

LINE-ITEM VETO

Mr. COATS. Mr. President, we hope later today to be bringing to the floor the line-item veto. Senator MCCAIN and I are leading that effort. We are in final stages of negotiation as to the final form of the legislation. It is something that has been discussed at length over the past several years. Senator MCCAIN and I have offered it alternately and jointly several times. We have not been able to secure the necessary 60 votes to break a filibuster on the line-item veto or to secure a budget waiver.

This is the year we believe that it is time for the Senate and time for the Congress to fulfill its commitment to the American people on an item that an overwhelming majority of the American people support. Poll after poll show the support for line-item veto in the 70 to 80 percent range; 43 Governors enjoy the line-item veto and have for many, many years and have effectively demonstrated that it works in their State.

Line-item veto is simply a measure by which the President can provide a check and balance against the gaming that Congress has engaged in on appropriations bills, in particular, and also on tax bills, I would say, in terms of attaching an item that has not been exposed to the light of debate on that item and a separate vote on that item, but has been attached to an otherwise necessary appropriations bill or tax bill that is being sent to the President.

Under the current law, the President has only one of two options: Either accept the entire bill as it is written—sometimes it covers thousands of items—either accept that or reject the entire bill. So the President, in a sense, is being held in a position that some will describe as blackmail but others will say is at least extraordinarily difficult because it allows Members of Congress, when they see a popular bill moving through the Congress, to attach an item that could at best be described as pork barrel, an item that does not benefit the national interest, but an item that goes to the benefit of a very selected parochial interest.

We are annually embarrassed by the disclosure in the popular news media of some of the items that have been attached to these bills. Constituents say, "How in the world could you pass that? How in the world could you allow a grant that studies the well-being of America's lawyers? How could you pass something that would allow the study of the bathing habits of South American bullfrogs? How in the world could it be made a priority the expenditure of money to refurbish the Lawrence Welk Museum," and on and on and on it goes, schools in France, special bridges, special buildings—items that go toward, I suppose, pleasing a selected constituency in someone's congressional district or someone's State, but certainly would not fall within the list of priorities and receive, I believe, a majority vote if that specific item was

debated on the floor of the Senate and voted on.

But Members know, if a bill is rolling through here that provides necessary funds for the Department of Defense, as this supplemental appropriations bill we have been dealing with this week does, or a measure provides earthquake relief or hurricane relief for either California or Florida or other parts of our country, or if a measure goes to fund something popular or needed or necessary health care measures, veterans' benefits, whatever, they know that the President is going to find it very, very hard to veto that entire bill to get rid of the extra pork that is attached to that bill.

And so the President's only choice is to veto the whole thing and sometimes, as a consequence of that, shut down the entire Government or accept the bill, and more likely than not, he has to accept the bill.

Line-item veto gives the President the opportunity to say, "I'll take that bill, but I won't take this special interest provision that is on line 16 of page 273, and I'm going to line-item veto that particular item."

This is a check and balance on what I would say are the egregious habits of Congress to accomplish in the dark of night without the light of debate, without the risk of a yea-or-nay vote on a particular item, to accomplish something that could never be accomplished in full debate and with a vote. It is designed to check that practice.

Congress, if it thinks that the President has not followed its wishes, can bring that item up, because under the Constitution, if the President vetoes an item, we can override that item. Yes, it takes a two-thirds vote. It ought to be harder to spend the taxpayers' dollars, particularly on those items that the executive branch does not think are appropriate and have not had the normal process of authorization and debate and vote so that their constituents, our constituents, know where we stand on these particular items. That is the whole concept and purpose behind line-item veto.

The President of the United States has supported line-item veto. Some people have said, "Why would Republicans want to give a Democratic President the line-item veto?" We think the Presidency deserves that authority to check the excessive and unnecessary, unwarranted spending habits of Congress that do not follow the normal procedures in devising these spending items.

So we will be debating that. I expect the debate to be fairly fierce. We probably will get a filibuster on our efforts. This is the year, though, that if we are going to fulfill our commitment to the American people to make substantive changes in the way we do business, this is the year to do it.

We will hear all kinds of excuses about delegation of power and will this really work and how much will this save. I guarantee you, it will save more than if we do nothing. This is a debate

between the status quo, let us keep doing things the way we are doing them; oh, we will promise to change, we will promise to do it differently, we will summon the will, we will do what is necessary—no, we will not, because we have not. Year after year, decade after decade, promises—just rhetoric—no reality, no fulfillment of the promise.

This is the time. I am deeply and bitterly disappointed that we could not pass a constitutional amendment to balance the budget. That would have provided the mechanisms by which we can eliminate this debt which would force us to own up to our responsibilities, which we have not done over the past several decades. But at the very least let us enact line-item veto so that we can get at some of this problem and so that we can restore credibility with the American people that we are responsible in handling their money and we can eliminate this practice of providing pork-barrel spending that never gets the debate it deserves and is never subjected to a vote.

Mr. President, we will be talking a lot about that later. I think my 5 minutes has about expired. Given the fact no one was available to speak, I thought it might be more interesting than a quorum call.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senator from North Dakota [Mr. DORGAN] is recognized to speak for up to 10 minutes.

TAX CUT PROPOSALS

Mr. DORGAN. Mr. President, I was intending to come to the floor today to speak briefly about the work that is going on in the other body in which the majority party is proposing a tax cut of nearly \$200 billion over the coming 5 years. So I listened with some interest to the discussion on the floor of the Senate about the formation of something called a 500 Club, apparently a group of Senators who feel that the Senate also should move quickly on a tax cut.

I was especially interested in a couple of things. I was interested in the fact that at least a couple of the speakers this morning were the same speakers who were on North Dakota radio programs in recent weeks talking about the need for a constitutional amendment to balance the budget. They talked about their desire to balance the Federal budget, the fact that they were the willing warriors, willing to stand up and fight and do the right things and have the courage to cut spending to balance the Federal budget.

All this is very curious to me. There must be some arithmetic book somewhere in America that tells us that if you are in a very big financial hole, what you ought to do is just keep digging. It seems to me, if you are in a very big hole, you stop digging and

start trying to figure a way out of it. And you do not, it seems to me, whether you run a business, whether you are operating your own family financial situation, or whether you are trying to manage the fiscal affairs of the Federal Government, decide that the way to address a serious deficit problem is to cut revenue.

I guess if the question is should we reduce taxes, should we try and figure out what is popular and then stand up and proclaim ourselves for that, I would say sign up most of the Members of the Senate; they sure want to do the popular thing. It is the easy thing to do. But I guess the question these days is not so much what is popular but what is right.

I also noted this morning that in this Chamber there rested on an easel several charts that showed the popularity of the proposed tax cuts. Obviously, people have done polling, and it shows if the American people are asked the question, "Would you like a \$500 tax credit per child," the answer is overwhelmingly "Yes." "Would you like an expanded IRA program?" The answer is, "Oh, yes."

Well, I happen to think that some of those things are worthy goals. I would likely support some of those initiatives in the future. But is it believable that those who proclaim most loudly in this Chamber that they are for a balanced Federal budget are the first ones to come to this floor with their charts showing what their polls have shown—that tax cuts are popular? So now they say, "Now we are forming a club for tax cuts." What happened to balancing the budget?

Is 2 weeks a lifetime in the memory of those who proclaim that we need to balance the budget? I happen to think we ought to balance the budget. I happen to think we also ought to be serious about it. I think it is more than just posturing. I think it is performing. I think it is heavy lifting. And the fact is those who now say our next step in balancing the Federal budget is to cut Federal revenue I think just missed the basic arithmetic class.

Now, I understand that they say, well, this is a families first plan. I refer to the Joint Committee on Taxation. The Joint Committee on Taxation did an analysis that was disclosed on Monday, and it said that three times as much of the proposed tax breaks will go to those earning over \$100,000 a year as will go to those earning under \$100,000 a year. So this is for families, apparently wealthy families, or at least it is weighted in a way to give most of them to those who already have substantial income and substantial wealth. It's an unusual way of defining families.

I guess there is nothing wrong with that, if that is what one believes, but it seems to me, if we were in a situation where a tax cut would be the first step to balance the budget—and I cannot conceive of that being the case, but if we were in that position, it seems to

me, if one were interested in families, one would construct an approach which says the bulk of this benefit will go to working families in this country, not that the bulk of the benefit will go to the wealthy families.

Every time you stumble through the forest and come across a stream, it seems to run in a predictable direction, and that is what happens in this Chamber. It is hard to break bad habits.

I came here in 1981, serving in the House of Representatives, and I recall the discussion about the tax cut proposal then. The tax cut proposal was going to balance the Federal budget. An economist named Laffer told us so, and of course it turned out to be a laugh. He is still an economist, but trillions of dollars of debt have piled up as a result of faulty economic strategy. And so we had a very large tax cut and a very significant Federal deficit, and the American people will end up paying for that.

The question now is, at a time when our country suffers from a very substantial deficit and a massive accumulated debt, what do we do to deal with it? Some say, "Well, let us change the U.S. Constitution and that will deal with it." Of course, it will not. You can change the Constitution 2 minutes from now and 4 minutes from now the debt and deficit will be exactly the same as it was when you started.

Cutting the deficit will require individual actions by Members of the Senate and the House. Those individual actions must be, it seems to me, a combination of several approaches. You either need less spending or more revenue or a combination of both. But it seems to me incredible that the first step out of the box, for those who spent the last month talking about how desperately they wanted to change the American Constitution and how fervently they wanted to balance the Federal budget, is to say we are going to do that now by reducing the Federal Government's revenue.

I know they will stand up and say, "Well, you are heartless. Gee, don't you think that tax cuts matter to families?"

Yes, they do. I understand the genesis of all this. This is about polls and popularity. This is about doing the easy thing and also, incidentally, doing the wrong thing. I do not think the President ought to propose tax cuts, and I do not think the majority party of the House or Senate ought to propose them. And I do not think anybody on this side of the aisle ought to propose them either. Our job at this point is to deal responsibly with the Federal budget deficit. We ought to cut spending and use the money to cut the deficit. When we have done that job and only then should we start talking about cutting revenue.

Let me say that again because I think it is important. I know the easiest thing is to sort of waltz over to the floor and talk about our new plan to cut taxes. Well, gee, that is popular,

but it is wrong. Our first responsibility is to decide to cut Federal spending, and all of us ought to be involved in that. And I would say to my friends on the majority side of the aisle that many of them have a willingness to do that. I applaud them for it. And I think many on our side of the aisle have a similar willingness to cut Federal spending. Cut Federal spending and use the savings to cut the Federal deficit. When we have finished that job, and only when we have finished that job, should we then decide that it is time to cut some taxes.

I think a number of the proposals to cut taxes are good proposals and have merit, and I would support them under the right circumstances at the right time. But I have to say that to hear again today and to hear for the last several weeks those who were boasting the loudest about their determination to cut the Federal deficit and to change the Constitution to do so, to hear this I think misses a few steps along the way in our desire in this country, in our understanding that we must in this country reduce the Federal deficit. They then come to the floor a week or two later and say, now, our next step is not to push for a constitutional amendment; our next step is to push for a tax cut, and then they come to the floor and put charts all over the back of this room to tell us how enormously popular these tax cuts are.

Well, spend some more money for those polls and tell us something we know next time. We know that. Tax cuts are enormously popular. So poll again. Spend a little more money and put up another chart. Tax cuts are popular.

The popular thing is not always the right thing. The right thing at this point is to understand the bull's eye of this target. The bull's eye is to deal with the Federal budget deficit. And most people back home in Montana, Oklahoma, North Dakota, and elsewhere, in my judgment, believe the responsible approach would be to aggressively cut spending, use the money to aggressively cut the deficit and then turn to the next item on the agenda which would be to find ways to change this Tax Code that give some benefit to families, that preserve an incentive for savings.

Understand that I am not someone who objects to the goal. But I am someone who believes that this is the wrong time. This is the wrong time for this kind of policy to be proposed to this Congress. I would also say when we talk about things like the capital gains tax cut and we say this is just for families out there, I am going to give them a chance at some point to show if it is for families. We will find out if it is for families. I am going to offer an amendment.

If we really have, at this point, some discussion about capital gains, I am going to offer an amendment and say: OK, let us have capital gains; you have

the votes to have capital gains. I will give you an amendment that says you can take up to \$1 million in capital gains during your lifetime, but no more than \$1 million. Of course, \$1 million does not mean very much to the people in this country who are going to benefit from the suggestions we are seeing, but I want to see who supports families that have less than \$1 million and who supports families that have more. Because if we are going to construct tax cuts that help families, let us target them, let us help American families who are out there working and struggling and trying to make ends meet.

Again I say, at the risk of being overly repetitive this morning, I hope all of those who spent the last couple of months talking about the dangers of the Federal deficit would stay in harness and be part of the team, keep marching and keep pulling when it comes to dealing with the deficit. We must not be diverted by polls and charts and by the attractiveness of deciding now is the time, with the kind of deficit we have, to propose nearly \$200 billion in tax cuts during the coming 5 years.

I read my children children's books from time to time. They love the Berenstain Bears. The one I read them most often, perhaps, is the "The Berenstain Bears Get the Gimmies," and in that book the parents can simply never seem able to control the habit of the Berenstain cubs saying "Gimmie this, gimmie that, gimmie this." It is the way I feel about the tax cut proposals in the House and Senate by people who talk about the need to deal with the deficit and come to the floor saying: Gimmie this tax cut, gimmie that tax cut because it will gain favor with the American people.

That is not what this is all about, it seems to me. Our responsibility is to do the right thing. And I hope it will be agreed by everyone in this Chamber that the right thing is to aggressively work to cut Federal spending and then to decide to use that savings to cut the Federal budget deficit, and then, when we finish that job, to decide that we will turn our attention to dealing with the tax issues as they affect families—yes, all American families, and, yes, families that work and struggle and spend most of their day trying to make ends meet. That, it seems to me, represents the priorities all of us have an obligation to pursue here in this Chamber.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER (Mr. BURNS). The Senator from Oklahoma.

Mr. INHOFE. Mr. President, I ask unanimous consent to proceed for 5 minutes as in morning business.

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

THE FAMILIES FIRST BILL AND THE LINE-ITEM VETO

Mr. INHOFE. Mr. President, I have a couple of comments I wanted to make, a couple in response to the distinguished Senator from North Dakota and also one concerning line-item veto.

We heard from the Senator from Indiana many of the good things that would come in terms of accountability with the adoption of a responsible line-item veto for our procedure here in this Chamber. I suggest he may have overlooked one thing.

It is true the President of the United States, whether he is a Republican or a Democrat, whether he is a liberal or a conservative, would be held accountable for those things in which he really believed. If you look at a spending bill that goes to the desk of the President of the United States that has 100 unrelated spending matters in it, there is pork for all the favorites, yet there may be something in there for veterans benefits. So he will stand up and say, "I am against all this pork but I have to sign it because I am for the benefits for veterans. They are well deserved." If we had line-item veto, he can support those things he proclaims to support and reject those that he proclaims to reject.

But the one thing that was not articulated by the Senator from Indiana is it also makes us more accountable, in that once you veto one item and that item is sent back to the Senate and to the House, it forces those Members to get on record so they can no longer answer their mail saying I was really against all those pork projects but I had to do it for the veterans.

So I think the name of the line-item veto is really accountability for the President as well as for the Members of the House and the Members of the Senate.

As far as the families first bill, I would only like to suggest, if one heard the complete presentation on this bill, he would see this could be accomplished and we could balance the budget by the year 2002, have the tax relief for the families, and at the same time have a slight growth in Government—not cut any Government programs.

I think it was well articulated by the Senator from Minnesota that, if we had a 2-percent growth cap, this would accomplish what we are trying to accomplish. But when you look at some of the tax cuts that are going to be suggested in the families first bill, you have to go beyond the economics of it and look at the social aspects. It is a fact today that a family of four making \$25,000, living together happily—if that family, the man and wife, should get a divorce and continue to cohabit out of wedlock, and each become the head of a household, they can increase their take-home pay by 13 percent. That is the issue we are trying to get to.

The unfairness of the earnings test for our senior citizens in America—I have had people come to me in town hall meetings and say, "For the first

time in my life I have been forced to be dishonest because I am not reporting income that I am making, because I do not think it is right for the Government to come along and say I cannot have the Social Security I was entitled to because I want to remain productive after age 65."

So I hope when people are considering the families first bill and the various tax cuts on the American family—all ages of that family—that they consider there are aspects other than economic aspects to be considered.

Since the 1960's we have gotten ourselves into a position where families are no longer important, no longer relevant, no longer significant. This is what the revolution of November 8 was all about. We are going to reverse that.

I yield my time.

The PRESIDING OFFICER. The minority leader.

Mr. DASCHLE. Mr. President, I am going to take some leader time. We are, hopefully, about to come to some agreement on the business of the day, but until that happens I have a statement I wish to make on another matter.

MISSOURI RIVER MASTER MANUAL

Mr. DASCHLE. Mr. President, last week, Senator BAUCUS introduced the Missouri River Water Control Equity Act. I have cosponsored that bill because all the analysis of the current master manual guidelines for managing the dams along the Missouri River that I have seen confirms that change in the corp's management of the river is long overdue.

The assumptions about economic uses that drive the management of the river have not been seriously reexamined or revised in 50 years. In those 50 years, times and conditions have changed dramatically. But the management of the river has not kept pace.

In 1992, the General Accounting Office noted that the master manual for operating the dams is outdated. GAO concluded that the corps has been managing the river based on "assumptions about the amount of water needed for navigation and irrigation made in 1944 that are no longer valid."

According to GAO, "the plan does not reflect the current economic conditions in the Missouri River Basin."

The Corps of Engineers, caught between the competing self-interest of the upstream and downstream States, has recommended only modest revisions in the master manual. In May 1994, the corps selected a "preferred alternative," which calls for shortening the navigation season by 1 month and a higher spring flow rate.

Given the conditions that now exist along the Missouri River, these changes are clearly insufficient to equitably distribute the economic benefits of the river. For example, shortening the navigation season by only 1 month means that the concerns of the