not want to touch the military. They want to spend more. So what would their balanced budget look like? They will not tell us. It is as simple as that.

I say to the American people, you have a right to know. I am trying to get you the facts. As soon as I learned about the balanced budget amendment, on January 12, I sent the following letter to my colleagues, who have brought this amendment before us. I sent it to the distinguished majority leader, to the chairman of the Budget Committee, and to every Republican Senator who is part of the leadership of this Senate and endorses this balanced budget amendment. This is what I wrote. I am going to read you what I wrote the Republican leaders of this Senate.

DEAR SENATOR: I understand that it is the intention of the Republican majority to bring the constitutional amendment to require a balanced budget to the Senate floor as soon as possible because of the Republican Contract With America. Because you are a supporter of this constitutional amendment, I ask that you send to me your plan to reach this balanced budget target by the year 2002. As I am sure you are aware, the Congressional Budget Office has estimated that to get to a balanced budget by the year 2002 would require deficit reduction in the amount of \$1.2 trillion. I would be interested to know what programs you recommend be cut or revenue raised in order to reach a balanced budget.

Specifically,

I wrote to my colleagues:

I am interested in knowing the cuts you would make in programs for crime prevention, education, health and science research, border enforcement, environmental protection, veterans, or transportation. I would also be interested to know what cuts you intend to make to defense, Social Security, and Medicare. Because—

I wrote—

there is no exception for assistance to people who have been struck by a natural disaster, I would also appreciate your candid assessment of how this constitutional amendment could impact funding for disasters such as an earthquake, flooding or fires. Ominously, a supermajority would be necessary or other programs would have to be cut to provide assistance to these disaster victims.

I thank you for your attention to these questions.

I sent 16 letters. So far I have not received a single response. I hope that they will in fact write to me and give me the details of their budget because the American people deserve these details. I am waiting, and I think they are waiting. Now, I must say I am not shocked that I have not received a response.

House Majority Leader ARMEY said that if Members of Congress saw the details, "it would make their knees buckle." Listen to that one.

The House has very fast procedures over there. I was there for 10 years. It is an incredible atmosphere, a very exciting atmosphere. As some watchers of the Congress have been known to say, the House is like the cup where things get really hot and the Senate is like the saucer where they cool down. We are cooling things down here because, as DICK ARMEY, the majority leader of the House said, if Members of Congress saw the details, "it would make their knees buckle."

House rules allowed the balanced budget amendment to be rushed through the House. I am not critical of that. That is the way it is over there. But we have the ability over here to fully debate measures, and we will not be rushed. We will be able to point out very clearly what will happen when we have a requirement for a balanced budget in the Constitution that requires a supermajority to respond to the needs of the American people.

Now, I said when I was elected to the U.S. Senate that I would fight for the people of California and for what I believe in, and after the Republicans took over the Senate, the press started asking, "Aren't you going to change? Aren't you going to be different?"

I said that I was elected to fight for the people of California and what I believe in. And that is what I intend to do for as long as they want me to do it. The day they do not want me to do it, they will pick someone else. That is the Contract With California that I have.

I said at the opening of this Congress that I would work hand in hand with the Republicans if I felt that what they were doing was good for my State and my country, but I also would stand up and fight against them when I felt what they were doing would hurt my State and my country.

I want you to know I supported the Congressional Accountability Act with my Republican friends. Yes, I felt it could have been made stronger, so I also supported amendments for campaign finance reform and the gift ban

that they voted down. I finally voted for that bill because on balance it was a good bill which, by the way, Democrats and Republicans had pushed in the last Congress.

Let me tell you, this rigid amendment that gives so much power to the minority is bad for my State. You need to have three-fifths of the Congress to vote to go out of balance or raise the debt limit—60 votes of the Senate right here—and that gives power to the minority to thwart the will of the majority, and that is not right. That is not right. The majority should rule—not the minority. And if I am stuck in the minority, that is my problem. I have to learn to live with it. I should not be able to stop this Senate from responding to the needs of, say, a disaster, a crisis, a health emergency.

I know a health scientist who told me that the worst virus you can imagine, Mr. President, is one plane ride away from this country. It is unbelievable. There is a book called "The Hot Zone" which talks about this. The worst virus, the worst bacteria that you can dream of, is one plane ride away from America, and we are going to have a situation wherein a minority could stop us from reacting to that kind of emergency. I say that is bad for the people of California and bad for the people of this country.

I have already shown you by reciting history that you do not need an amendment to balance the budget. We did it around here for many, many years. It was not until the 1980's that things got out of control. Trickle-down economics did not do what it was advertised to do, and this budget went out of control. We have to make progress and we are making progress. I would like to get that deficit down to zero, and I believe we can. But in some years—some years—because of major problems, because of the state of the economy, which may reduce revenues to this Government—what causes the deficit? Expenditures and revenues have to match and some years in this country, because we are a free market, proud economy, some years we go into recession. We used to go into worse recessions. But we have gone into some pretty bad ones. Of course, before I was born was the depression that so impacted the lives of my parents, because they lived through that and they never stopped telling me the horror stories of that time.

Sometimes those revenues go down. Do we want to say, no matter what, we will have a balanced budget, and even if we have a virus that comes in from another country, a bacteria, an earthquake, a fire, a recession, a depression, we need to get a supermajority? My friends say: It is easy, you will get it at a time like that. If they feel that way, why do we not have some exemptions here for recessions, for disasters, so that we know we can respond in a timeframe that makes sense.

Let me tell you what would happen to my State if this amendment passes in the timeframe laid out and if the Re-

publicans stick to their promise—namely, that they will not touch Social Security, and they will enact a megabillion dollar tax cut, and they will increase military spending. That is what they said. And they will not show us their budget. I am trying to figure it out.

What is left on the table? Let me tell you who I went to to get the answer. I did not go to my own party or call the White House. In February 1994, the Wharton Econometrics Forecasting Group, one of our Nation's leading economic forecasting firms, said the balanced budget amendment could cost the State of California more than 700,000 private sector jobs as a result of a significant decline in economic activity in the State. The drop in personal income would be roughly \$148 billion.

The Treasury Department reports that the balanced budget amendment would reduce annual Federal grants to the California State government by \$7.7 billion. So, first of all, we have a 700,000 loss of private sector jobs as a result of that decline in economic activity, and we have the drop in personal income of \$148 billion in my State and loss of Federal grants of \$7.7 billion. How can I not take to the Senate floor and protest this amendment? It is going to kill my State. It is going to hurt the people of my State—the children, the families, the elderly, the veterans, people caught in disasters. It is going to hurt our ability to stop illegal immigration at the border.

I cannot sit back and allow this to happen to the people of my State without fighting. I cannot sit back and not fight for an exception in this balanced budget amendment for disasters. I have to fight for an exception for disasters. The Kobe earthquake in Japan demonstrates in ways words cannot express the violence that can be released from an earthquake at 7.2 on the Richter scale. The 6.7 rated Northridge earthquake caused at least \$20 billion in damages for both the public and private sector. But a 7.0 earthquake could cause more than \$57 billion in damages to Los Angeles, according to a University of Southern California study.

Let me say to my friends from the Midwest and from other parts of this country, we had a report from James Lee Witt that just hit the press yesterday that says they expect an earthquake of that size—Kobe-size—to hit this country, and more than likely it will be in the Midwest. So talking about earthquakes simply is not a matter for California. Talking about floods simply is not a matter for California.

The tragedy in Japan revealed another underlying problem, and that is the problem the Japanese Government had in responding to the crisis. The Government's slow response is undergoing intense scrutiny by Japanese citizens, and rightly so. I bring it up here today because I want us to understand, because we are on the firing line, when something like that happens, we do not want our Government

to be indecisive and unresponsive in times of crisis.

Let me say this: We have responded beautifully to the recent disasters in California and the Midwest floods and the problems in Georgia and the problems in Texas, under this really newly designed FEMA that we have under the Clinton administration. I do not want us to go back to the days when FEMA did nothing.

Let me tell you what a Japanese bureaucrat said to hundreds of homeless people gathered at a local city hall. Put on your thinking caps, because it is going to be us for sure if we do not make an exception for disasters. This is what this bureaucrat said to these homeless people, hardworking citizens of Japan, suffering from an earthquake, homeless:

I can't do anything about your house at this point. I suggest you go to another city.

Imagine Americans taking that. Are we going to tell the people of our cities, suburbs, our rural areas, to move and leave their memories, their dreams, their hopes, because we put in the Constitution a mechanism that tied our hands and said we cannot act? I hope not. I hope the American people will not let that happen. They all love the sound of a balanced budget amendment to the Constitution. "They better look under the hood," as Senator BYRD said.

Our States are not colonies of the Federal Government. When disaster strikes, "we are," as the words say above this beautiful Capitol dome, "from the many one." No confederation of States can respond to a natural disaster as the U.S. Federal Government can respond to a disaster.

When I offer my amendment to exempt disasters from this, I am going to go into chapter and verse about how we have responded and the time that it took and the billions of dollars of relief we were able to send to the various parts of this country.

I hope all of my colleagues from both sides of the aisle will join with me. I do not see how we can possibly not learn from the disasters in this country and from the Kobe experience that the United States of America is the preeminent of, by, and for the people, because we can respond in a crisis. Let us not tie our hands and let 40 people in this body stop us—or 41 to be exact. It takes 60 votes to go out of balance, to respond to a disaster.

I am saying to you, let us not put ourselves in a situation while the debate rages day after day after day, and we have 51 votes to help and we have 52 votes to help, but we are a long way from 60 votes and we cannot help. I would not want to be the Senator whose constituents are going through the hellish nightmare of a disaster without a Federal Government to help. Getting 60 votes will be difficult. History has proved that. Let me tell you, my friends, I am not just theorizing here. We had a horrible earthquake in San Francisco where the Cypress Free-

way was badly damaged. Hundreds of thousands of people commute on that every week.

Now I will tell you, I barely survived a vote to rebuild the Cyprus Freeway, 52 to 43, because none other than the distinguished majority leader, who was minority leader then, tried to say, "Let's get offsetting cuts."

There are some times when there is a crisis and you do not expect it, whether it is in your family or in the family of government, and we must act to help people.

So I hope that my friends on the Republican side and on the Democratic side will join me when I offer the amendment, which, by the way, is co-sponsored by Senator LEAHY of Vermont. It has the support of Senator FEINSTEIN and Senator INOUE, and the list is growing. Because we should not have our hands tied in a disaster.

Now let me cite another example of where we should not have our hands tied. We should not require a supermajority to act in case of a recession. I do not think we want to return to the days of Herbert Hoover. During the Great Depression of the 1930's, Republican President Hoover refused to see the economic danger signs and he would not act to bolster the plummeting American economy.

When the Depression struck and unemployment in this country rose from under 5 percent to over 20 percent in roughly 2 years, Hoover still refused to act. He refused to provide assistance for the one-fifth of the American population that was out of work.

Let me tell you what he said. And I want the American people to please listen to the words of Herbert Hoover. He said, "The principles of individual and local responsibility" would be applied to the victims of the economic suffering.

Let me repeat that. In the days of the Depression, when people of skill were selling apples on the street and heads of families were jumping out of windows because they could not provide for their families, President Hoover said, "The principles of individual and local responsibility" would be applied to the victims of economic suffering.

And I quote him further:

Each community and each State should assume its relief of the distress with that sturdiness and independence which built a great nation.

Sound familiar? Let me read it again.

Each community and each State should assume its relief of the distress with that sturdiness and independence which built a great nation.

My friends, that statement is true, but in times of deep emergency in this country—from the many, one. That is the purpose of the United States of America. From the many, one. We come together and we have great strength when we come together.

Now I hear a lot of talk about the new federalism. And I hear words that sound just like this. There is nothing new about it. We tried it and it failed.

Of course, we must be responsible for ourselves and our families, but there are times when things occur in this country that we cannot control, such as recession, depression, an outbreak of cholera, or a serious bacterial infection that may come in, a plane ride away, or a disaster that only God understands why it has to happen to us. And then from the many, one, from the many States, one, and not a situation where in order to act as one we need a supermajority. That is wrong.

We understand that there are times when the Federal Government needs to act to counterbalance cyclical downturns and serious economic trouble.

And, again, Senator BYRD had a press conference with Senator MOYNIHAN and Senator SARBANES and prize-winning economists who said this is a huge mistake to put this requirement into the Constitution with a supermajority vote.

A statement signed by over 200 economists and political scientists says that the balanced budget amendment—and let me quote from them—"hinders severely the public sector's ability to compensate for cyclical fluctuations." In other words, recession, depression. "The need for Federal action to stabilize the economy has been widely recognized since the 1930's."

This is the economists talking.

A balanced budget eliminates one of the few mechanisms preventing mild downturns from developing into severe recessions.

Sometimes you want to act early in a recession to turn it around so it does not turn into a depression. Well, it would be hard to get 60 votes for that, I say to my friends.

I have received letters from several economists repeating these concerns.

Dr. James Tobin, a professor of economics at Yale University and a Nobel laureate, says in a letter to me: "The balanced budget amendment would make the economy more unstable, more vulnerable to business cycle recessions, because it requires the budget to be balanced every fiscal year regardless of economic conditions," which is what I talked about before. In many years, it will be perfectly good economic policy to have a balanced budget, but sometimes it may be very difficult.

This is what this Nobel laureate says in his letter to me:

The tax increases or expenditure cuts necessary to keep the budget balanced would make recessions worse and retard recoveries.

Let me repeat that: This amendment would "make recessions worse and retard recovery."

He goes on and explains:

When the economy is depressed, individual and business incomes are smaller; income and payroll tax receipts are smaller, too. Spending is down throughout the economy, so excise and sale taxes yield less revenues than normal. Outlays for unemployment insurance, food stamps, cash welfare and even Social Security benefits are higher \* \* \*.



Now, why are they higher? Because people are out of work and they are drawing down on these safety net programs which I have not heard anyone say they want to destroy.

"The economy," he goes on, "would be worse if these responses to recession did not occur or were cancelled out. Individuals and businesses hit by losses of income and employment would be hit even harder if their tax liabilities remained as high as before and if they received no help. They would have to curtail their spending even more, depressing economic activity further."

So we have a vicious circle of misery. And what does it take to go out of balance? Under this amendment, unless there is an amendment to go out of balance with 51 votes in a recession, you have to get 60 votes to ease the pain of the American people.

Dr. Robert M. Solow, professor of economics at the Massachusetts Institute of Technology, and also a Nobel laureate, says the following:

The Amendment is not only bad law, it is bad economics. One of the important ways we protect ourselves against deep recessions is through "automatic" variations in the Federal budget. When business turns bad and sales turn down, incomes fall too. Wage and salary income is reduced by short time and layoffs; business profits are usually even harder hit. The Treasury's tax revenues fall automatically. A balanced Federal budget will be thrown into deficit, not by act of Congress, but by workings of the economy.

If the law required Congress to respond by increasing taxes or reducing income-support payments or other expenditures, the result would be perverse. Families and firms would find themselves even worse off, business sales would fall further, and the recession would worsen.

Dr. Lawrence R. Klein, a professor of economics at the University of Pennsylvania and a Nobel laureate, also opposes the balanced budget amendment because of its potentially damaging effect on the economy. Professor Klein wrote in his letter to me that:

\* \* \* the primary economic objection to the proposed amendment is that it locks government fiscal policy into an inflexible position. \* \* \* The experience of 1991 and 1992 provides ample evidence of the failure of monetary policy to bring the economy significantly out of recession when it is acting alone instead of being coordinated with fiscal policy in a balanced way.

Professor Klein goes on to say:

There are times when budget deficits are needed for temporary stimulus and when surpluses are needed for restraint. If these short-run fiscal policies are properly coordinated with monetary policies we can enjoy a much better national economic performance.

These economists are very impressive.

I started off with Herbert Stein, who has been a leading voice for the Republicans, who says this is not a good idea. So it is bipartisan. These are people who really care about this country's economy. This is not a political issue to them. This is an issue of substance. They are concerned about our inability to act quickly to head off a recession, stop it from getting worse.

Now I want to bring up some of the real, what I call red herrings of this de-

bate. They are thrown up there, but they are really not real.

The argument is made that all we are doing to the Federal Government is what the States already do. This is untrue. The balanced budget requirements of the States usually apply only to the State's general fund, which, according to the General Accounting Office, is only about 54 percent of a State's spending.

The balanced budget requirements of most States only deal with a very small part, with 54 percent of the State's budget and the rest does not have to be in balance.

As State deficits start to rise, State governments do some interesting things; 47 States can issue general obligation debt to finance operations and other State activities.

They say they have to have a balanced budget, but they go out when things arise and they issue debt; 42 percent of States have capital budgets for infrastructure and other investments that are not required to be balanced. In other words, where the United States of America's budget includes infrastructure, capital improvements, highways, bridges, roads, as part of our budget, in 19 States, those things are off budget. They are separate. And they can be, in fact, financed by debt.

I know that the leader here is getting a little concerned at the length of my speech, but I can assure him this will not be the last time I am on the floor, and I am getting to the end of my statement. This is the longest speech I have ever made on this Senate floor. I am very proud that I am able in this democracy to take to the Senate floor and give a complete speech on a subject that is so important.

This is the Constitution of the United States of America, and in a Contract With America that Republicans have written, they want to have a constitutional amendment to balance the budget. They would like to get it done in 100 days. Maybe they will. But I came here to fight for the people of my State and for what I believe in. This is going to hurt the people of my State.

For me, it is unprecedented to speak longer than 30 minutes on the Senate floor. But I am doing it because in my heart I would be failing the people of my State if I did not.

Forty-seven States can issue general obligation debt to finance operations and other State activities; 42 States have capital budgets for infrastructure and other investments that are not required to be balanced; and 37 States are allowed to borrow for capital projects. Moreover, the General Accounting Office reports when States begin to experience deficits, they often resort to financial gimmicks to achieve a balanced budget, such as putting things off budget, shifting accounts, and reducing contributions to pension plans which, by the way, can be very dangerous.

Let me tell Members what the debt is in my State of California. It is \$23.5 bil-

lion. The Governor of my State says he has to balance his budget. He does not say he has \$23.5 billion of debt.

Now, the argument is made, so if we say that the Federal Government should act as the States act, I say to Members, the States have debt. I am not saying it is right. I am not saying it is wrong. I am saying it is a reality. So then some people will say, why do we not have the Federal Government act more like a business? Members have heard that—act more like a business. By the way, I think we should sometimes. Does business have debt? In fact, debt for businesses was \$3.8 trillion in the third quarter of 1994. The Federal debt is about \$4 trillion. Business debt is \$3.8 trillion. It is very close.

Now, why does business go into debt? They do it because they make investments with the money they borrow; they expand their capabilities. And I do not think there is one successful business person who would come before Members and say they could never imagine a time when they did not make a loan to expand unless they had unlimited resources. That is why businesses are so dependent on interest rates. When interest rates go down, they are happy because they can go to the bank and get cheap loans, and they can turn that into productivity and profit. Now, they must be wise about it. So should Government. Sometimes, they go into debt.

Now the argument is often made, let the Federal Government look like a family. Now we will look at family. Private debt held by households in the third quarter of 1994 was \$4.5 trillion. Private debt by households is larger than the Federal debt. Federal debt is \$4 trillion; household debt \$4.5 trillion. Amazing. I do not know too many people who do not have home mortgages. Maybe other Members do. I do not even know too many people that own their cars outright. The upper echelon, sure, no problem. Clip the coupons, get the inheritance, no problem. But the average working American has a mortgage. Indeed, we encourage them to buy homes. We make the interest on the mortgage tax deductible.

So, yes, families have debt. Now, it should be reasonable. It should be intelligent. It should not be overdone. We know when we get in trouble we have to pull back. But if we say the Federal Government should look like a family, families have some debt. More like a business? Business has some debt. More like the States? States have a whole lot of debt. I am not saying it is right. I am not saying it is wrong. I am saying it is the way it is in a capitalistic society.

If someone in our family suffers a setback, we do not throw up our hands and say, "Sorry, we did not expect that you would get cancer, and we have used up our rainy day funds and we cannot

do anything about it." We pull together; from the many, one. We reach out to friends and community to help, and that is why we have to be able to act as a Federal Government and to act quickly and to act in such a fashion that it does not take a 60-vote majority.

Now, many of those supporting this amendment rail against bureaucracy and unelected folks having too much power. I agree with them. Therefore, I cannot understand them supporting this rigid amendment where the power will go, first, to a minority in the House and Senate, and second to the courts. For example, how do we define outlays in this amendment? How do we define revenues? These basic questions will surely be the subject of litigation. But that is just the tip of the iceberg.

Constitutional scholars anticipate that the President will be sued by parties who think his revenue estimates are too high, and by parties who think his revenue estimate is too low; by parties who think his growth projections are too high, and by people who think his growth projections are too low; by people who will lose benefits or salary increases if the President impounds appropriated funds, which he can do in this amendment in the event of a shortfall, and by Congress if the President declines to impound. And, of course, the cases will be heard by judges who do not necessarily have any background in fiscal policy, who will find in their case books no useful precedent and will discover in the amendment itself no description, no remedies.

Ironically, the simplest solution for the courts in some cases may very well be to order a tax increase. So the power goes to a minority of Congress, to the courts, and maybe even to the Federal Reserve, because they will be the only institution which will be free to respond in an economic crisis through monetary policy.

If Congress' hands are tied by the will of a minority, as the pending amendment would do, the central bankers of the largest nations who already have great power will fill the vacuum. They will be able to wield greater authority over financial markets, interest rates, industrial development, and economic behavior all around the globe, and we do not even know who these people are.

So, Mr. President, I am coming to the end of my remarks. I am down to the last few brutal minutes. For all these reasons, I hope we will not add this amendment to the Constitution. It is a tough vote to vote "no" because it seems simple. If you favor a balanced budget, vote for the amendment to the Constitution. But that is not what this is about.

I have made tough deficit reduction votes and continue to do that. But I will not put Social Security at risk. And that is what this constitutional amendment does. I will not put our citizens at risk in case of natural dis-

aster. And that is what it does. I will not put our people at risk in a recession, and that is what this amendment does. And I will not put our fighting crime budget at risk, and that is what this amendment does, as well as put so many people—our children, our elderly, our families—at risk.

I will not stand by while my State of California gets the shaft from colleagues who, frankly, will not even tell Members where the cuts are coming from. They are taking a budget ax, but we do not know where it will land. I cannot stand by quietly and not talk out for my State and for the people I represent.

I worry very much about this amendment. It is one of our most important votes. I think, again, out of many, one. That means we should be able to respond to a crisis. We will not be able to do this. I think if we vote for this, before we vote, we should demand that my Republican friends show us their budget.

Let us support amendments to protect our people by exempting Social Security disasters and economic downturns from this rigid amendment. Let us remove the requirement of a supermajority which will totally tie us in knots, and if we do not do these things, then let us defeat this amendment.

In closing, Mr. President, true leadership requires patience, courage, and convictions. This debate will challenge our patience, our courage, and our conviction. Let us meet the test not just as a personal challenge, but because the stakes are enormous for America for now and for decades and decades to come.

I thank my colleagues for their patience. I yield the floor.

Mr. HATCH. Mr. President, the Senator from California suggests that the balanced budget amendment is inconsistent with the Framers of the constitution and their Constitution because it requires a supermajority to pass an imbalanced budget. She asserts that this is countermajoritarian and that majority rule is the main principle in the Constitution. This is simply wrong.

Virtually every provision of the Bill of Rights is countermajoritarian—each limits what passing majorities can do. There are many instances in the Constitution: separation of powers, checks and balances, bicameralism, the qualified veto, advise and consent provisions, and treaty ratifications which do not involve the House and often involve supermajorities. The entire amendment process requires supermajorities of Congress and the States. Each of these involves supermajority requirements or gives decisionmaking power to less than the majority.

But, Mr. President, the Bill of Rights goes even further: It does not allow changes with majorities, or even supermajorities. In fact, even a unanimous vote cannot contravene the Bill of Rights without amending the Constitu-

tion itself. A majority cannot make laws abridging freedom of speech. A majority cannot establish a national church or interfere with the free exercise of religion. A majority cannot allow police to make unreasonable searches and seizures. A majority cannot infringe on the right to keep and bear arms—at least not legitimately.

A majority cannot change the bicameral Congress to a parliamentary system or divide the unitary Executive into a Roman triumvirate. A majority cannot even lower the age requirement of Senators.

Mr. President, the Constitution itself is a countermajoritarian document. If all we wanted in a government was mere majority rule, we would not need a Constitution at all. The very notion of a set of rules that a majority cannot change is countermajoritarian and empowers a minority. But, Mr. President, I believe the Constitution has proven its worth by protecting transient majorities from themselves and protecting the minority as well. And it has proven its worth as a basic charter for our Government and our Nation.

Changing majorities in Congress have been spending our children's money and they have trampled on the rights of those generations who do not have a vote yet. It is wholly appropriate to require at least a measure of consensus among those represented to spend the legacy of the young and the unborn. It is wholly consistent with Madison's "auxiliary precautions" which serve to control the Government to help maintain the freedom of the governed.

Mr. ABRAHAM. Mr. President, let me take a few minutes to explain to the American people what this debate over the balanced budget amendment is really all about.

It is a debate between those in this body who want to maintain the status quo versus those of us who want to implement the change that the American people voted for last November.

It is a debate between those who want to preserve the business-as-usual practices of official Washington—more taxes, more spending, and more debt—versus those of us who want to shake up Washington and promote less government and more individual freedom.

Mr. President, in March 1994, 17 Senators on the other side of the aisle voted for the balanced budget amendment. Although I was not here, I am told that many of these Senators gave impassioned speeches about the dire economic consequences of high and rising budget deficits—about the immorality of burdening future generations with massive debt.

Today, the projections of future deficits and debt are significantly higher than they were last year. The latest CBO outlook for the budget deficit shows it climbing from \$207 billion in fiscal 1996 to \$243 billion in fiscal 2000. By fiscal year 2005, the CBO projects that the deficit will rise to over \$400 billion.

Budget deficits are rising. Interest rates are rising. The national debt will increase by over \$1 trillion over the next 5 years. But somehow our colleagues on the other side of the aisle who voted for the balanced budget amendment in March 1994 now feel less compelled to support the amendment today.

They now want to attach special conditions; namely, the right-to-know and Social Security exemption amendments to the balanced budget amendment in exchange for their support on final passage.

As a new Member of the Senate, I would like to know why our colleagues voted for a balanced budget amendment that did not include a right-to-know provision last year? Why were there no requests for budget details back then?

The minority leader was quoted the other day in *Congress Daily* saying that he may not vote for the balanced budget amendment because he does not "have sufficient information on it." Again, I was not here, but the minority leader and others apparently had sufficient information when they voted for the balanced budget amendment the last March.

Why did our colleagues vote last year for a balanced budget amendment that did not include a provision to exempt Social Security? Is Social Security somehow more at risk this year than it was last year? Judging from the cards, letters, and phone calls that I get from Michigan's senior citizens, Social Security is politically as strong as ever. I have no doubt that it will compete very well with other programs in the Federal budget.

Mr. President, in truth, the only difference between today and last year is that a new party controls the Congress—and some people do not like it. These amendments are nothing but veiled attempts to torpedo the balanced budget amendment, thereby thwarting the American public's will as demonstrated in the last election.

In my judgment, we need the balanced budget amendment now more than ever. Clearly, the budget deficit is once again spiraling out of control. And President Clinton has apparently decided to raise the white flag on the budget deficit.

His proposed budget for fiscal 1996 barely puts a dent in the out-year budget deficits. In fact, his budget calls for an increase in Federal spending from \$1.5 to \$1.9 trillion by the turn of the century. It will produce budget deficits of about \$200 billion every single year through the year 2000.

Mr. President, according to an article in Saturday's *Washington Post*, one administration official who participated in drafting the President's budget said that, "It should be a source of shame."

With this budget submission, the President has basically decided to walk away from his campaign pledge to cut the budget deficit in half during his first term—and walk away from the

public's overwhelming desire to balance the Federal budget.

In my view, President Clinton's budget should be the poster child for the balanced budget amendment.

Without the constitutional force of a balanced budget amendment, the President is simply not compelled to make some tough choices and submit a balanced budget.

Mr. President, as I mentioned earlier, I think this debate is a showdown between the business-as-usual politics of official Washington and the desire for sweeping change that the people voted for last November. It is that simple.

Those Senators who oppose the amendment want to maintain the status quo of higher deficits, higher spending, and higher taxes. Those Senators who support the amendment want to shake up the system and force Congress to do what every American family must do—live within its means.

#### EDUCATION INFRASTRUCTURE AND THE RIGHT-TO-KNOW AMENDMENT

Ms. MOSELEY-BRAUN. Mr. President, as a strong supporter of the right-to-know amendment, as well as a strong supporter of the balanced budget constitutional amendment, there is a lot I would like to say on behalf of the principles that underlie both ideas. However, at this time, I would like to say just a few words about the fiscal year 1996 administration budget proposals and their impact on my top legislative priority in the last Congress, the Education Infrastructure Act.

I ran for the Senate in no small part because I believe that the Federal Government has a real responsibility to make primary and secondary education a higher priority. I think it is absolutely clear that a solid primary and secondary education is the foundation on which opportunity is built, and I am convinced that one of the most cost-effective ways the Federal Government can open up opportunities for our children over the long-run is to give primary and secondary education the attention they deserve.

That is why I am so disappointed that the administration is proposing to rescind the \$100 million fiscal year 1995 appropriation for the Education Infrastructure Act, which I authored last year, and it is why I am so disappointed that the President is not requesting any money for this very important program in fiscal year 1996.

Last year, Congress passed the Goals 2000: Educate America Act, which President Clinton signed into law on March 31, 1994. I strongly supported this legislation when it was before the Congress. It promises to help create a coherent, national framework for education reform, founded on the national education goals.

Helping to achieve real progress in education is what the Education Infrastructure Act is all about. Last Wednesday, the General Accounting Office released a frightening report on the physical condition of our Nation's public schools. This study concluded

that it will take \$112 billion to restore school facilities nationwide to a "good" overall condition. The GAO found that public schools need \$11 billion just to meet Federal requirements, including \$46 billion to make all programs accessible to all students and \$5 billion to remove or correct hazardous substances.

The Education Infrastructure Act, which was included in the reauthorization of the Elementary and Secondary Education Act is specifically designed to help school districts that do not have adequate local resources to provide facilities where students can learn. It assists school districts in renovating, altering, and rehabilitating old facilities and in constructing needed new facilities.

It is inherently unfair to expect our children to meet national performance standards if they do not have a real opportunity to learn. The Education Infrastructure Act will help our children learn by helping to restore an environment conducive to learning. In her research at Georgetown University, Maureen Edwards found that students in poor school facilities are likely to fall over 5 percentage points below those in schools that are in fair condition and 11 percentage points below those in schools in excellent condition. These figures are eloquent testimony as to why the Education Infrastructure Act is so needed, and why it is such a cost-effective idea to pursue. And they provide important evidence as to why the decision to zero out the Education Infrastructure Act in the budget was so ill-advised.

But building on the work Congress did last year on the Education Infrastructure Act was not the only opportunity this budget missed. Looking at the budget more broadly, I am very disappointed that it does not continue the work that the administration and Congress began in 1993 to reduce Federal deficits. The current strength of the U.S. economy and the long-term budget trends the United States is facing make this the time to act. In too many areas, however, this budget defers taking actions that are already long overdue.

Most importantly, the budget does not contain proposals to deal with the major entitlement problems the Federal Government is facing. Mandatory spending is becoming an ever-greater portion of the Federal budget, and it is the engine driving the growth of the budget. Mandatory spending will be almost three-quarters of the entire Federal budget by the year 2003, and mandatory spending, together with interest expense, represents 95 percent of the growth of year-to-year Federal spending. The only way to get a real handle on Federal deficits is to take a hard look at mandatory spending. That is what the Bipartisan Commission on Entitlement and Tax Reform, on which I served, was all about. And that is what the Commission found, approving its report on the trends driving the

growth of Federal spending by an overwhelming 30 to 1 vote.

However, the truth contained in the Commission's report—that rapidly rising health care costs and the "graying of America" are what are driving Federal deficits—is not reflected in the budget.

Medicare and Medicaid continue to rise at rates above the rate of economic growth or Federal revenues. Health care reform continues to be essential in order to make any lasting progress on health care cost growth. Yet the budget does not face the need for reform in health care.

Social Security needs reform to ensure it will be there for future generations as it has for current and past beneficiaries. This does not mean cutting benefits for any current beneficiary by even a nickel, but it does mean that we need to face the reform issues honestly, and that we owe it to the American people, and particularly to younger Americans who worry that Social Security will not be there for them, to face them now. Yet, this budget does not do so.

Instead, the budget seems to concentrate on the part of the budget—discretionary domestic spending—that CBO says has not grown as a percentage of the economy since 1960, rather than taking on the real area of growth—mandatory spending. And it proposes tax cuts, when the American people know that deficit reduction is the higher priority.

The President does not support the balanced budget constitutional amendment, but the underlying budget trends do not either know or care who is for the balanced budget amendment or against it. The trends simply go on until we develop the political will to act to change them.

We all have an obligation to the American public to tell the truth about the budget, and about the future we face if we do not act. The American people know that something is wrong with the budget; the budget document should be a clear guide to what that something is.

Mr. President, I am confident that the American people will make the right decisions regarding the budget if they have the right information. This budget does not do enough to see that they do. Not facing our budget problems condemns us to a future where we don't have the money to solve either old problems or new ones. It costs us economic growth, savings, and works to undermine the standard of living of most Americans.

Dealing with our budget deficits is not an arcane accounting issue, it is perhaps the most important issue facing America today, and the most important determinant of the kind of future we will see. Balancing the budget is a people issue—an issue for our children and their children. It is disappointing that the budget does not do more to communicate those fundamental truths to the American people. I expected more.

#### MORNING BUSINESS

Mr. DOLE. Mr. President, I ask unanimous consent that there now be a period for morning business, not to extend beyond 7 p.m., with Senators permitted to speak therein for not more than 5 minutes each.

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

#### RONALD REAGAN'S BIRTHDAY

Mr. DOLE. Mr. President, 14 years ago, America was flat on her back. Our economy was a disaster, with inflation, interest rates, and unemployment all in or near double digits.

Abroad, respect for American leadership was at an all-time low, as our resolve was questioned by allies and adversaries alike.

Many in this town surveyed the situation, wrung their hands, shook their heads, and pronounced that America was in decline, and that our best days were far behind us.

But Ronald Reagan knew better.

Ronald Reagan knew that power belonged to the people, not with the Federal Government.

Ronald Reagan knew that the best solutions to our problems came not from bureaucracies on the Potomac, but from men and women on the Mississippi, the Colorado, and the Columbia.

Ronald Reagan knew that economic recovery could be achieved not through rules and regulations, but by allowing the magic of the marketplace to work its wonders.

Ronald Reagan knew that America was right far more often than she was wrong.

Ronald Reagan knew that military strength was not the means to war, but the key to peace.

And Ronald Reagan knew that the price of American leadership was a price worth paying.

It was this vision that Ronald Reagan brought to this town in January 1981. And it was this vision that revitalized America, and brought hope and freedom to millions across the world.

And it is that vision that America endorsed last November when they gave Republicans control of Congress.

Today is Ronald Reagan's 84th birthday. And along with those of countless Americans, my thoughts and prayers are with President and Mrs. Reagan today and will remain with them in days to come.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

#### VERY BEST TO PRESIDENT AND MRS. REAGAN

Mr. HATCH. Mr. President, I would like to echo the distinguished majority leader's sentiments with regard to President Reagan and the dramatic impact he made on this town. Both the

majority leader and President Reagan worked very closely together, hand in hand, and did a terrific job for this country.

I really wish the President and Mrs. Reagan my very best. We all love them, appreciate them, and wish them well.

#### UNANIMOUS-CONSENT AGREEMENT

Mr. HATCH. Mr. President, with the consent of the minority leader, I ask unanimous consent that at 12 noon on Wednesday, February 8, the majority leader, or his designee, be recognized to make a motion to table the Daschle motion to commit.

The PRESIDING OFFICER. Is there objection?

Mrs. BOXER. Reserving the right to object. I just want to make sure, is this agreed to by the minority leader?

Mr. HATCH. This is agreed to by the Democratic leader, as I understand it.

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

#### ORDER OF PROCEDURE

Mr. HATCH. Mr. President, further, for the information of my colleagues, in light of the consent just granted, there will be no votes during Tuesday's session of the Senate this week. However, this side of the aisle expects extensive debate on the Daschle motion and the pending Dole amendments thereto throughout Tuesday's session.

#### EXECUTIVE CALENDAR

Mr. HATCH. Mr. President, as in executive session, I ask unanimous consent that the Senate proceed immediately to the consideration of Executive Calendar Nos. 2 through 7 and all the nominations placed on the Secretary's desk; that the nominations be confirmed, en bloc; that any statements appear in the RECORD as if read; that upon confirmation, the motions to reconsider be laid upon the table, en bloc; and that the President be immediately notified of the Senate's action.

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

The nominations considered and confirmed, en bloc, are as follows:

##### IN THE ARMY

The following-named officer to be placed in the grade indicated under the provisions of title 10, United States Code, section 1370:

##### To be lieutenant general

Lt. Gen. Ira C. Owens, 000-00-0000, U.S. Army.

The following-named officer for appointment to the grade of lieutenant general while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

##### To be lieutenant general

Maj. Gen. Paul E. Menoher, Jr., 000-00-0000, U.S. Army.

The following-named officer for appointment to the grade of lieutenant general