

possible. Even though this request can be treated as an emergency, which would allow the spending to be added to the deficit, it makes sense to offset as much as we can. It makes sense to cancel or cut programs that are wasteful or lack merit, but I strongly object to some of the cuts that the House made.

To begin with, the House of Representatives got about half of its offsets from nondefense programs at a time when it is already moving to make deep cuts in domestic programs. We read about them every day now. The House intends to rescind about \$17 billion from nondefense spending in the next few weeks. The domestic side of the budget is getting slaughtered, and I cannot justify taking money from already depleted domestic accounts to pay for defense spending when the defense budget is the only one being protected.

We ought not cut domestic programs to provide funding for defense especially when we have not examined carefully every Pentagon program. We ought to, to the extent we can, fund this internally, find the offsets within the Pentagon's own budget.

Mr. President, for many years, the defense budget was protected by a wall that prevented the Congress from raiding defense to pay for underfunded domestic programs, and some of the strongest defenders of the so-called budget wall when it protected defense now want to rip it down rather than allow it to protect domestic programs. Members of Congress who supported such a wall must recognize that it works both ways. Just as it kept money from going out of defense to the domestic budget, it should keep funds from being transferred out of domestic and into the defense budget.

So I am profoundly bothered by the notion of paying for any of this defense supplemental with cuts in nondefense spending. If offsets are necessary, the Senate ought to examine the Pentagon's budget, make tough decisions and cut funding for lower priority defense programs.

Now, I think there are plenty of low-priority programs that exist there, but if the Pentagon does not agree then the threat of internal cuts might give it an incentive to explore other alternatives, and I will give you an example. One is to have our allies pay their fair share of our costs of being represented in those countries where we help provide a defense mechanism for them as well as for the world at large.

The bill already contains over \$300 million in such contributions. We can and we should get more. That is what happened in the Persian Gulf conflict, and that is what ought to happen here now as well.

But, Mr. President, if in the end we cannot find enough outside contributions or internal defense cuts to fully pay for this supplemental, then we ought to declare the remainder an emergency as the law allows.

Under the rules of the budget process and common sense, we can, if we must, say that emergency spending should be added to the deficit, and that is what the American public does when they face an emergency in their own lives; when a family member gets sick, they do not deny themselves medical care just because it has to go on a credit card. The same reasoning ought to apply to the Federal Government. And I see no reason to insist on fiscal purity in dealing with this supplemental especially when it is already mathematically unbalanced.

As Congressman OBEY, the ranking member on the House Appropriations Committee, pointed out, the supplemental the House passed is balanced only in terms of budget authority. Now, the distinguished occupant of the chair sits on the Budget Committee with me, and we clearly know the difference between outlays and budget authority.

In terms of outlays—the actual money that we spend—this supplemental adds \$282 million to the deficit this year and \$644 million to the deficit each year over 5 years. In terms of fiscal purity, this bill is already sullied, so that no ideological argument can be properly raised against overtly declaring some of this bill an emergency.

Mr. President, as the Senate considers the House-passed supplemental, I hope we are going to modify it in ways that I have suggested. I think it is important that the public be aware of what happens when we rely on domestic programs to fund some of the Defense Department's needs—not that each should not get its fair consideration. But too often the term “domestic programs” obscures the real mission that we undertake. When we see these days that child nutrition programs are being either cut or withdrawn, when we see programs for education in our country, a vital part of our development, our competitive opportunities in the future and to stabilize our society, are being cut, in many ways, Mr. President, I think the domestic programs offer us as much by way of defense of what we care about in our country as does the military budget.

So as we review this, I do not believe the argument that says we are going to weaken our defenses, we are going to reduce our strength applies. We need to build our strength in our domestic programs as well as our military programs.

Mr. President, I hope we will be able to look at this, modify our view on whether or not the House of Representatives supplemental as it is being offered is something that we should accept as is. We ought to make the changes we feel are necessary to provide for both major parts of our budget.

I thank the Chair and yield the floor.

Mr. KERREY addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. KERREY. Mr. President, I ask unanimous consent to speak on leaders' time.

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

HEALTH CARE REFORM

Mr. KERREY. Mr. President, my comments on health care begin with a thank you to the Democratic leader, Senator DASCHLE, for insisting that health care reform top our legislative agenda in 1995. It would have been easy for Senator DASCHLE to ignore an issue that has obviously gone from very hot to very cold in the wink of a political eye.

In fact, Mr. President, as I was thinking about what it was I was going to say in response to Senator DASCHLE's invitation to come here this morning, I thought of a tune that I learned in my childhood. I was, unfortunately, unable to locate the junior Senator from New York, who I am sure would have come here and sung it for me here on the floor, so I will have to resort to reading it instead of singing it. But the song goes:

Where or where has my little dog gone
Oh where oh where can he be
With his tail cut short and his ears down
long
Oh where oh where can he be?

Where has the health care issue gone? Did all those uninsured Americans get coverage while I was out campaigning for reelection? Did the horror stories cure themselves? Did the market fix the whole darn thing? Or did we just grow weary of having to educate the American people on a subject too attractive for even the amateur demagogue to resist?

Last year, as we struggled against the odds, to hold together a group of Republican and Democratic Senators who saw health care reform as moral and economic imperative I said:

In our hearts, where we are able to understand the need for health care security, and in our heads, where the numbers are calculated, we know the status quo is not acceptable.

What was true last year is even more true this year. There are still tens of millions of Americans who work but who cannot afford to bury health insurance. There is still forecast a staggering and unaffordable increase in Federal health care spending over the next 10 years. The impressive and unprecedented change in the marketplace while giving us hope that costs can be controlled has not altered the need for reform. And, the horror of job lock, lack of portability, and fear of uninsurability are still tormenting millions of our citizens.

Unfortunately for these Americans they do not represent a majority, or even a powerful enough minority. The majority are comfortably and temporarily able bodied, fully insured, and employed. And, the majority has been led incorrectly to believe that the status quo is just fine.

However, the status quo is, in fact, unacceptable, and I am encouraged that Senator DASCHLE, Senator DOLE, and other Republican and Democratic Senators continue to work for change. We must not give up this fight.

I hope we will have the courage this year to consider more than just a little change. I am encouraged by many of the things that I have heard, again from both Republicans and Democrats, about how we can alter our current Federal and our private sector programs. I hope, for example, we will consider changing the way eligibility occurs. Rather than proving that you are poor enough or proving that you are old enough or disabled enough or that you work for just the right boss, it would be better in my judgment, more efficient and simpler and fairer to simply say that if you can prove that you are an American or a legal resident, that is how you become eligible for our system.

Once eligibility occurs, however, we must make it clear that all Americans have to contribute, both financially and in a personal way to cost controls. Otherwise the system will not work.

I hope we will consider changing the rules so that health rather than health care is the goal of our system. Incentives should be present to providers and patients to become healthier and not sicker. This is particularly true for families with babies. The responsibility for care should not end after 1 day normal delivery.

I hope we reform insurance practices so that everyone can purchase health insurance regardless of health or job status, so that we make it more likely that in the long run we can achieve a system where all Americans are eligible for coverage.

I hope we reform the Government health programs, not simply by cutting payments to providers but by studying ways to provide more options to beneficiaries and allowing market forces to reduce costs, so that we make it more likely that we can achieve a system where all Americans are eligible for health coverage.

I hope we reform the Tax Code so that the self-employed have the same incentives as larger companies to purchase health insurance, so that we make it more likely that we can achieve a system where all Americans are eligible for health care.

I do hope we reform our tort system as well, so the fear of being sued does not dominate the relationship between the provider and the patient. But above all, I hope we do not forget the stories we all told last year about Americans and businesses who needed a changed system in order to have the freedom to pursue their dream without the fear of financial ruin. I intend to work and support reform that improves the current health care situation and makes it more likely that we can achieve a system where all Americans are eligible for health care. I am confident that if we continue working on this issue as a

priority issue we can pass reform legislation this year that improves the short term situation and that makes it more likely that we can achieve, in the long term, a solution to the problem of access to and the high cost of health care for all Americans.

Mr. President, I yield the floor and 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. NICKLES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. KEMPTHORNE). Without objection, it is so ordered.

Mr. NICKLES. Mr. President, I ask unanimous consent to speak in morning business for not to exceed 15 minutes.

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

A REGULATORY MORATORIUM

Mr. NICKLES. Mr. President, I think it is vitally important, when we are engaged in debates that we have the facts on legislative issues that come before this body. I am concerned about a statement that was made by President Clinton on Tuesday, February 21, dealing with the issue of a regulatory moratorium, a moratorium which is co-sponsored by 35 or 36 Senators.

The President stated—and I will quote, “The House will be voting on an across-the-board freeze on all Federal regulations.” Mr. President, that is not correct. Neither the House bill nor the companion bill in the Senate freeze all Federal regulations. Our bills contain a lot of exemptions, so the President’s statement is factually incorrect.

He said, “For example, it would stop the Government from allocating rights to commercial fishermen.” That is not true.

He said, “It would stop the Government from authorizing burials at Arlington Cemetery.” That is not true. It was not true in the House bill, and it is not true in the Senate bill.

Mr. President, both bills have exceptions for routine administrative action. Certainly burials at Arlington Cemetery are routine administrative actions, as well as the Government allocating rights to commercial fishermen. These are routine Government actions. Actually, we have given the President eight exceptions to the regulatory moratorium. The President’s statement says that it would stop good regulations, bad regulations, and in-between regulations—all regulations. Again, that is totally, completely factually misleading and inaccurate. I am bothered by that.

I think it is fine to be engaged in the debate, and the President has the option to veto this legislation if he chooses, but when he speaks against it he has the obligation to the American people and to the Congress to give the

facts. Clearly, his statements are not accurate. The President even said our moratorium would cancel the duck hunting season. Clearly, again that is not the case. It will not cancel duck hunting season. The establishment of a duck hunting season is clearly a routine administrative action.

I ask unanimous consent that a list of all the exceptions that we have in the moratorium legislation be printed in the RECORD.

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

SEC. 5. EXCEPTIONS.

(a) Section 3(a) or 4(a), or both, shall not apply to a significant regulatory action if—

(1) the head of a Federal agency otherwise authorized to take the action submits a written request to the President, and a copy thereof to the appropriate committees of each house of the Congress;

(2) the President finds, in writing, the action is—

(A) necessary because of an imminent threat to human health or safety or other emergency;

(B) necessary for the enforcement of criminal laws;

(C) related to a regulation that has as its principal effect fostering economic growth, repealing, narrowing, or streamlining a rule, regulation, administrative process, or otherwise reducing regulatory burdens;

(D) issued with respect to matters relating to military or foreign affairs or international trade agreements;

(E) principally related to agency organization, management, or personnel;

(F) a routine administrative action, or principally related to public property, loans, grants, benefits, or contracts;

(G) requested by an agency that supervises and regulates insured depository institutions, affiliates of such institutions, credit unions, or government sponsored housing enterprises; or

(H) limited to interpreting, implementing, or administering the internal revenue laws of the United States; and

(3) the Federal agency head publishes the finding and waiver in the Federal Register.

Mr. NICKLES. Mr. President, maybe somebody from the administration will read those exceptions and realize that we have given the President a great deal of flexibility and opportunity to exempt those regulations that he deems are important or necessary to protect public health and safety.

I hope he will reconsider his opposition to this moratorium. I hope my colleagues will support it because I think we have gone to great lengths to try to make sure that we would give flexibility where needed but also to stop unnecessary and expensive regulations and give us a chance to pass real regulatory reform with cost-benefit analysis to make sure benefits exceed costs.

I mention my concerns about the President’s statements on the regulatory moratorium because he has also made misleading statements in regard to the budget and budget items.

The President of the United States a couple of days ago mentioned in an article that he had trimmed the Federal bureaucracy by 100,000 workers, and cut the deficit by \$600 billion in his first 2 years in office.