

Let me say that by the time we finally made a decision to stop the Reagan defense buildup and freeze the defense budget, we had, in fact, wasted a lot of money.

So, seeing this, I did—and there were several others that did, as well—what I could to stop this waste of money. I offered an amendment to freeze the defense budget. That was on the fiscal year 1986 budget resolution. My amendment was adopted on May 2, 1985, by a one-vote margin of 50 to 49. That act alone threw a monkey wrench into the Reagan administration's plan to continue their ramp-up of the defense budget.

But, more than anything else, it was the spare parts horror stories in the early 1980's that changed my thinking on this issue. You know, the \$750 pair of pliers or the \$7,000 coffee pot. The spare parts horror stories were a turning point. They convinced me that the plan for this massive ramp-up of defense expenditures was a colossal taxpayer ripoff. These spare parts horror stories undermined the credibility of the Reagan defense buildup. The spare parts horror stories turned me into a defense reformer. They drove me to watchdogging and to digging into fraud, waste, and abuse at the Pentagon.

That was early in my Senate career.

I began watchdogging from my vantage point as a member of the Budget Committee and as chairman of the General Oversight Subcommittee of the Judiciary Committee.

I am not, nor ever have been, a member of the Armed Services Committee, and only served 4 short years on the Appropriations Committee.

So, as a conservative Republican, it is not easy for me to take on these issues, not being on the appropriate committees. But if common sense tells me something is not right, I speak out and I dig. I am still digging today, and I hope a lot of my colleagues are digging as well.

As a consequence of my position on defense, I took a lot of heat from Republicans during the 12 years of the Reagan-Bush administrations. Most of my colleagues on this side of the aisle think that defense is some kind of sacred cow. They think it has been inoculated and should be immune from criticism. They take a dim view of my position on defense.

The Democrats, by comparison, gave me no heat at all. In fact, on defense issues, I got a lot more support from Democrats than I did from Republicans.

In the 1980's, Democrats—plus a handful of Republicans like Senator ROTH, for example—helped me ferret out waste and abuse at the Pentagon.

I had the privilege of working closely with a number of Democrats, some in the House, some in the Senate—Senators like Senator PRYOR, Senator LEVIN, Senator BOXER, and others—to bring about some defense reform. We worked together to freeze the Department of Defense budget. We worked to-

gether to beef up independent testing of a new weapons system. We crafted the false claims bill, which brought \$1 billion of fraudulent wasted money back into the Treasury, and we passed the whistleblower protection legislation. And we worked together to cut out wasteful spending.

That is my point, Mr. President.

When we had a Republican President and a Democratic Congress, it was very unpopular for a Republican Senator to take on a Republican President on defense. But I was not afraid to do it.

Then in 1993, as you know, we got a Democratic President with a Democratic Congress. I kept right on doing what I had been doing—digging into fraud, waste, and abuse at the Pentagon—even though some of my Democratic allies at that point seemed to disappear into the weeds because they did not want to be criticizing a Pentagon run by a political appointee of their party.

Now we have a Republican Congress, Mr. President, but we still have a Democratic President. And it happens that this Democratic President is considered weak on defense.

Once again, it is very unpopular to tangle with the Pentagon. But I intend to keep right on doing it as we move into this budget season once again.

Because the same old problems persist. So we need to keep right on digging. We need to keep right on watchdogging just like before, because really, Mr. President, nothing has changed.

I only hope that the Members on the other side of the aisle will be there when I and the American people need them. I say that because they are the President's party. I hope a few of my Republican allies will help me bring some fiscal discipline to the Pentagon budget.

I hope all the new Members of the Senate who were not here the last time we debated this issue will study it very closely. I hope that the new Republican Members who ran on a campaign of no longer business as usual, they ran on a campaign to make a difference, everything I have seen from the new Members of this body—who are all Republicans—they are showing, every Member, that they have not changed one iota since November 8, the night of their election.

They are equally committed to showing the people of this country it is no longer business as usual. They are equally committed to making sure that things change. They have made an impact on the other Members of this body who are not new, both Republican and Democrat. They are keeping the focus where it ought to be.

I am saying, especially to those new Republican Members of this body, that I hope they will take as tough a look at how money is being spent in the Defense Department and that they will not buy the argument that you can throw money at the Defense Department and automatically get more defense, any more than I know these new

Members will accept the argument from the other side of the aisle on social welfare, education, and a lot of other domestic programs, that all we have to do somehow is spend more money and we automatically get more and better programs.

The fact of the matter is, it does not matter whether it is Republicans or Democrats, Republican spending on defense or Democrat spending on social programs, we only get for our money what we make sure we get for our money. It is not how much money we appropriate. It is how that money is spent that we ought to be concerned about. And it will determine whether or not we have a strong national security program, or whether we have a strong education program, or a strong welfare program.

I hope that my allies—and I hope we have some new allies, as well—will fight just as hard with me for a good, sound, defense policy now that the Republicans are the majority party in this Congress. I hope they will help me make sure that the taxpayers' money is spent wisely and, most importantly, according to law. I will have four or five speeches later on in the next few days on how some of this money is not being spent according to law.

I hope they will help me make sure that the citizens get a full and accurate accounting of how their money was spent by the Pentagon. And I hope that my speeches will help set the stage for a better understanding of the problem and more sound decisions on defense. I hope they will help the new Senators understand that just throwing more money at the Defense Department will not automatically give Americans greater and better defense.

Tomorrow I plan to talk about the accuracy of the Department of Defense budget and accounting data. As I go along, I hope to draw on my experiences with the defense issues of the 1980's. I want to use those experiences as a way of trying to bring today's defense debate into sharper focus. I yield the floor.

LINE-ITEM VETO

Mr. COATS. Mr. President, while we have several speakers lined up today to speak on the line-item veto, none is here at this time. I think what I will do is take the occasion to delve into a little bit of the history of line-item veto so we could at least make that part of the record.

On Friday, I spoke at length in response to the minority leader's presentation before the Senate, of his concerns and objections about the line-item veto and the direction he thought he should go. I do not know that I need to repeat those at this particular point.

Let me reflect back a little bit on how we got to this particular point and why line-item veto was considered necessary by a number of our former

Presidents and a number of Governors, and in attempting to put it in the historical context, perhaps we can better understand the case for it today.

HISTORY OF THE LINE-ITEM VETO

Reflecting upon the experience of the U.S. Government, Confederate rebels met to draw up a new constitution.

An individual by the name of Robert Smith—not the same ROBERT SMITH who so ably represents the State of New Hampshire in the Senate today—but Robert A. Smith, in addressing the people of Alabama, had this to say: “We have followed with almost literal fidelity, the Constitution of the United States,” reflecting on his drafting of a constitution for when they anticipated a new Confederate Government.

We have followed with almost literal fidelity the Constitution of the United States, and departed from its text only so far as experience had clearly proved that additional checks were required for the preservation of the Nation’s interest. Of this character is the power given the President to arrest corrupt or illegitimate expenditures, and at the same time approving other parts of the bill. There is hardly a more flagrant abuse of its power, by the Congress of the United States than the habitual practice of loading bills, which are necessary for governmental operations with reprehensible, not to say venal dispositions of the public money, and which only obtain favor by a system of combinations among Members interested in similar abuses upon the Treasury.

That speech could have been given yesterday. That speech can be given today. Yet here we have Robert Smith more than 100 years ago in writing with his colleagues a new constitution, basing it upon the experience that this Nation had at that point with its then Constitution, the experience of granting to the legislative body a power that was not checked by the checks and balances of those powers given to the executive branch.

As Robert Smith said, “We basically are writing our new Constitution on the basis of the existing U.S. Constitution because that Constitution is a sound model for what any new Constitution ought to be made of.” “Yet,” he said, “based on our experience, that has clearly proven that there are some changes that need to be made, some additional checks,” as he said, “were required for the preservation of the Nation’s interest, checks necessary to arrest corrupt or illegitimate expenditures on the part of the legislative branch.”

I go on to quote Robert Smith:

Bills necessary for the support of the Government are loaded with items of the most exceptional character, and are thrown upon the President at the close of the session, for his sanction, as the only alternative for keeping the Government in motion. Even, however, under this salutary check, the evil might be but mitigated, not cured, in the case of a weak or highly partisan President, who would feel that the responsibility of such legislation rested but lightly on him, so long as the unrestrained power and duty of originating appropriations depended upon a corrupt or pliant Congress—hence the conventions of confederate States wisely determined that the Executive was the proper de-

partment to know and call for the moneys necessary for the support of Government, and that here the responsibility should rest.

In closing, he said:

*** By giving the President the power to veto objectionable items in appropriation bills, we have, I trust, greatly purified our Government.

America fought a painful and bloody war to save the Union. We are standing here today because that war was won. Millions of our fellow Americans won their freedom and put an end to one of the most disgraceful chapters in American history. And yet a germ of an idea was born in the Confederacy that took root across our country. The idea was enhanced accountability for the taxpayers money through the line-item veto.

After the Civil War, line-item veto authority spread like wildfire in the States. Today, 43 Governors enjoy the same power we are fighting to give the President of the United States—the authority to veto wasteful spending items.

Line-item veto became a reality in the U.S. possessions as well. Congress, though it failed to give the President line-item veto authority, gave this power to the Governors General of the possessions. The line-item veto was granted to the Governor General of the Philippines in 1916, and the Governors of the territories of Hawaii in 1900, Alaska in 1912, Puerto Rico in 1917, and the Virgin Islands in 1954. Thus Congresses recognized the need for and virtue of this authority which it has never given to the President of the United States and to the American people.

States have been successfully using the line-item veto, many for over 100 years. Today, almost uniformly, the Governors endorse giving the President of the United States the same tool for controlling spending.

A Cato Institute survey of 118 U.S. Governors and former Governors—including Jimmy Carter, Ronald Reagan, Michael Dukakis, and Bill Clinton reveals a strong consensus that a line-item veto for the President would be an effective method of reducing the massive Federal deficit: 67 of respondents were Republicans, 50 Democrat; 19 were serving Governors when they responded; 92 percent of the Governors believe that a line-item veto for the President would help restrain Federal spending; 88 percent of the Democratic respondents supported the line-item veto; 55 percent of the Governors believe Congress has too much authority over the Federal budget, versus only 2 percent who think the President has too much authority.

When asked “Was the line-item veto a useful tool to you as Governor in balancing the State budget?” 69 percent said the line-item veto was a very useful tool, 23 percent said it was a somewhat useful tool, 7 percent said it was not useful, 91 percent of Democratic Governors said the line-item veto was very useful or somewhat useful.

The survey also asked, “Do you think that a line-item veto for the President would help restrain Federal spending?”

Ninety-two percent of the respondents replied yes.

Eighty-eight of Democrats agreed.

Since the Budget Reform and Impoundment Act of 1974, every President has complained that Congress has usurped the executive branch’s traditional powers over the budget process. The Governors agree.

“In your opinion, does Congress or the President have too much authority over the Federal budget today?” The survey asked. The majority responded, “Congress has too much power.”

Nine of ten Governors—regardless of party—support a line-item veto for the President as a way to restrain spending. A majority of Governors think that Congress has too much authority over the budget process.

Here is what some Governors have actually said:

The line-item veto is a useful tool that a Governor can use on occasion to eliminate blatantly ‘Port Barrell’ expenditures that can strain the budget. At the same time he must answer to the voters if he (or she) uses the veto irresponsibly. It is a certain restraint on the legislative branch.—Keith H. Miller, Alaska, Republican (1969-70).

I support the line-item veto because it is an executive function to identify budget plan excesses and wasteful items. It is an antidote for pork—Hugh L. Carey, New York, Democrat (1975-83).

Congress’s practice of passing enormous spending bills means that funding for everything from Lawrence Welk museum to a study of bovine flatulence slips through Congress. The President may be unable to veto a major bill that includes such spending abuses because the majority of the bill is desperately needed. A line-item veto would let the President control the irresponsible spending that Congress can’t. A line-item veto already works at the State level. It not only allows a Governor to veto wasteful spending, it works as a deterrent to wasteful spending legislators know will be vetoed—Pete Wilson, California, Republican, (1991-?).

Legislators love to be loved, so they love to spend money. Line-item veto is essential to enable Executive to hold down spending—William F. Weld, Massachusetts, Republican (1991-?).

When I was Governor in California, the Governor had the line-item veto, and so you could veto parts of a bill or even part of the spending in a bill. The President can’t do that. I think—frankly of course, I’m prejudiced—Government would be far better off if the President had the right of the Line-item veto.—Ronald Reagan, California, Republican (1967-75).

I believe it provides a check and balance which is helpful even if only because it requires legislators to consider the potential for veto and may thereby make them more accountable—Mike Sullivan, Democrat, Wyoming (1991-94).

It can be a surgical tool to highlight foolishness, and thus help the Executive make his case.—Pete Du Pont, Delaware, Republican (1977-85).

To the detriment of the Federal process, the President is not held accountable for a balanced budget. Congress takes control over budget development with its budget resolution, after which, the President may only approve or veto 13 appropriation bills. Without the line-item veto the President has minimal

flexibility to manage the Federal Budget after it is passed—L. Douglas Wilder, Virginia, Democrat (1990-94).

Almost every President since Ulysses S. Grant has made the same case as the Governors. Only one President in the 20th century has not requested the line-item veto.

In a message to Congress on August 14, 1876, President Grant claimed "discretionary authority" over the items of appropriations bills. In signing the river and harbor bill he said:

If it was obligatory upon the Executive to expend all the money appropriated by Congress, I should return the river and harbor bill with my objections * * * without enumerating, many appropriations are made for the works of purely private or local interest, in no sense national. I cannot give my sanction to these, and will take care that during my term of office no public money shall be expended upon them * * * under no circumstances will I allow expenditure upon works not clearly national.

No objection was made to President Grant's interpretation.

After deprecating the practice of combining appropriations for a great diversity of objects, widely separated in their nature and locality, in one river and harbor bill, President Arthur, in his second annual message to Congress, dated December 4, 1882, suggested two suggestions to this problem:

First, enactment of separate appropriation bills for each internal improvement, or, alternately, and

Second, a constitutional amendment empowering the Executive to veto items in appropriations bills. He then listed 14 States whose constitutions gave the item or specific veto authority to their Governors and declared:

I commend to your careful consideration and the question whether an amendment of the Federal Constitution in the particular indicated would not afford the best remedy for what is often a grave embarrassment both to Members of Congress and the Executive, and is sometimes a serious public mischief.

President Arthur repeated this recommendation in his third annual message, dated December 4, 1883, and in his fourth annual message, dated December 1, 1884.

PRESIDENT FRANKLIN ROOSEVELT

In his budget message for fiscal year 1939, President Roosevelt, after calling attention to the use of the item veto "in the majority of our States" and remarking that "the system meets with general approval in the many States which have adopted it," said:

A respectable difference of opinion exists as to whether a similar item veto power could be given to the President by legislation or whether a constitutional amendment would be necessary. I strongly recommend that the present Congress adopt whichever course it may deem to be the correct one.

PRESIDENT TRUMAN

In the second volume of his memoirs, Harry S. Truman wrote:

One important lack in the Presidential veto power, I believe, is authority to veto individual items in appropriation bills. The President must approve the bill in its entirety, or refuse to approve it, or let it be-

come law without his approval * * * As a senator I tried to discourage the practice of adding riders deliberately contrived to neutralize otherwise positive legislation, because it is a form of legislative blackmail.

PRESIDENT EISENHOWER

In reply to a House request for recommendations on possible budget cuts, President Eisenhower addressed a letter to Speaker Rayburn, dated April 18, 1957, containing 10 recommendations including the following one:

And, tenth, to help assure continuing economy on the part of the Congress as well as the executive branch, take action that will grant the President the power held by many State Governors to veto specific items in appropriation bills.

The plea for a line-item veto was illustrated dramatically by President Reagan when he slammed down a 43 pound, 3,296 page spending bill. It was a bill that represented 1 trillion dollars' worth of spending—not one penny of which he had the power to veto, unless he rejected it all.

Most recently, President Clinton has asked that this Congress send him the strongest line-item veto measure possible. He has called the line-item veto "one of the most powerful weapons we could use in our fight against out-of-control deficit spending."

He also said:

I am strongly in favor of a line-item veto. I have it. I've used a bunch as Governor. And, interestingly enough, in my last legislative session, I didn't have to use it one time because I had it. See? . . . I keep telling my friends in Congress, they would be better off. They think they have got to pass some piece of pork barrel for the folks back home. Let me take the heat.

Interestingly, many Presidents argued for the line-item veto while they still had considerable leverage over spending. Until the Budget and Impoundment Act of 1974, Presidents exercised their authority to rescind money, and thus control spending they felt was wasteful. This was a practice that had its origins with our first President.

In his article, "The Line-Item Veto: Provided in the Constitution and Traditionally Applied," Stephen Glazier wrote:

At the beginning of our Government under the Constitution, during the administrations of Washington and Adams, Congress passed very general appropriations bills that permitted the President not to spend appropriated funds . . . In Washington's day the practice was called "impoundment."

Perhaps the most significant early impoundment was during Jefferson's Presidency, when he refused to spend \$50,000 appropriated by Congress for gunboats. He also refused to spend money on two new fortifications.

This instance and other early instances were mostly attributed to the fact that, unlike today, appropriations bills were

quite general in their terms and by obvious . . . intent, left to the President . . . the power for . . . determining in what particular manner the funds were spent (1971 hearings, testimony of Assistant Attorney General Rehnquist).

Under the Grant administration, we saw more significant withholding of funds. Upon signing a measure which appropriated funds for harbor and river improvements, Grant sent a message to Congress saying that he did not plan to spend the total amount because some appropriations were for "works of purely private or local interest, in no sense national." Grant asserted that no expenditures might be made except for "works already done and paid for" (CONGRESSIONAL RECORD 5628 1876).

Grant's Secretary of War also refused to spend \$2.7 million of the \$5 million which had been appropriated by Congress. The House asked the President to respond with legal authority for impounding of funds. The Secretary of War replied that this act was in no way mandatory and that it was not fiscally practical or legally appropriate for the President's discretion to be limited than by the interests of the public service. Most of Congress agreed with the President.

President Roosevelt impounded funds in the 1930's to cope with the emergencies of economic depression and war. In the 1940's Budget Director Smith ordered impoundment of amounts ranging from \$1.6 to \$95 million which had been appropriated for the Civilian Conservation Corps' surplus labor force, civilian pilot training projects, surplus marketing corporation among others, because the projects did not have priority ratings to obtain the scarce resources.

The Truman Presidency impounded funds appropriated for a 70-group Air Force and giant aircraft carriers.

Eisenhower impounded funds appropriated for various defense projects, most notably funds for strategic airlift aircraft, \$140 million, and procurement of Nike-Zeus—\$135 million—hardware; in 1956, \$46.4 million to increase Marine Corps personnel strength was impounded. In 1959, \$48 million for hound dog missiles, \$90 million for Minute-man Program funds, \$55.6 million for KC-135 tankers. In 1960, \$35 million for nuclear-powered carriers.

Kennedy's administration was responsible for a controversial impoundment of funds for the RS-70 long range bomber. Congress appropriated nearly two times the amount that Kennedy had requested. Secretary of Defense McNamara refused to release the excess funds. Later, Congress voted to direct a lesser amount for the RS-70.

President Johnson felt impoundments for domestic programs were legally sanctioned. Attorney General Clark said that the impoundment of highway trust funds was lawful. The Budget Director said that it was the general power of the President to operate for the welfare of the economy and the Nation in terms of combating inflationary pressures.

The most controversial of Presidential impoundments were during the Nixon Presidency. Each year since first assuming office, President Nixon had

impounded 17 to 20 percent of controllable funds appropriated by Congress. Nearly \$12 billion appropriated for the building of highways—funds impounded of a cross-Florida barge canal, on which \$50 million had been spent and which was already one-third completed—and pollution control projects had been withheld. Hundreds of millions of dollars appropriated for medical research, higher education—\$18 million of the Indian Education Act, rural electrification, rural environmental assistance, public housing—over \$70 million of HUD's 312 housing rehabilitation, loan programs, urban renewal and myriad other programs were impounded. In 1973, the U.S. Court of Appeals for the Eighth Circuit became the highest court to ever decide a case dealing with Executive impoundments. In *Missouri Highway Commission versus Volpe*, the issue of whether the Secretary of Transportation could refuse to obligate highway funds which had been apportioned to Missouri, because of the status of the economy and the control of inflation. The court ruled that the highway funds could not be lawfully impounded for the reasons asserted. This case did not, however, settle the constitutional question pending before the White House and Congress.

Because of the sweeping nature of the Nixon impoundments, Congress responded. On October 27, 1972, Congress passed the Federal Impoundment and Information Act, which requires the President to submit reports to the Congress and Comptroller General detailing certain information concerning funds which are appropriated and partially or completely impounded.

The act essentially forbade the President from impounding funds, unless Congress acted to approve that impoundment. But, the act did not force Congress' hand. By simple inaction, the funds would automatically be released.

Under current law, the President sends up his recommended cuts, and if Congress does not act to approve them, they become meaningless. The cuts simply die on the vine as Congress spends more and more and accuses everyone but themselves of fearing tough spending choices.

Over the years, the congressional attitude toward Presidential rescissions has become one of nearly total neglect. In 1991 President Bush proposed 47 rescissions for a possible savings of \$5.55 billion. Only one rescission was approved by Congress. We saved \$2.1 million—a drop in the bucket.

Since 1974, Congress has approved a mere 30 percent of the President's rescissions. We have chosen to ignore more than \$41 billion which the President identified as unnecessary spending.

In 1974, Congress ignored all the President's rescissions, a 100 percent failure rate. In 1975, 56 percent were ignored. In 1976, we failed to enact 86 percent. More recently, in 1983, 100 percent of the President's rescissions were ignored. In 1984, we failed to enact 67 per-

cent and in 1985 we failed to enact 60 percent. By 1986 and 1987, we failed to enact 95 percent and 97 percent of those rescissions. Since 1974, we have acted on only 31 percent of the President's rescissions. In the meantime, our debt has more than quadrupled. Clearly, Congress has found the new impoundment procedures a bit too convenient.

When I first came to the Senate in 1989, Senator MCCAIN and I worked together to craft a legislative line-item veto to reverse these trends and restore some equilibrium between the Congress and the President. We have offered that bill every Congress, and we have forced the Senate to vote on it. But our bill has always been subject to a filibuster or to a budget point of order.

In November 1989, I first offered my legislation as an amendment to another bill because the Senate would not even consider it on its own merits. That effort failed by a vote of 40 to 51. In June 1990, Senator MCCAIN and I tried again. This time we went down by a vote of 43 to 50. Progress, though not much.

But each time I'd brought the line-item veto to the floor I was subject to a chorus of advice. Address pork spending, I was told, while an appropriations bill is actually on the floor. Do not worry so much about giving the President line-item veto authority. Just offer an amendment to strike wasteful spending. So I tried it.

Right after Desert Storm, the Congress was called on to pass a dire emergency supplemental to defray the costs of the war. It was legislation which came after noble sacrifice and unprecedented victory. And yet even this bill was a target of wasteful spending.

It contained \$1 million for the Maine Department of Agriculture to study potato virus. It included \$609,000 for poultry inspection; \$351,000 for new furnishings for the Library of Congress; \$100,000 for the United States-Canada Salmon Commission. All this in a dire emergency supplemental to pay for the war costs of Desert Storm.

But perhaps most disturbing, the bill required that the Navy overhaul and upgrade the U.S.S. *Kennedy* at the Philadelphia Navy Shipyard, giving it a Service Life Extension Program [SLEP]. This was a classic case where special interests went far beyond what was actually needed or requested. The Navy strongly opposed the work for two compelling reasons.

First was cost. While the SLEP at Philadelphia would cost the taxpayer \$1 billion, the Navy felt that a simple overhaul—at half the price—was all the work that was required. In addition, the Navy had downsized its fleet, so extensive service to older carriers was not needed. The Navy could simply deactivate the older carriers.

So the issue was \$1 billion of spending that the Department of Defense said was unnecessary. I decided that this would be a good candidate for an amendment on the floor. I would take the advice of those who said that Con-

gress can provide its own form of line-item veto by simply amending bills. That experience taught me a lot about the business-as-usual pork practices that are now so common in this distinguished body.

When I offered my reasons for opposing this spending, a good number of my colleagues agreed. My amendment passed with a healthy majority of 56 votes. Yet when the doors closed on the conference committee, the funding was quietly restored to the bill without debate. What was won on the Senate floor after a lengthy floor debate, was quietly easily restored behind closed doors.

Since that time, Senator MCCAIN has gone to heroic lengths to scrutinize appropriations bills and help save the taxpayer money. He and his staff have been on the floor during debate on most appropriations bills to ensure that last minute deals funding unauthorized projects are not cut to slip spending into bills.

But those efforts alone are not enough. We have learned that they simply do not work. We need true reform. We need the line-item veto. So we have pursued our efforts in each Congress.

But we have not been the first in Congress to try. The line-item veto was first introduced on January 18, 1876, by Congressman Charles Faulkner of West Virginia. It was referred to the Committee on the Judiciary where it died. About 200 line-item veto bills have since been introduced. In nearly every succeeding Congress the proposal has been reoffered in varying forms.

The proposed amendment has for the most part been buried in the Judiciary Committees. Very few have been reported, and those which have, were reported adversely.

In 1883 on a motion to suspend the rules so that the House Judiciary Committee might be discharged and House Resolution 267 passed, the motion was defeated: This has been one of the few occasions in which the item-veto principle has been subjected to a vote in either House.

On April 21, 1884, for the first time, the Senate Judiciary Committee favorably reported a Resolution—S. Res. 18 by Mr. Lapham of New York—proposing to amend the Constitution so as to confer on the President the power to veto items in appropriation bills. By unanimous consent on December 9, 1884, Senate Joint Resolution 18 was made special order of business for December 17. But on that date and again in February the resolution was passed over in the Senate indefinitely.

In this century, the line-item veto continued to be actively considered.

In 1938, the line-item veto passed the House of Representatives, but failed to be considered in the Senate.

In 1957, Congressman Stewart Udall had this to say:

The tendency in the Congress naturally is that the local interest is predominant. Each of us have projects, we have Federal programs we feel are vital to our districts. In

our system of checks and balances, it seems to me a good argument can be made that it is good and it is wise to have someone outside the legislative, namely the executive, also weigh and particular proposal against the national interest, and I think that is essentially what the item veto would do.

Congressman Charles Bennett added:

As far as I can ascertain, our Constitution and practices in the early days of our country contemplate that the President would find the means readily available to him to veto an appropriation. This is no longer possible for a President in 1957, not because of any change in the Constitution, but because of the practice of Congress in bringing in very large bills from the standpoint of money and from the standpoint of number of items and diversity of items covered. The evil is not so great in authorizations, because in authorizations there is no emergency generally involved. There is an emergency in having adequate funds to carry on the Government, and when you have a large sum of money in an appropriations bill involving many employees and may facets of Government, there is an emergency in passing such a bill; so that the President has an almost impossible situation confronting him if he desires to see any economies made in these bills that are so multiplicitous in material and detail and in dollars.

In 1957, the Nation ran a budget surplus of \$3.4 billion, and our country's debt was \$272 billion. In other words, the total debt our Nation accumulated in the first 181 years of our history was approximately equal to our annual operating deficits today. And in 1957, our Nation's books showed no red ink. Yet Members of Congress were arguing for a significant change in the name of the national interest and in the name of good government. They were arguing for the line-item veto.

Today, the situation has changed radically. The Nation's total Federal debt has increased 1,665 percent to \$4.8 trillion. We will borrow more in 4 days this year than we borrowed in the entire year of 1958.

The arguments of 1957 still stand. Line-item veto helps to balance the parochial interest with the national interest; it enables a President to rationally deal with omnibus spending bills. Nothing has changed but the urgency of our circumstances.

According to CBO:

Failure to reverse [current] trends in fiscal policy and the composition of Federal spending will doom future generations to a stagnating standard of living, damage U.S. competitiveness and influence in the world, and hamper our ability to address pressing national trends.

And when we proceed to S. 4 on Monday, it will be the first time in the history of the U.S. Senate that the legislative line-item veto will be actually considered as a free standing bill in its own right.

Last November, anger against Congress burnt white hot. With their votes, the American people decisively demonstrated their deep frustration with the status quo. Last week, the U.S. Senate fueled that anger and betrayed their trust. By failing to pass a balanced budget amendment, we clearly demonstrated that we as an institution

are more concerned with preserving our power than with protecting our Nation's posterity.

Let us show the American people that we are serious about radically changing the way Congress does business. Let's show them that we intend to present appropriations bills without embarrassment. Let's send the message to taxpayers that, under our guidance, their dollars will not be wasted. Let us act to boldly eliminate the dual deficits of public funds and of public trust. Let us resist the urge to continue business as usual.

Let us finally pass the line-item veto. The time has come.

As I said, this is a speech that could be given today, a time-honored—"honored" is the wrong word—a time-abused practice of the legislative branch of submitting to the executive, to the President a bill which, as Smith says, is necessary for the support of Government but loaded with illegitimate expenditures, knowing that the President's only choice is to accept the entire bill or reject the entire bill, because he does not have the power to line-item veto, or to reject a part of that bill that is not necessary to the future of this country or not deemed a wise expenditure.

That is what we are all about. Nothing has changed. Nothing has changed in over 130 years. Nothing has changed since the formation of this country and the adoption of this Constitution because, as Smith says, we are doing this based on our experience, what the legislature has accomplished and what the country has experienced in terms of the inability to check, check, as he said, an illegitimate or corrupt expenditure, the flagrant abuse of the power by the Congress through its habitual practice of loading bills necessary for governmental appropriations.

Subsequent to that, America fought a painful and bloody war to preserve the Union, to keep us one Nation, united. Millions of our fellow Americans won their freedom and put an end to one of the most, if not the most, tragic chapters in American history. Yet, at the time, the germ of an idea was born in the Union that took root across the country. The idea has enhanced accountability for the taxpayers' money through the line-item veto.

After the Civil War, line-item veto authority spread like wildfire throughout the States. Today, 43 Governors enjoy the same power that we are fighting to give the President of the United States: The authority to veto wasteful spending items.

Line-item veto became a reality in the United States possessions as well, not just the States but the possessions. Congress, though it failed to give the President line-item veto authority, gave this power to the Governors General of the possessions. The line-item veto was granted to the Governor General of the Philippines in 1916 and the Governors of the territories of Hawaii in 1900, Alaska in 1912, Puerto Rico in

1917, and the Virgin Islands in 1954. Thus, Congress recognized the need for and the virtue of this authority which it had never given to the President of the United States and to the American people.

States have been successfully using line-item veto since, many for over 100 years. Today, almost uniformly the Governors endorse giving the President of the United States the same tool for controlling spending that they enjoy. As someone on this floor—it may have been the Senator from Missouri who is presiding in the chair—said on Friday, we are not aware of any rush in any State legislatures across the country in these 43 States to take away their Governor's authority under line-item veto. If that is happening in any of the legislatures across this land, we are not aware of it.

It seems to have worked very well, this check and balance system, the power to appropriate, the power to say, "Yes, but not 100 percent of what you have sent we think is in the national interest, we in the executive branch think is in the national interest. We will take 97 percent of it, but this 3 percent just does not go to expenditures in the national interest," and then to turn that back to the Congress, and the Congress, if it wants, can override that decision, but it takes a two-thirds vote to do so.

A Cato Institute survey of 118 former Governors and current Governors, including Jimmy Carter, Ronald Reagan, Michael Dukakis, and Bill Clinton, reveals a strong consensus that a line-item veto for the President would be an effective method of reducing the massive Federal deficit. One hundred eighteen former or current U.S. Governors, bipartisan—Jimmy Carter, Michael Dukakis, Bill Clinton, Ronald Reagan—reveals a consensus and a support for a line-item veto.

That survey showed that 67 of the respondents were Republicans, 50 were Democrats, 19 were serving Governors when they responded.

Ninety-two percent of the Governors—92 percent—believe that a line-item veto for the President would help restrain Federal spending; 88 percent of the Democratic respondents supported the line-item veto; 55 percent of the Governors believe Congress has too much authority over the Federal budget, and only 2 percent think the President has too much authority.

Let me repeat that: 55 percent of the Governors believe that Congress has too much authority over the Federal budget, and only 2 percent think the President has too much authority.

When they were asked, "Was the line-item veto a useful tool to you as Governor in balancing the State budget," 69 percent said the line-item veto was a very useful tool, and 23 percent said it was a somewhat useful tool. Only 7 percent said it was not useful. Ninety-one percent of the Democratic Governors said that the line-item veto

was a very useful or somewhat useful tool.

The survey also asked, "Do you think that a line-item veto for the President would help restrain Federal spending?" Ninety-two percent said yes; 88 percent of the Democrats agreed.

Since the Budget Reform and Impoundment Act of 1974, every President has complained that Congress has usurped the executive branch's traditional powers over the budget process. The Governors agree.

"In your opinion," the survey went on to ask, "does Congress or the President have too much authority over the Federal budget today?" The survey said and the majority responded, Congress has too much power.

Let me quote from what some of the Governors have actually said:

Line-item veto is a useful tool that a Governor can use on occasion to eliminate blatantly pork-barrel expenditures that can strain the budget. At the same time, he must answer to the voters if he or she uses the veto irresponsibly. It is a certain restraint on the legislative branch.

Gov. Keith Miller, of Alaska, Republican Governor, 1969.

I support the line-item veto because it is an executive function to identify budget plan excesses and wasteful items. It is an antidote for pork.

Gov. Hugh Carey, of New York, a Democrat, who served from 1975 to 1983.

Congress' practice of passing enormous spending bills means that funding the Lawrence Welk Museum to the study of bovine flatulence slips through Congress. The President may be unable to veto a major bill that includes such spending abuses because the majority of the bill is desperately needed. The line-item veto would let the President control the irresponsible spending that Congress can't. The line-item veto already works at the State level. It not only allows the Governor to veto wasteful spending, it works as a deterrent to wasteful spending because legislators know it will be vetoed.

That is a statement by current Gov. Pete Wilson, of California, Republican.

I believe it provides the checks and balance, even if it requires legislators to consider the potential for veto and thereby makes them more accountable.

Gov. Mike Sullivan, a Democrat from Wyoming.

Legislators love to be loved, so they love to spend money. Line-item veto is essential to enable the executive to hold down spending.

That was spoken by William Weld, the current Governor of Massachusetts.

When I was Governor of California, the Governor had the line-item veto, so you could veto parts of a bill or even part of the spending in a bill. The President can't do that. I think, frankly—of course, I'm prejudiced—Government would be far better off if the President had the right of the line-item veto.

Ronald Reagan, former California Governor.

It can be a surgical tool to highlight foolishness and thus help the executive make his case.

Said Pete DuPont, Republican Governor of Delaware from 1977 to 1985:

To the detriment of the Federal process, the President is not held accountable for a balanced budget. Congress takes control over budget development within its budget resolution after which the President may only approve or veto 13 appropriation bills. Without the line-item veto, the President has minimal flexibility to manage the Federal budget after it is passed.

So said Douglas Wilder, Democrat Governor of Virginia from 1990 to 1994.

Republicans, Democrats, liberals, conservatives, moderates, current, past, historical, virtually all have said the line-item veto works in their States. It worked for them. It worked in their relations with their legislators. It ought to apply to the Congress.

Senator ASHCROFT, now presiding in the chair, eloquently spoke on Friday of the line-item veto and what it meant to him when he was Governor of Missouri and how the interaction between the executive and the legislature worked to eliminate unnecessary, unneeded spending of hard-earned, scarce taxpayers' dollars. And he had a terrific chart illustrating that it not only works when you are Governor of the State of Missouri, but it works when you are head of household or father of a household and you sit down around the kitchen table with the family and say, "Let's plan out next month's or next year's budget, the things we have to do, the things that we would like to do. Let's check our revenues and see what funds might be available, everybody submit their request and let's go down the line and see what works."

There might be an item that you have to line out and in many cases substitute something for that. Instead of the trip to Disney World that everybody would like to take every year and stay at the hotel right on the grounds and not have to worry about being down the road or across the street and driving in and parking but just get on the tram in the lobby of the hotel and go to the next exhibit, which we would all like to do but which most of us cannot afford to do once in a lifetime, let alone once every year, you might have to adjust. You might have to go to Sea World instead or you might have to, as Senator ASHCROFT said, go to the State park for a vacation.

You line out some items. You substitute some others. You reduce it. You negotiate. That is the process that takes place under line-item veto, and that is the process that would take place if the President would have that line-item veto.

Almost every President since Ulysses Grant has made the same case as the Governors made. Only one President in the 20th century has not requested the line-item veto, only one. In his message to Congress on August 14, 1876, President Grant claimed discretionary authority of the items of appropriations bills. In signing the river and harbor bill he said, and I quote:

If it was obligatory upon the executive to expend all the money appropriated by Congress, I would return the river and harbor

bill with my objections. Without enumerating, many appropriations are made for the works of purely private or local interests and in no sense national. I cannot give my sanction to these and will take care that during my term of office no public money shall be expended upon them. Under no circumstances will I allow expenditure upon works not clearly national.

No objection was made to President Grant's interpretation of that. Congress knew that it had been caught with its hand in the cookie jar. Does that mean expenditures on rivers and harbors are not necessary? Of course not. Some of those are very necessary. But in some years you cannot do as much as you would like to do in other years. And at other times there are higher priorities. Of course, the natural thing to do for Congress is to want to spend that money because, as Governor Weld said, "Legislators love to be loved and so they love to spend money."

Nothing brings a smile to the face of your constituents or special interest group more than the word "yes." "Yes, we will fund your request." "Yes, we will give you everything you ask for." Boy, does that make life easy as a legislator. It is fun to go home and say, "You know that request you asked me about 6 months ago? Done. I slipped it in the—such and such—appropriations bill. The President signed it just the other day." You are a hero. They hold a dinner in your honor. They give you a little plaque and you put it on the wall, "Legislator of the year." Of course, we love to go home and say "yes" to people.

However, under the process that we have operating today at the Federal level, we have a very convenient excuse to say "yes," that allows us to say "yes" that is not available to most legislators. Most legislators are operating under either a balanced budget constitutional prohibition, a constitutional mandate to require a balanced budget or they are operating under line-item veto or both.

Do you know what that means? One of two things. It means that when those interest groups come and say, "Can you get this money for us?" you have to look them back in the eye and say, "That may be a worthy project and in fact I even support it, but here's my dilemma. Right now we are running really close on the amount of revenues coming in and the amount of expenditures going out. And there's only one of two ways that I can really address your request this year. The first is to look at some other program and cut that out and substitute your program, take the money from that and use it to pay for yours."

Of course, that is not the preferred method today because nobody wants to go over to the other group and say, "By the way, we are going to eliminate your program, cut your program so we can give it to the new program over here," because everybody wants to please everybody.

The second option available to them is to raise taxes, to go to the public and say, "We've got a new idea, a new program we would like to increase funding for. We are not willing to take the heat to cut out any existing program and so we are going to have to raise your taxes to generate more money." Not too many legislators like to do that, like to run home and tell people they are going to raise their taxes.

Now, the Federal legislators have a third option. Here is the problem. The third option is to say "yes" to everybody and then borrow the money to cover the expenditure, float some more debt so you do not have to go to the constituents and say, "We are going to raise your taxes to pay for this." You do not have to go to some other program and say, "We are going to have to cut your expenditures to pay for this." You say "yes" to everybody. And you produce an unbalanced budget—deficit spending—borrowing the money to pay for it, and we will let some future Congressman worry about the implications of that.

Well, the future is now. The future is here. That time-honored practice has now led us to a nearly \$5 trillion debt. Line-item veto is one of the tools which we will use, if it is passed, to adjust significantly the way that Congress spends the taxpayers' dollars. I deeply regret we did not pass a balanced budget amendment—it failed by one vote—because it is a much more significant change in the way we would do business. That would force us, year after year after year after year, in support of the Constitution of the United States, to not spend more money than we take in. That would make honest legislators out of all of us. That would bring integrity back to the halls of the Congress, in terms of the way we address the people's interests and the people's wishes and the way in which we handle the people's money.

That having failed, the only other real game in town that will bring change in the way we make decisions about how to spend money is line-item veto. Will it balance the budget? Absolutely not. I wish it would, but it will not. But will it fundamentally change the way in which we look at how we spend taxpayers' dollars? Yes, it will. And it will help. It will add up to some real significant savings. It will change the way we do our business.

I contend, with all the promises, all the rhetoric, all the wonderful, "Oh, we just need to summon up the will we need to get this job done," it just has not happened. Year after year, one decade after another, for one reason or another, Congress has not summoned up the will to get the job done. There is the human temptation of saying we will do it after the next election—and then comes the next election, and then the next election, and before you know it, it is the next decade, and before you know it we have a \$5 trillion debt and, "Yes, it is terrible, it is horrible, it im-

pacts the next generation, but not yet; we are not quite there yet. See, we have these problems, those problems, et cetera."

So we are talking about fundamental structural change in the way Congress does it business. Line-item veto is the second best way I can think of to do it. A balanced budget amendment is first. That failed. Line-item veto is a distant second, but frankly it is the only other game in town. It is the only game we are talking about. If somebody has a better structural way to change things around here, I am all for it.

Listen to the words of President Franklin Roosevelt. In his budget message for fiscal year 1939, President Roosevelt, after calling attention to the use of the line-item veto in the majority of our States and remarking that the system meets with general approval in the many States which have adopted it, said:

A respectable difference of opinion exists as to whether a similar line-item veto could be given the President by legislation or whether a constitutional amendment would be necessary. I strongly recommend that the present Congress adopt whichever course it may deem to be the correct one.

The bottom line is, even though some of us would like to amend the Constitution and give the President the constitutional line-item veto authority, we do not have the votes to do that. We came one vote short on balanced budget, and we do not have the votes to accomplish that on line-item veto. But we do have the votes to do it legislatively.

As Franklin Roosevelt said, "* * * whichever course Congress may deem to be the correct one." I do not know if it is the correct one, but it is the doable one. We have a doable one. We have one that can pass, and can be enacted into law. And, frankly—frankly—the way it is structured, if it does not work, Congress can repeal it. I would regret that. That is the problem with a statutory fix. But we can do it this Congress; we can do it this week.

President Truman said—and I think this is the most telling statement of all—in the second volume of his memoirs, Harry S. Truman wrote the following:

One important lack in the Presidential veto power, I believe, is the authority to veto individual items in appropriation bills. The President must approve the bill in its entirety or refuse to approve it or let it become law without his approval.

As a Senator, I tried to discourage the practice of adding riders deliberately contrived to neutralize otherwise positive legislation [Truman said] because it is a form of legislative blackmail.

I quoted that last week. Legislative blackmail, that is what it is. I do not care what sugar-coating we put on it. I do not care what justification we raise. A lot of this pork-barrel stuff is legislative blackmail.

We may have a defense emergency bill to pay for operations in Haiti, Rwanda, or Somalia that have already taken place, and the Defense Depart-

ment accounts are drained. Or we may have a hurricane in Florida and we need emergency money to be appropriated to deal with those who are homeless and those who need health care and those who need emergency rations. Or we may have floods and earthquakes in California or floods in the Midwest, we have pressing national needs, and we construct a bill to take care of those needs. And at that point legislators say, "Aha, there is one the President has to sign. I mean, this is an emergency. We have to get this money out in a hurry. That is going to have to go through the Congress. That is the one I will attach this little item I have been carrying for the folks back home. That is the one where I can get my, not national interest item, but parochial interest item attached to. We will just attach that in committee, and we will put it on the floor and we will send it to the President of the United States."

It will be buried in there and the President will say, as every President in this century except one has said, "If I only had the line-item veto, I could do what I have to do to accept that appropriations bill, but I could take out that unnecessary piece of spending that I know was attached on there just because they saw this train rolling through and this was a great vehicle to attach it to."

Of course, let us understand if Congress wants to overturn that decision of the President, it can do so. It has to come down here and debate the item. Members have to cast their yea or nay on it so the folks back home understand what they voted for and have the right to say, "What in the world? I did not send you to Washington, DC, to vote for that item. What are you doing that for?"

Right now they do not have that because legislators have a very convenient excuse. "Oh, I don't support that either. But, you see, we had this emergency, this bill came through, and Senator so-and-so from such-and-such a place snuck that devil in here and, boy, my dilemma was either deny the health payments to veterans or emergency funds for homeless victims or money to take care of the farmers in the flooded Midwest, or reject all that in order to take care of Senator such-and-such's little item."

The voters scratch their heads and say, "Is there not a solution to that?" The solution is line-item veto.

Mr. President, I am going to skip some items here. My colleague from Mississippi is on the floor. I am going to try to get to a point where I can wrap up.

But, there is a great history of abuses of the spending power by the Congress. It is a natural human tendency. I am not here pointing fingers at any of my colleagues. The only right I have is to point a finger at myself. I am a legislator. As the Scriptures say, we have all

seen it and come short of—I am paraphrasing the Scriptures here—come short of what our obligations are.

We are all guilty. We all know this is an abuse of power by the legislative branch, by the spenders. So what we are saying here is let us institute a structural reform that really liberates all of us from this insidious practice of adding pork-barrel spending to otherwise needed appropriations bills. Let us make a structural change so we, as a legislature, can restore some credibility and integrity to our work here.

It is easy to read down the lists, Senator so-and-so did such-and-such. Look at this item. Look at that item. But I am not going to do that. I am not going to do that because we are all guilty. We all need the liberation of doing what I think in our hearts we know is right.

Mr. President, as has been stated often, this adds up to some pretty big money. Senator MCCAIN and I have been offering this alternately over the past many years. We have not been able to break through the filibuster or we have not been able to break through the budget points of order to get the 60 votes necessary to get to a vote on the bill. We trust there will not be a filibuster attempt on this issue. I guess we will find out this evening at 5 o'clock when we go to the bill. We are appreciative of the fact that the Senator from West Virginia has consented to allow us to not have a filibuster on the motion to proceed so we are going to go to the bill at 5 o'clock today. We will find out soon whether or not the Congress is willing to go forward with this in serious debate and serious study.

There is going to be an alternative version, apparently, presented to the version now on the floor. It will be, we believe, substituted for a version that Senator MCCAIN and I and others, Senator DOMENICI and others have worked with Senator DOLE on which we think is a stronger version. We expand the scope of line-item vetoes to not only include appropriations but also target tax expenditures and new entitlements—not existing entitlements but new entitlements. But there is going to be a mild alternative presented, apparently, according to the minority leader—a mild alternative. We considered that, but we rejected it because it is not line-item veto. The same 51 votes that were collected to pass the appropriation in the first place can be used to thwart the President's efforts to stop that spending.

Veto means veto. Veto means two-thirds. Technically, the Constitution does not use the word "veto." But it does call for a two-thirds override by the Congress for bills not accepted by the President, or returned to the Congress by the President. We are applying that same principle, that same rule, to the practice that the President is granted that authority of taking out by line-item pieces of those bills rather than rejecting the whole. So, if there is

going to be a measure which fundamentally alters the way in which this Congress operates, it has to be a two-thirds vote. Anything short of that is a mild version that will have little, if any, significant effect on the way we do business.

I think that has been pretty well decided among at least Republicans. And I think it is supported by a number of Democrats who have supported line-item veto authority before, some of them former Governors, others who believe that we could need some structural changes in the way that this Congress operates. And we welcome and appreciate their support.

Members have been told, "Just offer these amendments. If you do not like something in a bill, offer an amendment." Senator MCCAIN in particular has gone to heroic lengths to scrutinize appropriations bills. But they always run up against budget points of order. They always run up against reasons why it really cannot happen. Then the aggregate, in the end, very little change is made and somehow these things keep slipping through. Everybody scratches their head, and, says, "I don't know how that got in there. It is kind of embarrassing. But I do not know how that got in there."

For more than 100 years Members have been trying to strike unnecessary pork-barrel spending from appropriations, and the results are not all that good. In 1957 Congressman Stewart Udall said:

The tendency in Congress naturally is that the local interest is predominant. Each of us have projects. We have Federal programs we fell vital to our districts. In our system of checks and balances, it seems to me a good argument can be made that it is good and it is wise to have someone outside the legislature, namely, the executive, also weigh any particular proposal against the national interest, and I think that is essentially what the line-item veto would do.

Mr. President, in 1957 this Nation ran a budget surplus of \$3.4 billion, and our country's debt at the time was \$272 billion. The total debt of our Nation accumulated in the first 181 years of our history was approximately equal to this year's current operating deficit; 181 years of effort, of spending the people's money by this legislature is equal today to 1 year of deficit spending.

In 1957 our Nation's books showed no red ink. Yet, even then Members of Congress were arguing for a change in the name of the national interest and in the name of good government. Even when we did not have a significant deficit, even when we were, the last time we operated at a balanced budget on a current year, Members were arguing for a line-item veto because they knew that it would stop a practice of, as Harry Truman said, "blackmailing the President."

Today however, the situation as we know has changed radically. The Nation's total Federal debt has increased 1,665 percent; 1,665 percent to \$4.8 trillion. Let us go back over that. One-hundred and eighty years it took to get

to \$272 billion. That was in 1957. And since then it has increased. The debt has increased from \$272 billion to \$4.8 trillion, a number I cannot begin to comprehend—1,665 percent increase. Maybe this puts it in better perspective. We will borrow more in 4 days in 1995 than we borrowed in the entire year of 1958. We will borrow more in 4 days of this year, 1995, than we borrowed in the entire year of 1958. That is how far we have gone. The arguments of 1957 still stand. Line-item veto helps balance the parochial interest with the national interest. It enables the President to rationally deal with omnibus spending bills. Nothing has changed but the urgency.

According to the CBO, failure to reverse current trends in fiscal policy in the composition of the Federal spending will doom future generations—doom future generations. Every one of us knows that in our heart we will be dooming the future generations by what we are doing here with the taxpayer dollars, and creating a debt which we will not be able to pay as a Nation, which our children and grandchildren will not be able to pay. They will not be able to buy a house at a reasonable interest rate. They will not be able to finance an education for their children. We are dooming future generations.

That is the Congressional Budget Office conclusion. We will doom them to a stagnating standard of living, they said. We will damage U.S. competitiveness and influence in the world, and we will hamper our ability to address pressing national trends. If there is time to do something, it is now, not next Congress, and not next century; now.

So when we proceed on this bill today at 5 o'clock, it will be the first time in the history of the U.S. Senate that the legislative line-item veto will actually be considered as the freestanding bill in its own right.

Last November anger against this Congress burned white hot. With their votes the American people decisively demonstrated their deep frustration with the status quo. Last week the U.S. Senate fueled that anger, and betrayed their trust 2 weeks ago by failing to pass a balanced budget amendment. We demonstrated that we as an institution are more concerned with preserving our power than with protecting our Nation's prosperity.

Let us show the American people that we are serious about changing the way this Congress does business. Let us show them that we intend to present appropriations bills without embarrassment. Let us send the message to taxpayers that under our guidance their dollars will not be wasted, and let us act to boldly eliminate the dual deficits of public funds and of public trust. Let us resist the urge to continue business as usual. Let us finally pass the line-item veto.

Mr. President, the time is now.

Mr. President, I yield the floor.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. Mr. President, I wish to be heard on the line-item veto. But just for a moment, I would like to observe the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. LOTT. Mr. President, first, I want to thank several Senators for their tireless effort to put together a process whereby this line-item veto legislation could be considered by the Senate. Without the tenacity and the dedicated work and support of Senator COATS from Indiana, who has just been speaking, and Senator MCCAIN of Arizona, the moment for this consideration would never have occurred. I think they deserve a lot of credit for pushing it through the years, many times as amendments to other bills. They have seen their efforts meet with defeat. But they continued to push for it because they know it is the right thing to do.

Also, I take note of the fact that they have worked with a number of other Senators to come up with a compromise that will be the basis for our consideration as the week goes forward. The majority leader, Senator DOLE, has put a high priority on this legislation. He committed early on that this would be on the Senate agenda early in the session. I think it is probably the fifth bill we have considered this year, and I think he certainly deserves credit for moving line-item veto to the top of our priorities. Senators DOMENICI and STEVENS have played decisive roles in bringing us to the point where this legislation could be laid down, so we could move forward on this important issue.

The quest for a line-item veto has been a 10-year quest. An idea so simple has had a very complicated history; an idea so needed has been needlessly blocked, in my opinion, by politics or by institutional concerns which I do not think are well founded.

We hear from the opponents that there is a plan, perhaps, for a filibuster against the compromise proposal that will be offered later today, sometime around 5 o'clock or later. We also hear from the other side that this may be opposed on a partisan basis, or that it is really not needed by the people. I hope none of that will happen. We have had too much of that already this year. We have already had filibuster after filibuster or slowdowns. We have had to go to cloture votes. This is an important substantive issue which should be debated fully, no question about that. But I hope we will not go to a filibuster. I hope we will not get to accu-

sations about the motives of Senators on both sides of this issue. It is an issue that the American people are familiar with. Basically, I think they understand it and support it. I think we ought to go ahead and debate the merits and have a straight vote on the substance and not get into another protracted filibuster.

The line-item veto, as a matter of fact, has a history of bipartisan support. As my friend from Indiana, Senator COATS, pointed out, Senators HOLLINGS, BRADLEY, and BIDEN have, in the past, offered bills similar to the compromise line-item veto proposal that we shall offer later today. In fact, Senator HOLLINGS has been very much involved in this legislation in the past. Senator BRADLEY has, also.

In the past, Senators EXON, GRAHAM of Florida, KOHL, HEFLIN, SIMON, and ROBB have all voted for a version of the line-item veto. The distinguished minority leader, Senator DASCHLE, of South Dakota, has voted for the line-item veto in the past. I assume he will vote for one in the next few days. He says he supports one version of the line-item veto. But it is a very, very, very weak approach, one that even President Clinton has said he could not support, because it would be very difficult for the President—this President or future Presidents—to actually have their veto sustained, because in fact the Senate, by a simple 51 vote or majority vote, could override that veto. At least, that is as I understand the proposal that will be offered by the minority leader. So we will have to take a close look at that.

The line-item veto has not been just a Republican proposal. Senators of both parties, Presidents of both parties, who believe that we must restore a constitutional balance and fiscal sanity, believe in giving the President this line-item veto authority. That is why I hope we will move quickly on this bill, with the least possible partisan bickering. We need to allow the President—even a Democratic one—the ability to veto waste and pork or line items that have not been properly considered or sufficiently justified. We need to begin to get our debt, which now runs up to something like \$13,000 for every man, woman, and child in this country, under control. And it will continue to grow. As has been stated today already, we are looking at a national debt of almost \$5 trillion. Where will it end?

I have been for this line-item veto as far back as the late 1970's, when President Carter was in office. I wanted to give him that authority. I was for it during the Reagan-Bush years. I wanted them to have that authority, and I am still for it. President Clinton has supported it and wants to be involved in trying to get this legislation passed by the Senate. So it is bipartisan. It should be nonpartisan.

There have been differences of opinion, and different approaches have been offered in the past. But I think we have come to the point where we have to

quit arguing over the approaches and decide to go with one line-item veto or another, but it must be a real one, one that requires a two-thirds vote for the Congress to override the President's action.

So we have before us one that will be offered this afternoon, a solid bill, one that has unity of purpose, to give this authority to the President. It points a way to a future of more controlled spending on the Government's part. It will help us to begin to reduce the size of Government. It will not solve the deficit problem, but it can help. In fact, in discussing this matter with President Clinton, he said when he had the legislative veto as the Governor of Arkansas, it was not that he had to use it so much, it was just the mere presence, the mere existence of that opportunity that provided a chilling effect on excessive or wasteful spending.

Since we are talking about the future versus the past, let me say that those who oppose the line-item veto, on the whole, in my opinion, really are clinging to the past—the way it has been done over the years here in the Congress. As a matter of fact, if you go back and look at the history, Presidents all the way back to Thomas Jefferson had ways, and, in fact, used different ways, to try to control Government spending. The tool used most often was impoundment.

So the Presidents had impoundment from Thomas Jefferson's days all the way up to the 1970's when, during the Nixon administration, the Congress passed the Budget Impoundment Act of 1974. I voted for that act and sometimes I think maybe it was a mistake. When I first came to Washington as a young Congressman in 1973, I was amazed—having served as a staff member and then a Congressman—that really there was no process whereby the Congress looked at the budget. There was never any process where we racked up the revenues coming in and expenditures going out and added them up and admitted what the situation was, admitted how much of a deficit we were creating each year and how much that was adding to the national debt. There was no process to do that. I thought there should be a budget process in the Congress. So I accepted the Budget Impoundment Act of 1974, even though I was opposed to taking away the authority of Presidents to impound funds. I thought Presidents should have the authority to say, no, we should not spend that, it is not the right way, or the times have changed, whatever; but that authority was taken away. In its place we were giving to the President the ability to send up rescissions. But the truth of the matter is that the Presidents' rescissions have not gotten much consideration from the Congress. I will talk more about that in a moment.

So, over the years, we have taken away the ability of the Presidents to really get involved in trying to control and limit or stop spending. So if there

has been a shift in power in this area, it has been to the Congress, away from the President. I tell people in my State of Mississippi that Presidents do not even have the authority, are not required to, and do not sign budget resolutions, that they are out of the budget process other than to send up a budget, and then the Congress sometimes considers it, sometimes throws it out in the street and ignores it, and Congress passes its budget resolution without the President being involved in having to sign a joint resolution on the budget. I think the President should have that authority.

The President does have the authority to sign or veto appropriations bills en bloc. But he must sign it all, whole hog. He cannot say, "We shouldn't spend in this area," or "There is a problem in this area." He has to sign it all or veto it all.

So Presidents over the years have lost a lot of their authority over how the people's money is spent.

Now, I acknowledge under the Constitution the appropriations process rests in the Congress. We should originate the appropriations bills in the House and vote on them in the Senate and we should have a very key role. But I think it is important also that the President have a role.

Now, as a Member of Congress for the past 22 years, I have watched the Congress on occasion try to control itself, control spending. But it never really has happened. Oh, occasionally we will rise up and cut spending a little bit. We did that in the 1980's. We saved a little in the early 1980's. But then the temptation is too great to keep spending, more programs for everybody, more programs for everything, very little consideration really being given to the taxpayers of America.

And for those Americans that are preparing their income tax returns right now, I imagine they are pretty agitated, pretty angry, pretty disgusted with the complicated forms, and taxes seem to be going up every year to pay for a lot of wasteful spending and bureaucracy and regulations and waste and fraud.

We have to find a way to get a grip on it.

And there are those who will stand up, I am sure, in the next few days or next couple of weeks and say, "All Congress has to do is to do it. We do not need a balanced budget amendment to the Constitution. We don't need a line-item veto. All we need to do is do it."

I agree. Let us do it. But for 22 years, I have watched the Congress not do it. Congress cannot or has not controlled its insatiable appetite for spending the people's money. It is too easy to spend money. It is hard to control spending.

When we go home as Senators, we sometimes have conflicting messages given to us. Sometimes we want to please everybody. This applies to all of us; I do not exempt any of us; we all get involved in it. When we go home, our constituents say to us, "Control

spending. You need to get the deficit under control. What about the debt?"

And then, as we start out the door, they say, "Oh, but don't cut Big Bird. Don't cut the Corporation for Public Broadcasting." Or, "Don't cut the farm subsidy." Or, "Can you get us some more money for highway construction, bridge construction, waterway projects, and Farmers Home Administration projects?"

And, by the time you get out the door, you have 17 requests sticking in your pockets for programs not to cut or places they want more money spent.

Now, you cannot have it both ways. We either are going to control Government spending or not.

Do the people really want the deficit brought under control or not? Are the people really worried about here and now, the present, their wants and desires, what they would like to have from the Federal Government, or does anybody worry about the debt that we are dumping off on our children and our grandchildren? When does fiscal responsibility set in? It should set in now.

What we are talking about is change—changing the status quo. Are we going to continue the way Congress has done business for 40 years, or are we going to begin to get a grip on the size of the Federal Government, the waste in the Federal Government, controlling our spending appetite and, yes, allowing the President to be involved in that process, also?

That is why we need this line-item veto. It will be one more mechanism, one more tool that can be used by Presidents to try to control spending, not only in the appropriations area.

And I think the Appropriations Committee members are right. They are not causing the major increases in spending and in the deficit every year. So much of it is in the entitlement areas. So when it was suggested by some of the Senators, in the compromise bill we are going to have offered later on today, that targeted entitlements ought to be included, I also said, "I agree. Include everything. Anything that is spending."

Any program that is targeted to a special interest or a small group of people or even one person or one corporation, give us, or the American people, that one last avenue where it can be reviewed. Give the President the line-item veto authority.

I trust the Presidents. At least, we know that it is that person who is the restraint of last resort. In the case of the Congress, quite often the people that are advocating programs are one of 535 people in the House and the Senate. You cannot even get a grip on who really did it.

Somebody said, let us not shift this authority away from the Congress to the President. Well, as a matter of fact, it is not really the Congress. Out of 435 House Members, there might be 10 Congressmen that really, really, know what is going in these appropriations

bills or these entitlement bills. In the Senate, maybe there is a half-dozen that really knows what is in this appropriations bill or that appropriations bill, or what is in an entitlements package. So you are really talking about giving the President of the United States one last opportunity to control the maneuvers of 18 or so Members of Congress. That is what you are really talking about.

So I think the line-item veto, used to target wasteful spending, is the wise thing to do. I am even willing to support a line-item veto power for an area that I refer to as the tax area.

Now, in Washington—and only in Washington—when the people get to keep their money, their own money, the money they worked hard and earned, in Washington, that is called a tax expenditure. That is the Government spending money by letting the taxpayers keep their money. How ridiculous can you get?

The man and woman out there working every day, 8, 10, 12 hours a day, two jobs, if they get to keep their money, in Washington, that is a tax expenditure. Only in Washington can that happen.

But, a so-called tax expenditure or a tax cut can also be a special deal. I have watched in wonderment in the past after we passed major tax bills, when I was in the House, the Ways and Means Committee would have transition rules. I never quite figured out what that meant. But sooner or later, I figured out what it means is a lot of special deals for a lot of Members of the House and particularly of the Ways and Means Committee.

Every member of the Ways and Means Committee would get a little deal, a little line item, a little insignificant thing, just a few hundred million here or maybe a billion there. And then it would come over to the Senate. We would pass another tax bill. And then you would have the transition rules and this member of the Finance Committee or that member of the Finance Committee would get a special deal.

Maybe I am just mad because I never got one of those. But it puts a burden on me as a Senator looking out for my State. If I do not get some of these special deals, my constituency maybe is left out and some other constituency in some other State gets a special deal.

But that is ridiculous. We should stop that kind of stuff. That is what leads to waste of the people's money, waste of the taxpayers' dollars.

And so if we can develop language that says, yes, in a narrow way, in a targeted way, where there is a special deal for a limited number of people or limited number of corporations, I am willing to look at that. Let the President look at that.

I mean he is not a czar. He is not some person off in some foreign country. We are talking about the President of our United States.

I call the line-item veto accountability—accountability. Let us at least put the monkey on the President's back. Let him have the authority. And if he does not use it, then we know who to blame.

Now, you can hardly even find out who sponsored these transition rules. You cannot even dig around in a report and find out why this new Federal building is being built or who for. Let the President have this line-item veto authority. I think that it will begin to turn things around.

For the future, if we do not change our ways, it will be very bleak. Higher and higher deficits, less and less savings, bigger and bigger Government spending—these are what we have to look forward to without change now.

And that is what the American people voted for in 1992 and in 1994. They want change. Are they going to get it? Not unless there is a change of attitude in this body.

We lost the balanced budget amendment by one vote. If any one of 34 Senators would have changed their vote, we would have added that to the Constitution or given the people a chance to vote on it to put it in the Constitution through the ratification process.

And now the line-item veto. This would be a major step forward.

We have not let small differences of opinion block us from securing a better future. We should not let politics stand in the way of a better fiscal discipline in the future.

The forces of the past that are fighting with their last breath in this city say that we are giving the President too much power if we pass the line-item veto.

I just think that is wrong. The bill does not expand the power of the President. It allows the President to use the veto authority he already has to pare out waste, pork, and abuse. Congress still has the power to overturn the President. If the President is truly wrong, the Congress will overturn him.

Also, why be afraid of allowing this current President to use his power? We, on this side of the aisle—the Republicans—are ready to give this authority to President Clinton so he can have the opportunity to pare spending. We believe the line-item veto wielded by any President is a way to limit Government.

People might say, well, maybe President Clinton just wants this special deal. Other Presidents might not have felt that way. Let me just read what some of the former Presidents have said, going all the way back—I mentioned Thomas Jefferson—but let me go back to Ulysses S. Grant. He urged the Congress to give him the line-item veto. He said, "I will not complain about the extra workload."

President Chester B. Arthur, after deprecating the practice of combining appropriations for a great diversity of objects widely separated in nature and locality in one river and harbor bill, President Arthur, in his second inau-

gural message to Congress on December 4, 1882, suggested that the Congress enact separate appropriations bills for each interim improvement, exactly what we are talking about doing right here. He wanted that authority to line out some of these projects that really were not justified.

President Franklin Roosevelt, in his budget message for fiscal year 1939, pointed out the advantages of the line-item veto in the majority of our States and remarked that the system meets with great general approval in the many States which have adopted it. Forty-three State Governors have this authority. Most of them have not abused it. And a lot of them do not use it very much.

Franklin Roosevelt supported this initiative. President Truman said, "One important lack in the Presidential veto power, I believe, is authority to veto individual items in appropriations bills. The President must approve the bill in its entirety, or refuse to approve it, or let it become law without his approval." That is exactly what we are talking about doing in the compromise legislation we will be considering later today.

President Eisenhower backed a line-item veto. And the list goes on. The Presidents have all recognized the great need for this authority. There have been many complaints in recent history, back in the 1960's, 1970's, about the Imperial Presidency, but not enough about the spendthrift Congress.

If Congress alone could control our spending habits and cut out pork, we would not have the deficit we have today. But we have it.

The line-item veto puts Congress on notice that every Government program and policy will be under scrutiny. Spending and tax policy will no longer be done in the dark. I could talk for a long time about how that happens in some of our conferences that occur between the House and the Senate. The forces of the past say line-item veto will not solve the deficit. I say the line-item veto is a step in the right direction.

As the saying goes, it might just save \$100 million there, or a few million there, or maybe \$100 million there. Sooner or later, it adds up to real money. But it is a start, and it will help put such a chill on a lot of useless spending that the President would never even have to use the line-item veto.

Surely, a nation cannot spend without bounds forever. Surely, a country cannot rob from its children always. Surely, a government can change its ways. The line-item veto is part of a comprehensive strategy, including the balanced budget amendment, to limit the growth of Government. That is what we are talking about doing here today with this legislation.

Mr. President, as the debate goes forward, I am going to talk more about the specifics of how we will have separate enrollment in the legislation we

will be considering. I will talk more about the constitutional questions that have been raised about this legislation. I think that that will be a very important discussion.

I am satisfied that what we have proposed today, what will be laid down this afternoon, is constitutional and we will debate that at great length.

Just one final point before I yield, because I see there is at least one other Senator waiting to speak. It has been maintained over the years that the President has the rescission authority, but it is just that they have not used it that much, or maybe the Congress just has a little different idea of how it ought to be used.

As a matter of fact, I remember when I was in the House one time, the President sent up—I guess this was during the Bush administration—sent up a couple billion dollars in rescissions. The distinguished Republican leader in the House at the time, Bob Michel, called in his appropriators, the college of cardinals, who sat around the table and said: We have a couple of billion of rescissions from the President. Can we go forward with those? Can we have these savings? The college of cardinals went away and they came back and said, "Well, we think maybe we could get about \$69 million out of \$2 billion."

What happened in 1990, 1991, 1992, 1993, and 1994? Congress enacted rescissions, but also replied to new spending. So it is the same old deal. Even if the President tries to save a little money, Congress says, "Voila, a little more money. We can spend that."

Mr. President, I am glad we have come to this point. I hope my colleagues will really look seriously at this line-item veto. Let Members make it bipartisan. Let Members have it supported by the Congress and by the President. The House of Representatives has already done its job. The President, a Democrat, agrees with the Republican House. Now it is in the hands of the Senate.

We will make the decision on the line-item veto. I maintain that this decision is a lot bigger than just this one item of the line-item veto. The bigger issue is whether or not we really have any desire to control spending. If we do, we will adopt this legislation.

I yield the floor.

Mr. COATS. Mr. President, under the unanimous-consent agreement, it is my understanding that time is to be allocated between the two managers of the bill. I would like to ask the Chair what the current time situation is.

The PRESIDING OFFICER. The Republicans control an hour and the Democrats control approximately 2 hours and 30 minutes.

Mr. COATS. Mr. President, I might just note to my colleagues that we are getting kind of a time imbalance situation here. It is our thought the time would be allocated back and forth, and we would be roughly equal when we moved to the hour of 5 o'clock. That is not happening.

I had a number of speakers for the proponents of line-item veto that wished to speak. I am concerned about the allocation of time and not having an opportunity to speak. I would just state to my colleagues that those who are interested in speaking today, if they could notify me, we will try to ensure that they have the opportunity to speak. Those who are speaking in opposition to this, this is a good time to come to the floor in order to state their opposition.

Otherwise, we may be in a situation where we have a lot more speakers for a line-item veto than against a line-item veto, and run out of time for those who are for, unless the minority is willing to yield some of their time, which they generously did on Friday. I just give that notice to my fellow Senators.

I would now like to yield whatever time he may consume to the Senator from Missouri.

Mr. ASHCROFT addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. ASHCROFT. Mr. President, it is my pleasure to have an opportunity to speak today on behalf of the line-item veto. As I have said many times over the course of the last several months, a balanced budget is an aspiration or a goal. It is like saying that we intend to live within our means. The question then becomes how do we move from an aspiration to the actual achievement of our goal? One of the ways is to have the right tools. The line-item veto is just that.

I was very interested in the comments offered by the Senator from Indiana, Senator COATS, earlier in the day. He was talking about special interests and their impact on the appropriations process. Often, a number of special projects are inserted to benefit specific districts or States. Then, when either the Senate or the President acts on the bill, there is no real opportunity to knock these things out because they are voted on as a group. As a result, we end up spending a lot of money that we would not spend if each of these items were to be held up individually to the light of day.

I think this is a critically important point. We should understand that there is a difference between the national interest and the special interest; for example, it could be in the interest of an individual State to get several transportation projects from the Federal Government. However, this allocation of funds, while in the interest of the State, might not be in the best interest of the Nation.

All too frequently, Members who are elected to represent the State interest or the interest of a specific district are willing to participate in putting these projects into legislation. Consequently, it is important to look at one person alone who is endowed with the ability to protect the national interest, the President of the United States. He is the only individual who is elected by

citizens from every State and territory in the Republic.

So it is appropriate, then, that the President be given the tool with which to protect the national interest. I think the President needs that tool. Every President this century, with the exception of one, has asked for it. They have asked for it even in times when we were not facing the overwhelming deficits we are facing now.

If it is not good for America, in the long run, it cannot be good for our States. I think people all across America have finally decided they do not want any more special favors for their locality if it means that the United States as a whole will suffer. It is kind of like racing home to a different room in a big house and putting more and more rich goods and furniture into the room and not attending to the maintenance of the entire house.

I think we have come to the conclusion that if we do not protect the structural integrity of our house, it will not matter how many benefits we drag home to our room. For if the house falls down, those things which we think we are enjoying will be of little value.

Incidentally, the figures on the debt continue to rise. The end of the debate over the balanced budget did not end the increase in the debt of the United States. Every 4 days we increase the debt as much as we did in the entire year of 1958. That is how headlong we are racing into debt—\$4,815,827,000,000 of debt, and we are moving, according to the President's projected budgets over the next couple years, to a \$6-trillion-dollar-plus debt by the year 2000.

One of the things that was of interest to me in the last several weeks was the way in which the world markets responded to our failure to pass the balanced budget amendment. There was a crisis in confidence about the value of the dollar, and no matter to whom you talked, no matter which economist you interviewed, they all indicated there was a substantial impact of a loss of confidence that flowed from the failure of the U.S. Senate to pass the balanced budget amendment. One of the ways the world markets reflect disenchantment is to devalue our currency. They just will not pay as much for a dollar as they once did. Another way is that those who finance U.S. debt will be less likely to hold it.

What happens if the interest rate on our debt goes up? If interest rates go up by one-one hundredth of 1 percent—this is known as a basis point in the financial industry—that is \$350 million a year. If interest rates go up by 1 percent it will cost the United States of America \$35 billion in additional interest.

So what we do here does make a difference. It makes a substantial difference. It is time for us to enact the line-item veto so that we can put a tool in the hand of the President of the United States to help him manage, in the national interest, the expenditure

of the resources that the people of this great country provide as a basis for our conduct of government.

Some people try to estimate how much the President would be able to cut out of the budget. I believe almost all of the estimates about how much the President would cut underestimate the real impact of the line-item veto. Because many of the projects which have been tucked away in appropriations bills are so embarrassing and self-serving, I do not believe any Senator would ever want to add them in the first place if they thought they would come back for individual inspection. So, as a result, I believe there would be a tremendous chilling effect on spending.

President Truman, who hailed from my home State of Missouri—and, of course, I hailed from his home State—said that there was a great deal of legislative blackmail that went on in bills that needed to be signed. That is part of this culture of spending which is, in my judgment, a detriment to this country. It is not good for America. It is not good for our individual jurisdictions, and we must reject it.

I have said in the past, and I would like to say again, that the people of this country all operate with the line-item veto. Every kitchen table in America has one. You sit down at the kitchen table, and you put your budget together. You talk with the family about what you can afford and what you cannot afford.

The average family that sits down at the kitchen table engages in what I call kitchen table budgeting, and they do so in a way which provides balance, as well as a set of spending priorities. I performed this same function not only as the head of my household, but also as Governor of the State of Missouri. I can remember in every year having to knock out some expenditures, one year for staff expenses at the public defender's office. We wanted to have the defense that was appropriate in our public defender's operations, but we had to cut a couple hundred thousand dollars there. We simply had to draw the line through the increase.

I remember one year when some folks who were powerful politically wanted to have \$15,000—just \$15,000—to restore and repair a cemetery. It was not a public cemetery. It was not a State cemetery. It was not on State land. They thought they just might be able to talk their way through the legislature with it, and, sure enough, they did. But as a Governor I had the opportunity to draw a line through it and to send it back.

There were other worthy things that had to be eliminated or reduced. The lawyers of the State were building a new law school when I was Governor, and I had a rule that I expected the institutions to come up with 20 percent of the funds for capital projects. I thought, if we were helping people with their education, some of these well-to-

do lawyers could chip in and help build the new law school.

They got through the general assembly a full appropriation so that they would not, these lawyers, these poor lawyers who were strapped for funds, have to provide 20 percent of the funding. But I had to draw a line through those extra funds and knock it back to 80 percent. In the end, they came up with the resources, and we have a great new facility at one of the finest law schools in the country. The reason we did, though, is that we have the kind of financial integrity that would protect us in the long run. The Governor of the State has the responsibility to keep spending in line. Mr. President, 43 Governors do. I did not do anything special as Governor of the State of Missouri. It is common for Governors to do that. And just as Governors do it, we do it around our kitchen tables.

I have put together a chart here representing a budget for a normal family of four, a family that earns about \$35,000 a year, monthly income of \$2,900.

The first thing you have to pay is your Federal income taxes. And if you take this \$670 and you subtract it from the \$2,990, you get down to \$2,320 for the month. You move down to food, subtract it, and you have \$1,870. Then, you need to make your car payment. You subtract the \$300 from the \$1,870, and you come to \$1,570.

You have a Super Nintendo that the kids are screaming for. That is another \$100. That would take you to \$1,470. And clothing of 200 bucks to get the kids ready for summer. That takes you from \$1,470 to \$1,270.

Utilities are a must. That is \$150 from \$1,270 to \$1,120. And then Freddy needs braces, and that is \$150 a month, which takes you from \$1,120 to \$970; eliminating the trip to Disney World takes you to \$820. And rent—you do not want to fail to pay the rent—\$210. Car and property insurance, another \$110. Wait a second. I see I have run out of money before I have reached the end of my list.

When you run out of money before you get to the end of your list, what you have to do is start to set priorities. You have to have a line-item veto or you go into debt. What are we going to do? Are we going to pay the interest on the credit card? We better. Are we going to continue to have a telephone? Well, that is probably a necessity in today's society.

How do you handle it, when you come down here and you are only a third or two-thirds of the way through the list and you run out of money? Simply put, you make some adjustments in what you spend. You implement what I call the line-item veto.

This is the way we handle it at our house. You know, we are \$320 short here at the end of the chart. We are going to have to make that up. If we knock out cable TV at \$40 that will move us closer to our goal. Unfortunately, we're not quite there. Perhaps

you could knock out this trip to Disney World; that would save you \$150 a month over the twelve months in which you would save for the trip. Suddenly, we are \$190. We still, however, need \$130 more.

Wait a second, Super Nintendo, you could remove that from the list of expenditures. Now you are at \$290. You still need another \$30. You could eliminate the swimming lessons at \$30. That would get you to \$0. Or, alternatively, you could reduce your general entertainment funding from \$100 down to \$70, score the swimming lessons as a form of entertainment, and still get to \$0. Mr. President, this is the way the average family does it. You simply sit down, total up your resources, and then ensure that you don't subtract more from your resources than you actually have.

This is what proponents of the line-item veto want for the President. I want to put this big, black Magic Marker in the hands of the President. I trust him enough to say, "President Clinton, you take the line-item veto and mark off the things that we can't afford. You mark out the provincial, you mark out the parochial, you mark out the targeted spending that does nothing to help America. Then, you send it back here and force two-thirds of the Senate to vote to restore the individual appropriations.

Mr. President, I believe it can work, and it is critically important that it does work. Because the debt of this country is being displaced on to the next generation. It is one of the truly tragic and unreported tragedy of our times. We need someone with the authority and the responsibility to draw a line through the Super Nintendos, through the things we do not fundamentally need and save this country for the next generation.

We are \$4.8 trillion in debt and the yet-uneared wages of the next generation are calling out for management, calling out for fiscal restraint, calling out for fiscal responsibility. We cannot allow ourselves to continually be the subject of the legislative blackmail of which Harry Truman spoke. We should give the President the authority to do in the Oval Office what every family does at the kitchen table.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. DEWINE). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. HOLLINGS. Mr. President, on the subject of a line-item veto, let me say that I want to join with those who believe that we should fix responsibility. Specifically, we have been trying over many years to do just that. Back in 1990, we reported out of the Budget Committee, by a bipartisan vote of 13

to 6, S. 3181, my separate enrollment line-item veto bill. Unfortunately, we were never able to see it enacted. I joined later with the distinguished Senator from New Jersey, Senator BRADLEY in extending this mechanism to wasteful tax expenditures as well as appropriations. We had a 53 Senators support us in 1993, but budget rules at the time would have required 60 votes.

I say fix the responsibility in the sense of fixing it to a single Member of not only 100 here, but 435 on the other side of the Capitol; one in 535. I can put an amendment to any particular measure and, if I get a majority vote, it passes. I think the President of the United States ought to be able to put up an amendment, so to speak, with respect to the denial of a particular item and get a vote; namely, two-thirds to override what he may have disapproved of.

So often, the President will come, as President Reagan did during his 8 years in office, with a big stack of books and papers. He would say, "Now look. Congress has given this to me at 12 o'clock last night, and I had to either sign it immediately or close down the Government the next day."

If my memory serves correctly, President Reagan vetoed only one spending measure at the very beginning of his first term. Thereafter, there was almost a working agreement between the Congress and the President of what was veto bait and what would be approved by the President. In conference, the conferees would say, "We will have to leave these things off." As a result, there was a sort of comity between the White House and the Congress that those vetoes were not necessary.

I suspect the case was much the same with President Bush. However, I should note that in his 4-year period, our past President never vetoed one red cent of spending. He never vetoed a spending bill.

So it was not really a thing that was causing so much a culture of costliness, as my distinguished friend from Missouri was previously referring to, but in the public's mind, there was a cynical game being played in which neither the President nor the Congress was willing to accept responsibility for spending money on certain programs.

Mr. President, I used the line-item veto 35 years ago as Governor of South Carolina. It was very, very helpful to this particular Governor, at that time receiving a AAA credit rating, which I am sorry to observe at this particular time has been lost. But this Governor was the first southern Governor from Texas up through Maryland to get a AAA credit rating. I was proud of that. I could talk to my colleagues. I had the vetoes and used them to help balance the budget.

But without a line-item veto, we are treated to spectacles similar to the flap over Lawrence Welk's home that occurred a few years ago. If I remember correctly, the distinguished former

Senator from North Dakota, Senator Burdick, did not even realize that someone had stuck in money for Lawrence Welk's home. That was an embarrassment to both Houses of Congress, all the Congressmen and all the Senators.

A line-item veto not only fixes responsibility but, more than anything else, saves the body from the embarrassment and the charge that we are willy-nilly passing pork-barrel projects.

Now, with respect to the relinquishment of power, as the old saying goes down in my backyard, "I studied my humility under the mental rules." You do not have to worry about the power of the Senator. In this day and age we have Senators who not only hold up the President but who hold up the whole Congress as well. You are not lacking power. If a Senator wants to put in Lawrence Welk's home, and he does not like the idea that the home has been vetoed by the President, he has plenty of opportunity to speak extensively if he pleases. But in the light of our fiscal dilemma, the present gamesmanship has to stop. I think it is unforgivable that we engage really in the procedures in the process rather than the substance.

I remember my distinguished friend, the chairman of the House Budget Committee, said on December 18 on "Meet the Press" that he was coming in January with all of the spending cuts before they came with the tax cuts, and that he had three budgets and did not have to wait on the President's budget. He said that we would start moving immediately in January. Of course, the House passed the tax cuts, and are yet to pass specific spending cuts.

It is now getting toward the end of March and the Budget Committee has yet to meet to start marking up a budget. They tell us it will be sometime in May before we even begin. Mr. President, I hope the RECORD will reflect that at least this Senator thinks we ought to be getting to the substance.

If I could digress for a moment back to the debate on the balanced budget amendment, I would like to refer one more time to section 13301 of the Budget Enforcement Act, wherein a line says: Thou shalt not use the Social Security trust funds in any calculation of budget deficits.

I ask unanimous consent at this particular point to have printed in the RECORD the vote at that time, on October 18, 1990, where we got a vote of 98 to 2 in favor of section 13301.

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

[ROLLCALL No. 283]

YEAS (98)

Democrats (55 or 100%)

Adams	Bentsen
Akaka	Biden
Baucus	Bingaman

Boren	Kerrey
Bradley	Kerry
Breaux	Kohl
Bryan	Lautenberg
Bumpers	Leahy
Burdick	Levin
Byrd	Lieberman
Conrad	Metzenbaum
Cranston	Mikulski
Daschle	Mitchell
DeConcini	Moynihan
Dixon	Nunn
Dodd	Pell
Exon	Pryor
Ford	Reid
Fowler	Riegle
Glenn	Robb
Gore	Rockefeller
Graham	Sanford
Harkin	Sarbanes
Heflin	Sasser
Hollings	Shelby
Inouye	Simon
Johnston	Wirth
Kennedy	

Republicans (43 or 96%)

Bond	Kassebaum
Boschwitz	Kasten
Burns	Lott
Chafee	Lugar
Coats	Mack
Cochran	McCain
Cohen	McClure
D'Amato	McConnell
Danforth	Murkowski
Dole	Nickles
Domenici	Packwood
Durenberger	Pressler
Garn	Roth
Gorton	Rudman
Gramm	Simpson
Grassley	Specter
Hatch	Stevens
Hatfield	Symms
Heinz	Thurmond
Helms	Warner
Humphrey	Wilson
Jeffords	

NAYS (2)

Democrats (0 or 0%)

Republicans (2 or 4%)

Armstrong	Wallop
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Mr. HOLLINGS. Mr. President, I also ask unanimous consent that an article entitled "Impact: Stop Playing Games With Social Security" be printed in the RECORD.

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

[From the State, Columbia, SC, Mar. 12, 1995]

IMPACT: STOP PLAYING GAMES WITH SOCIAL SECURITY

(By Senator Fritz Hollings)

"*Nobody, Republican, Democrat, conservative, liberal, moderate, is even thinking about using Social Security to balance the budget.*"—*Sen. Trent Lott, R-Miss., "Face the Nation," Feb. 2*

In the recent weeks of floor debate and television interviews, many senators repeatedly pledged not to use Social Security funds to balance the budget.

They even passed an amendment by Senate Majority Leader Bob Dole to instruct the Budget Committee to develop a budget that didn't use Social Security funds but would conform with the constitutional balanced-budget amendment.

In the meantime, while Dole was struggling to pick up one vote to pass the amendment, five Democrats vowed they were ready, willing and able to vote for Social Security. In fact, the night before the vote, the

five sent Dole a letter of commitment to vote for the amendment if Social Security were protected.

On March 2, the constitutional amendment failed by one vote. And over that weekend on "Face the Nation," Dole again reaffirmed his intent on Social Security when he said "We are going to protect Social Security."

If he remains that committed, why did he refuse to put his word on the line in black and white on March 2 and pass a constitutional amendment by at least 70 votes? Because he knew that accepting the five Democratic votes would have cost him an equal number of votes of Republicans determined to spend Social Security surpluses on the deficit.

Dole didn't want to expose his Republican troops or expose the truth. While Republican rhetoric pledged to protect Social Security, Sen. Pete Domenici, chairman of the Budget Committee, and other Republicans were telling Dole that the budget could not be balanced without using Social Security surplus funds.

All of this word-batting—of saying one thing in public and trying to work around it in private—has led Americans to believe that there is a free lunch, that all we have to do to eliminate the deficit is to cut spending. The vote on Social Security exposes this myth.

Republican senators have no real intent on eliminating the deficit; they just want to move it from the federal government to Social Security.

Currently, Section 13.301 of the Budget Enforcement Act prohibits the use of Social Security funds for the deficit. But part of the balanced-budget amendment would repeal current law.

Even with all the promises tendered to correct Social Security with future legislation, any civics student knows you can't amend the Constitution with legislation. That's why the five Democrats—me included—insisted on including Social Security protection in the wording of the constitutional amendment.

Dole's stonewalling against our five votes on the constitutional amendment reveals another harsh truth: \$18 trillion in spending cuts is necessary to balance the budget in seven years. But many senators reveal their intent to use Social Security surpluses when they state that only \$1.2 trillion is necessary. Let face realities:

There won't be enough cuts in entitlements. A jobs program for welfare reform will cost. Savings here are questionable.

You can and should save some on health reform, but slowing the growth of health costs from 10 percent to 5 percent still means increased costs. Social Security won't be cut, and any savings by increasing the age of retirement would be allocated to the trust fund, not the deficit.

Both the GOP's "Contract with America" and President Clinton have called for increases in defense spending. Result: No savings.

Therefore, savings must come from spending freezes and cuts in the domestic discretionary budget.

Coupling these cuts and freezes with a closing of tax loopholes still isn't enough to meet the target of a balanced budget in seven years. That's why Domenici has determined that Social Security funds will have to be used.

But using Social Security won't eliminate the deficit. It simply would increase the amount we owe Social Security. Already we owe \$470 billion to the trust fund. If we keep raiding it, the government will owe Social Security more than \$1 trillion by 2002. Harsh realities. But there's a fifth and even harsher

reality. All of the spending cuts in the world aren't politically attainable now. Domenici knows it's hard to get votes for enough cuts. To his credit, he tried in 1986 with a long list of cuts by President Reagan and the Grace Commission. But he got only 14 votes in the Senate.

Rep. Gerald Solomon, a New York Republican, also tried a list of \$1 trillion in cuts just a year ago in the House. He got only 73 votes of 435.

In addition, the problem of balancing the budget with spending reductions is exacerbated by the "Contract with America's" call for a \$500 billion tax cut.

The reality today is that a combination of cuts, freezes, loophole closings and tax increases must be cobbled together to put us on a glide path to balancing the budget. Now is the time to stop the finger-pointing, the blaming of the other guy. Now is the time to stop dancing around the fire of changes in the process.

It's a pure sham to think that constitutional balanced-budget amendment will give Congress discipline.

It you put a gun to the head of Congress, it will get more creative. The proof is in the pudding that's being cooked all over town.

Some tout abolishing departments like Commerce and Education. But their functions would continue somewhere. Others say send everything back to the states. But that way, the states would pick up deficits instead of the federal government.

Of course we know some want to use \$636 billion in Social Security funds. And there's talk of picking up \$150 billion by recomputing the Consumer Price Index and another \$150 billion by re-estimating the growth of Medicare and Medicaid.

There are even those who want one-time savings, like selling the electric power grid or switching to the capital budget system.

In other words, there are people throughout town who are figuring out ways to make the federal budget appear balanced with hardly any cuts. With a balanced-budget amendment, they would be able to play this game for seven years.

Time out!

The gamesmanship, the charade, must stop. If this nonsense goes on for seven years, the United States will be down the tubes.

For all the talk about eliminating the deficit, the debt snowballs. Why? Because we add \$1 billion a day to the debt by borrowing to pay interest.

In January and throughout February, I offered 110 spending cuts or eliminations from domestic discretionary spending. This was worth \$37 billion in the first year and put deficit reduction on the glide path toward a balanced budget by 2002.

But even if these politically impossible cuts were agreed upon, the interest cost on the debt is growing at more than \$40 billion a year.

The United States is in a downward budget spiral and we are meeting ourselves coming around the corner. Like the Queen in "Alice in Wonderland" told Alice: "It takes all the running you can do, to keep in the same place. If you want to get somewhere else, you must run at least twice as fast as that!"

Let's get past all the shenanigans. Let's include Social Security protection in the balanced-budget amendment. Then we could pass the amendment and get down to the hard work of balancing the budget.

Mr. HOLLINGS. Mr. President, the point of this particular article, of course, is in responding to the statement of the distinguished majority leader that we will call up the balanced budget amendment later this year. What the article plainly outlines it

that we can call up the balanced budget amendment this afternoon and immediately pick up five votes if they only put in black and white what they say verbally. They say time and time again that "We are not going to use Social Security funds." In fact, after the particular vote, the distinguished majority leader, on "Face the Nation," said, "We are not going to use Social Security funds." All we are asking for is to put that rhetoric into constitutional language.

When Members on the other side of the aisle get into these demeaning antics of holding up signs depicting Senators as "Wanted," like a rogue's gallery for flip-flopping, that, of course, is a double-edged sword. Maybe we should go out in front of the Capitol and get the pictures of the leaders on the other side who voted for the Hollings-Heinz amendment in 1990 and who now have flip-flopped.

Mr. President, let me conclude this afternoon with a comment about a particular article. I ask unanimous consent that this article be printed in the RECORD.

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

[From the State, July 1991]

LINE-ITEM VETO CAN CUT THE NONSENSE
(By Ernest F. Hollings)

Taxpayers are fed up with spending bills that are chock-full of baubles for the folks back home.

In one widely publicized line-item caper, the 1991 agriculture (agricultural) appropriations bill earmarked \$500,000 to spruce up Lawrence Welk's birthplace in Strasburg, N.D. Now we all know that, in Washington terms \$500,000 isn't "real money," but thousands and thousands of these little line-item outrages add up to real money indeed. Budget Director Dick Darman now says that the 1991 federal deficit will top \$280 billion—a new record—with next year's deficit skyrocketing to \$348 billion. These mega-deficits—and the nearly \$380 billion in interest we pay annually on the national debt—constitute the worst case of waste, fraud and abuse in government today.

Right now, the burden of budget cutting is almost exclusively in the hands of Congress, and—no surprise—this one-sided arrangement just isn't working. Telling Congress to cut out the pork is like telling Liz Taylor she can't have any more husbands.

The line-item veto would give the President a cleaver and oblige him to join the fray as a more active player in the fight against waste. If he's politically courageous and puts his veto where his mouth is, then those annual deficit totals will start heading south instead of north.

Certainly, the line-item veto has worked superbly in South Carolina, as well as in the other 42 states that have it. During my term as Governor, I repeatedly used the line-item veto to eliminate millions of dollars in unnecessary spending. In the process, I was able to balance four state budgets and win the first AAA credit rating of any Southern state.

In contrast, the Washington budget process relegates the executive to the sidelines. After the President submits his budget proposal in January, he—along with members of his party in Congress—can effectively wash his hands of the messy business of actually writing a budget. He doesn't have to cooper-

ate in the drafting of bills, and the President can even disclaim responsibility for the bills he signs into law.

Accordingly, we are subjected to the showmanship made famous by President Reagan: With TV cameras rolling, the President holds up the massive text of an appropriations bill, feigns disgust at all the wasteful spending larded into its thousands of line items, then signs the bill under mock protest, claiming that the devil—i.e., Congress—made him do it.

And who can blame him? As it now stands, the President has only two options: He can sign an appropriations bill, or, if he objects to one or more specific line item provisions, he can veto the bill in its entirety. My line-item veto bill would give the President a vital third option; to veto wasteful specifics in an appropriations bill while signing into law the overall measure.

Opponents of my bill invoke high-falutin constitutional arguments; they claim that a Presidential line-item veto will skew power toward the executive branch. But these critics simply miss the point. The point of the line-item veto is to eliminate waste and get a handle on the deficits. Given the magnitude of our budget crisis, it is grossly self-indulgent to make a fetish out of legislative prerogatives. The issue here is not the separation of powers; the issue is Congress and the White House sharing co-responsibility and co-accountability for paying the bills.

The line-item veto has another purpose, too: To restore the credibility of our government in Washington. Congress' reputation as an institution suffers the death of a thousand blows as these line-item excesses are made public on the evening news.

My line-item veto bill has passed in the Budget Committee with a 13-6 majority. But, realistically—with so many senators of both parties jealous to protect their personal and institutional prerogatives—it will be an uphill fight on the Senate floor.

This opposition is misguided. With the budget ox in the ditch, it is silly to squabble over whether Congress or the White House will hoist him out. Clearly, it's a job we must do together—urgently.

Mr. HOLLINGS. This article is entitled "Line-Item Veto Can Cut the Nonsense." We put this article in our own hometown newspapers back in July 1991. We have been working many years now to get a line-item veto. I have used it, and 43 Governors use it today.

I commend the leadership on the other side of the aisle for bringing this matter to the attention of our colleagues. As I understand it, when the Republican leadership presents their so-called compromise at 5 p.m. today, they will put before the body legislation that includes the separate enrollment mechanism that I have long championed. You should not be misled by this political rhubarb about 2,000 items and 2,000 vetoes. That has not been the experience of any Governor, and it is not going to be the experience of the National Government.

The fact of the matter is that Prof. Laurence Tribe of Harvard gave to our good colleague, Senator BRADLEY from New Jersey, a letter supporting the constitutionality of the separate enrollment mechanism.

I know the chairman of our Budget Committee, Senator DOMENICI of New Mexico, has been trying hard to get a line-item veto of some ilk or character

into the hands of the House and to pass the U.S. Senate. If the compromise is based on the separate enrollment approach, then bless them all, because that is exactly what we voted out of the Budget Committee, Republicans and Democrats, 5 years ago. That is what 53 Senators including Senator BRADLEY and myself voted for on the floor of the U.S. Senate. That is what stands constitutional muster. It allows the President to use his existing constitutional authority to approve or disapprove; and upon disapproval by veto, a two-thirds vote is required of both Houses to override.

I thank the Chair and yield the floor. Ms. SNOWE addressed the Chair.

The PRESIDING OFFICER. The Senator from Maine.

Ms. SNOWE. Mr. President, as we all know, a couple weeks ago, we lost the balanced budget amendment by one vote. We turned back the tide of change that was pushed forward by the people of this country in the last election. That vote truly prevented us from changing the economic course of this entire Nation. Fortunately, and hopefully, we will have another vote on that issue at some point in the future. But, until that time, we have a moral obligation and, I believe, an economic responsibility, to continue the fight against increased deficits and a ballooning national debt.

We in the Senate must take up that fight because it is obvious that the President and his administration have abdicated all fiscal responsibility and interest in ending the economic status quo. We just have to look at the latest budget proposal offered by the administration for fiscal year 1996. We still have \$200 billion in annual deficits. We cannot allow them to be acceptable commodities for the future. We have a \$4.8 trillion debt and we can expect, with the administration's projected budget for the next few years, that the budgets will add another \$1.3 or \$1.5 trillion in addition to the national debt. We have \$200 billion currently in interest payments each year. That certainly is something that needs to be addressed.

If you look at the President's budget estimates and what has been reestimated by the Congressional Budget Office, it is interesting, in the March 8 CBO report, they reestimated the administration's deficits, because they were underestimated, over the next 5 years, by between \$14 to \$82 billion, for a total of \$209 billion. In 1996, they underestimate the deficit by \$14 billion; in 1997, by \$18 billion; in 1998, \$34.6 billion; in 1999, \$58.6 billion; in 2000, \$81.6 billion.

That is what we are addressing over the next few years. So while we have lost the balanced budget amendment—at least for the time being—I hope then that we can consider and pass the line-item veto.

The line-item veto is an idea whose time has come. In reality, the line-item veto is an idea whose time came,

and now has come back. In 1974, the Congress passed the Impoundment Control Act which, among other things, stripped the President of the power to impound specific and often wasteful spending programs from the Federal budget. It was a right our Chief Executive had been afforded already for almost 200 years.

Perhaps not coincidentally, 1974 marked the year that truly ushered in the era of perpetually unbalanced Federal budgets and established one of Congress' worst fiscal losing streaks: 26 straight years of unbalanced budgets and mounting national debt. While the retention of Presidential impoundment powers in 1974 may not have prevented a \$4.8 trillion debt, it may have helped decrease part of the more than \$4 trillion that has been added to our debt since that period of time.

The line-item veto is another critical tool to help us reach our goals and to put us on the path toward fiscal responsibility, and America needs it now more than ever before.

I would like to first commend the sponsors of this bill for their tireless work and for their ongoing commitment to eradicating waste and unnecessary spending from the Federal budget. The Senator from Arizona [Mr. MCCAIN] has argued the merits of a line-item veto for the past 7 years, since his election to the Senate. He has been ably joined by the Senator from Indiana [Mr. COATS], whose record on fiscal responsibility is one of the best in this Chamber.

I think the majority leader deserves credit for his role in bringing this legislation to the floor.

I am a cosponsor of the legislation, the original draft of S. 4, that provides for a line-item veto.

I must admit in this debate that, unlike my colleagues from Kansas, Arizona, and Indiana, I am a newer convert to the merits of the line-item veto, so I understand the concerns and feelings of those who may be reluctant and reticent to support a Presidential line-item veto. But I have come to the conclusion that it is necessary, over the last few years, to support this legislation because we have been unable to enforce the kind of discipline necessary to control Federal spending.

I do not believe that any of us think that the decisions will be easy, but they never have been for any American generation pushing for positive change in our country.

As one poet said, "Change is not made without inconvenience, even from worse to better."

Despite these inconveniences, we must make a clean and swift break from the failed policies of the past—especially in our budgeting process. In the words of Thomas Schatz, president of Citizens Against Government Waste, "The first step is to reverse old assumptions. Congress has often viewed programs as perpetual, without taking enough time to evaluate their effectiveness." The premise has been: How

much was spent last year, and how much are we supposed to spend this year. As Schatz says, our question should be "whether the money is spent well or should be spent at all."

I believe that we have no other choice than to use all the tools available to us to control Federal spending. The American people would have a hard time believing in some of the things that we do provide funds for—\$1.1 million for a plant stress lab. I suppose pork just would not be pork if Congress did not spend \$1.5 million for a national pig research facility. All these projects were identified by the Citizens Against Government Waste as examples in their annual analysis of the Federal budget, appropriately called the "Pig Book."

They also identified \$213 million in pork projects in the 1994 Interior appropriations bill and an astounding \$367 million in the 1993 Interior appropriations bill. While to many in Congress these numbers may seem like a drop in the proverbial bucket, it is not insignificant to the American people. They want to know that their hard-earned tax dollars are being used wisely and efficiently.

Now, wasteful spending—pork—may be funny to comedians. It may provide fodder for the cannons of American's radio talk show hosts, and it may be the perennial target of deficit and waste watchdog groups, but, ultimately, it is not a laughing matter for the American taxpayer. And it has become Congress' worst oversight.

In these days of perpetual deficits and growing debt, the litany of Federal excesses gives new impetus for the waste-cutting power of a line-item veto. It will allow us to look at Government differently. It will allow us to examine the Federal budget process differently. It will allow us to change the power structure of an appropriations process that has bequeathed our Nation and future generations a legacy of deficits and debts. And it will allow us to finally put an end to the fiscal status quo.

We hear time and time again that opponents of a line-item veto have said that the result of giving the President line-item veto authority is almost insubstantial, and insignificant considering the size and scope of the Federal budget. In fact, wasteful Government spending has cumulatively constituted a growing portion of our deficits and debt over the years. In fact, President Johnson used this authority to eliminate 6.7 percent of Government outlays in 1967. An equivalent percentage of today's budget would amount to over \$100 billion—nearly half of our fiscal year 1996 deficit.

A more striking example of the significance and impact of wasteful spending can be shown not between total dollars in wasteful spending and the total Federal budget, but between waste and the average family budget.

As Citizens Against Government Waste showed in 1994, a median-income, two-earner family paid \$5,581 in Federal income taxes. This means that \$10 billion in pork wastes the combined taxes of approximately 1.8 million median-income families. Eliminating \$1 billion in wasteful spending could actually provide \$1,000 in tax relief to 1 million American families.

The biggest cost of wasteful spending cannot and should not be measured in terms of dollars and cents. Even more important is the effect of wasteful Government spending in terms of moral imperative. Congress' fiscal irresponsibility demonstrates a clear lack of principle in our Nation's governing institutions, and it is a continuing debasement of our democratic process which results in an erosion of confidence.

Opponents of a line-item veto have also failed to address how they would curtail Congress' ongoing practice of funding hundreds of projects and programs each year without the benefit of hearings, proper legal authorization, and frequently in violation of the rules against earmarking. We cannot continue to survive as a supposedly open, democratic, and free Government under late-night deals and last minute insertions of wasteful programs in joint House-Senate conference committees. It is a practice that completely disregards the due process of lawmaking as enshrined by our Founding Fathers.

Since the power of Presidential impoundment was taken away in 1974, Presidents have been required to submit spending cut requests—rescissions—for congressional approval, but only one-third of these have been granted. Under this current system, Congress can kill these requests through inaction, leaving no one to be held responsible for the wasteful spending often targeted by rescission requests.

Some opponents of this measure might suggest that, since the 1974 change in law, Congress has actually rescinded \$20 billion more than Presidents have requested. However, Congress has ignored 564 rescission proposals offered by Republican Presidents alone, and accepted only 37 percent of all rescissions proposals presented to it. And of the 1,084 rescissions proposed by Presidents from Ford to Clinton, Congress has ignored all but 399. Just imagine how much more deficit reduction could have been attained if both Congress' and the President's rescission proposals had been adopted.

Now, there is nothing wrong with the fact that Congress found about \$93 billion in rescissions savings since 1974—and that \$70 billion of this amount was derived from original proposals independent of the President.

I am sure we will hear a lot about this later. But the very fact is, we could have had a much greater reduction in our deficit if we had accepted both the Congress' and the President's

rescission proposals. We could have had a total of \$143 billion in that time period, which would have represented a 54-percent increase in total deficit reduction above the amount actually rescinded.

Now, if Congress disagrees with the President with respect to his rescission proposals, most certainly Congress could come up with alternatives to respond to the President's bottom-line figures in terms of eliminating additional spending.

There was a very convincing study that was conducted by the General Accounting Office in 1992, which found that a Presidential line-item veto could, in fact, have saved \$70.7 billion in unnecessary spending between fiscal years 1984 and 1989. As this figure indicates, even paring only the most egregious wasteful spending through the line-item veto will reduce the deficit. For those of us who are serious about deficit reduction and responsible spending, \$70 billion in deficit reduction over 5 years builds a very strong case for a strong line-item veto.

But while opponents will continue to persist about whether we should give the line-item veto authority to the President, clearly it will make a difference in terms of what we can do to the overall budget.

Rather than tilting the power of the purse in favor of the President, it would restore some of the balance that has been eroded by Congress' misguided budget rules that favor excessive spending and eleventh-hour reconciliation bills—bills that have become a sanctuary for pork projects.

I think we should point to the fact that more than 43 Governors in this country are required to have a line-item veto of some kind, and more than 49 State Governors have a balanced budget. So that the line-item veto may be much less necessary at the State level, where most of the Governors, with the exception of one, are required to balance their budgets. But in the national level, we do not have a requirement for a balanced budget amendment.

Without that requirement, without that self-imposed discipline, we continue to watch the rising tide of red ink and the continual rising tide of debts. This line-item veto could help provide substantial cuts in the deficit and Federal spending overall.

It will force each and every Member of the House and the Senate to justify the appropriations and the line items in each of the 13 appropriations bills. That they will have to rise and fall on their own merit. That is what it is all about.

If there is anything I have heard from my constituents in the State of Maine over and over again is the fact that people are concerned about the way in which our money is being spent. They want to know that it is being spent effectively and efficiently. They want to know that there are merits and there are justifications for the way in

which we appropriate their hard-earned taxpayers' dollars. That is the bottom line.

In the final analysis, if we do anything else with the line-item veto in addition to cutting spending, we may restore the public's confidence in the way in which we expend their money. Every time they hear example upon example of egregious spending and frivolous spending, it erodes the public's confidence in the budget process, and more than anything else, erodes the public's confidence in this institution and its elected officials.

That is why I feel so strongly about this line-item veto. It is one that should be supported by Members of both parties. In fact, President Clinton, during the course of his campaign in 1992, advocated a line-item veto. He had some form of a line-item veto when he was Governor of Arkansas. In fact, he promised during his campaign that he could ax \$10 billion in pork-barrel projects over 4 years if he was President of the United States. Since 1993, he has proposed \$3.5 billion in rescissions and Congress has only accepted \$1.4 billion. Now, the President has called on Congress to give him the line-item veto. It will be interesting to see how many Members of the President's own party will rally to his side and support this measure.

I believe the burden of proof is on those who have opposed the balanced budget amendment and those who oppose a line-item veto to suggest ways in which we are going to cut Federal spending. More than that is how we will reach a balanced budget over the next 7 years. This is an approach that makes sense.

People have asked me why Congress has not passed a line-item veto. That is a very difficult answer to give. As I said earlier on, I had reservations about this legislation some years ago about wielding and giving too much power to the President. And I have seen the mounting debts and deficits, and the fact that since the last time the Senate passed a balanced budget amendment, but unfortunately Congress did not; in 1982 we have seen the debt grow by 309 percent, \$3.5 trillion.

I think that Congress needs all the help we can get. It certainly needs all the tools that it can use to reduce the size of this deficit, and ultimately and hopefully balance the budget.

Mr. President, in conclusion, it is my hope that we will be able to reach an agreement on a compromise that will give Members the necessary tools to address this most serious of economic problems facing our country. It is not only for the President but it is also the future generations. I encourage all my colleagues on both sides of the aisle to support this measure. I yield the floor.

Mr. MCCAIN. Mr. President, I thank the Senator from Maine who has had long experience on this issue, especially in the State of Maine in both bodies. I thank her for her very important statement on this issue. I hope

and know she will return to this debate as it continues in the coming days.

Very briefly, this morning I was talking about what had happened since 1974, because that was the year in which the Budget Impoundment Act was passed. I now have those specific numbers. In 1974, the deficit was \$6.1 billion; the total debt was \$483 billion. Repeating that, the deficit was \$6.1 billion; it is estimated in 1994 to be \$203 billion. And as I mentioned, the debt was \$483 billion in 1974. In 1994 it was \$4.6 trillion—trillion dollars.

We are now carrying an annual deficit that is about half of what the national debt was, the entire national debt. We have now gone from \$483 billion in 1974 to \$5.2 trillion estimated in 1996.

This is my argument, Mr. President, that for most of our history revenues and expenditures stayed basically the same, and it was not until 1974 with the passage of the Budget and Impoundment Act that we really saw the deficits and debt explode. That is because of a lack of discipline imposed on the spending habits of Congress.

Mr. President, I just had given to me by staff a listing of the National Taxpayers Union ratings for Congress, and I note with pleasure that my colleague from Oklahoma [Mr. NICKLES], is the eighth most fiscally responsible Member of this body.

I am sure he considers himself the first, but by an objective view he is rated the eighth. I think that is admirable and gives him a certain degree of moral authority on this issue, since he has been one of the most fiscally responsible Members of this body since 1981 when he came here, although he does not look like he has been here that long.

I yield the Senator from Oklahoma such time as he may consume.

Mr. NICKLES. Mr. President, I thank my friend and colleague, Senator MCCAIN, from Arizona, and I wish to join him in complimenting our friend and colleague, the Senator from Maine [Ms. SNOWE] for an outstanding speech. I agree with everything she said. It was not only a well-researched speech, but one that had great impact. I hope my colleagues will listen to it, and I hope the American people will listen to it.

I also would like to compliment my good friend and colleague from Arizona, Senator MCCAIN, for his courage in continuing to bring this issue to the floor of the Senate. He is doing it at some risk, politically. Certainly some risk to appropriation requests in his State. But he has not waived. He has shown great conviction and courage in bringing this issue up because he believes in it. I respect him for that. I also happen to think he is right.

I also wish to compliment Senator COATS from Indiana for his courage, as well. This issue is not easy. These two Senators have been bringing this issue to the forefront when it was most aggressively opposed by the former chairman of the Appropriations Committee,

Senator BYRD. I remember various times when other Senators would oppose an amendment by these two Senators just because of the line-item veto. They might even agree with them on the underlying amendment, but they would oppose it because of their position on line-item veto. I just wish to compliment Senator MCCAIN and Senator COATS. I hope that this year that their efforts will finally bear fruit, and we will pass a line-item veto.

I think it is vitally important that we pass this legislation. It will save money, and I think we need to save money. We are spending too much. Our budget process does not work very well. A line-item veto is not a panacea. It will not solve all the problems, and it will not balance the budget. But it will help.

I think the first and most important reform would be passing a constitutional amendment to balance the budget. We tried. We fought that issue for a month. Unfortunately, we lost. It takes 67 votes. We had 66 votes. We had 98 percent of the Republicans vote with us on a balanced budget amendment. Unfortunately, six of our Democrat colleagues changed position from last year, and so we lost. Maybe we will win later this year. Maybe we will win next year. Maybe we will win 2 years from now. I expect that we will. No later than 2 years from now, I think we will pass a constitutional amendment to balance the budget.

What we can do in the meantime? What are some other much-needed budget reforms? I think the budget scholars say, first and foremost, pass a line-item veto. I think it is vitally important to do so.

I might note that most people on the Appropriations Committee say they do not agree with it. I have served on the Appropriations Committee. That committee used to have 29 members, but I believe it was reduced to 27. They probably work as hard as any committee in the Senate, and they are responsible for spending a little over \$500 billion, about a third of what the Government spends right now. The members on that committee work long and hard hours.

By and large, they do a pretty good job, and we usually pass about 15 or 16 appropriations bills, including supplementals. Some of these bills are small, in the couple billion-dollar range, and some are quite large, in the \$200 or \$300 billion range.

But I will tell you from my experience, every single appropriations bill has had items in it that we need, and every single appropriations bill has had items we do not need and we cannot afford. If we give the President the line-item veto, we will allow him to be able to knock out or kill or strike those items that we cannot afford. We may or may not agree with him. If we disagree with him, we can try to override his veto. That is a process called checks and balances.

Right now, we do not have checks and balances. Congress is writing all

the checks, and there are very few balances. A whole lot of those checks are hot, or are paid for by borrowed money, and the President is given two options. We send the President 15 or 16 appropriations bills in the course of a year and he is given two options: One, he signs the entire package or, two, he vetoes the entire package.

Some of these appropriations bills are thick; hundreds of pages, and some have thousands of lines in them. The President is not able to kill a program if he does not like it. He has to sign the entire bill or veto the entire bill. There are no checks and balances.

He submits a budget and it is often ignored. Congress passes appropriations bills. Congress knows and the President knows, we have to pay the Secret Service, we have to pay the armed services, we have to pay for many vital Government functions, so he is reluctant to use the veto pen.

This will allow the President to use the veto pen. Every President has asked for it. Every Republican President I can think of has said, "Give me the line-item veto, I will use it to save billions of dollars." Now we have President Clinton saying, "Give me the line-item veto, I will save billions of dollars." And we have Republicans leading the effort saying, "Give it to him, because we think the President should have it, whether Democrat or Republican." Most Republicans say every President should have it, even a strong line-item veto, one that takes two-thirds to override. That means he may be able to kill a pet program of ours, something we feel very strongly about.

I will give one example. I happen to feel strongly that we should have defenses against incoming theater-based missiles, intercontinental ballistic missiles. I think we should have defenses to be able to stop those before they hit our country. We do not right now. We should develop those systems. I am afraid this President does not share that belief. If Republicans put in money in an appropriations bill for the strategic defense initiative, the President may disagree with us. He may veto us. We may not have the votes to override. I think it would be unfortunate, but I think the pluses outweigh the minuses, and we should give him line-item veto.

The President should receive overwhelming support on this side of the aisle. It may not be unanimous. The question is can he give a few votes? We know there is going to be a filibuster. We know we have to have 60 votes. I hope all Republicans will vote in favor of cloture, but we are going to need at least six from the Democratic side to get to cloture to have a final vote.

The President stated repeatedly he is in favor of the line-item veto. He needs to deliver 6 or 8 or 10 Democrats to make that happen. If he cannot deliver one-fifth of the number of Democrats, then we probably will not have the line-item veto. Some will say, "The Senate was not able to deliver." I will

say, "It was President Clinton who was not able to deliver."

Maybe this is something we can work on in a bipartisan fashion. I would like to see that happen. Some people say Congress is too partisan. This is an issue on which most people agree with Clinton. We want to give him a line-item veto. We want his successor to have a line-item veto. We think we can save billions of dollars. Can we balance the budget with it? No. Can we take giant steps to eliminate wasteful spending? The answer is yes.

Mr. President, again, I compliment my colleagues, particularly Senator McCAIN and Senator COATS, for their leadership. They have taken this issue on year after year, many times at considerable economic and political pain. I compliment them for their courage. I hope that this year they will be successful. I hope that this year we will make at least one really significant budget reform, and that is to give the President a line-item veto.

Mr. President, I yield the floor.

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Mr. President, I thank the Senator from Oklahoma for his very good remarks on this issue, and I appreciate his continued involvement and his leadership in our party.

Mr. President, I ask unanimous consent that there be an additional 30 minutes allocated to the managers on this side.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. McCAIN. Mr. President, I suggest the absence of a quorum, with the time being taken equally from both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. McCAIN. Mr. President, I ask unanimous consent that the time between now and 5 p.m. today be equally divided. This has been cleared with the Democratic leader.

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

Mr. McCAIN. Mr. President, I suggest the absence of a quorum, and I ask that the time be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. McCAIN. Mr. President, I yield the Senator from Tennessee such time as he may consume.

Mr. FRIST addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. FRIST. Mr. President, I rise today in support of the line-item veto legislation that the Senate will consider. No single measure will do more to curb wasteful Government spending than the line-item veto. I wish to commend Senator McCAIN, Senator COATS, and Senator DOMENICI for their leadership on this issue.

Last November, the American people spoke loudly; they spoke clearly when they demanded a smaller, more accountable Government. They demanded a radical departure from business as usual in Washington. They demanded an end to wasteful, unnecessary Government spending. The line-item veto will give the President the power to eliminate unnecessary and wasteful spending items that are often hidden and tucked away in important pieces of legislation.

As a heart surgeon, I have seen many cases where a new heart was the only hope for saving a patient's life. However, I would not prescribe a new heart, a heart transplantation, when a more specific operation would do. Why remove an otherwise healthy heart if the problems could be more easily corrected with a less drastic procedure?

As the health of our Federal economy worsens, our President must be given the tools that he needs to make precise corrections in appropriations legislation. We must give him the power to strike discrete budget items when it is clear that those items do not serve the national interest. For too long, our system has allowed needless spending to go unchecked.

Mr. President, according to the General Accounting Office, if a Presidential line-item veto had been in place between 1984 and 1989, we would have eliminated an estimated \$70.7 billion in wasteful Government spending—\$70.7 billion. Instead, our Nation is faced with exorbitant interest payments today on our \$4.7 trillion debt, the result of excessive Federal spending on programs we could not afford.

Not only is this a debate about cutting spending, it is a debate about the fundamental relationship between the Congress and the President. The 1974 Budget Act limited the discretion of the executive branch with respect to Federal spending. When the Budget Act was passed, the President was granted the power to request rescissions from the budget. In order for the rescissions to take effect, however, Congress must enact the recommended spending cuts within 45 days. Congress is not even required to vote on the recommendations. Needless to say, most Presidential rescission requests have been ignored.

Since 1974, Presidents have sent Congress 1,084 rescission requests. These requests would have cut \$72.8 billion. Congress has enacted only 399 of these requests, for a total savings of \$22.9 bil-

lion, ignoring nearly \$50 billion in Presidential rescission requests.

It is important to point out, Mr. President, that the beginning of our chronic, exploding deficits coincides with this shift in spending power to Congress in 1974. The spending deficit for 1974 was \$6.1 billion. The very next year the deficit exploded to roughly nine times that, or \$54 billion. Though, indeed, there have been peaks and valleys since that time, the deficit has continued to climb to the alarming levels we are experiencing today.

It is clear to me that Congress shifted too much power to itself in 1974. Congress clearly bit off more than it could chew. The unfortunate result has been 20 years of increasingly unchecked, unnecessary pork-barrel spending with virtually no restraint from the executive branch. Future budget deficits will be even greater if this Congress fails to enact fundamental reform of the budget process, not to mention reform of programs themselves.

Mr. President, a line-item veto would restore the President's appropriate role in the budget process. As it is, all discretionary spending is governed by the passage of 13 major appropriations bills. When an appropriations bill lands on the President's desk, he has but two choices: sign it into law, or veto the bill altogether.

That is like telling me as a heart surgeon that I have but one choice with any heart patients, totally transplant the heart or nothing at all.

Under the current system, Presidents must choose between retaining pork in spending bills or disrupting major programs and shutting down entire departments. Enacting line-item veto legislation will restore accountability. Members of Congress will know at the outset, up front, that spending bills will face greater scrutiny and exposure. They will be forced to look more critically at spending proposals at the beginning of the process. And, perhaps, some of the more egregious spending requests will never be made.

No longer will a Member of Congress be able to insert, late at night in the back of a bill, hidden, where no one will see it, a piece of pork, recognizing at that time that nobody is likely to look. Perhaps constituents will then be told that the Government simply cannot afford certain projects any longer, and Members of Congress will then become better stewards of the American taxpayer dollars.

Mr. President, I am so convinced that this is the right thing to do that I am willing to give this power to a President of the other political party. President Clinton, like his predecessors, President Reagan and Bush, knows he can save taxpayers' money—if only we give him the power to do so. As Governor of Arkansas, Clinton used the State's line-item veto 11 times. In fact, 43 of the Nation's Governors have some form of line-item veto. Governor William Weld of Massachusetts testified

before Congress earlier this year that he has used the line-item veto in his State more than 1,000 times—mostly to cut pork-barrel spending put into legislation to win someone's vote. Representative MIKE CASTLE, former Governor of Delaware, wielded the line-item veto to stop the Delaware Legislature from increasing certain budget items fivefold.

Most States are required to balance their budgets. Yet 43 of our Nation's Governors have found it necessary to use the line-item veto to cut wasteful spending. Mr. President, Members of Congress are not constrained by a balanced budget amendment—all the more reason why it is essential that we empower the President with a line-item veto provision.

Mr. President, a review of past years' appropriations bills reveals page after page of extravagant spending items. Citizens Against Government Waste, a taxpayer watchdog group, estimates that more than \$10 billion in pork is tucked away in last year's appropriations bills alone. This group defines pork as any project that: was requested by only one Chamber of Congress; was not specifically authorized; was not competitively awarded; was not requested by the President; greatly exceeds the President's budget request or the previous year's funding; was not the subject of congressional hearings; or serves only a local or special interest.

Let me name just a few examples from recent years' appropriations bills: \$58 million to bail out New York Yankee owner George Steinbrenner's American Ship Building Co.; \$300,000 in the District of Columbia for the bicycle improvement project; \$110 million for construction of corridor H in West Virginia; \$19 million for the International Fund for Ireland. In the past, this program has used American taxpayer dollars for a golf video and pony trekking centers; and \$34.7 million for screwworm research, even though the screwworm has been eradicated in the United States.

These examples represent only a small fraction of hundreds of such pork-barrel projects approved by Congress each year. I strongly urge this Congress to show the American people that we can turn our Government away from this crash course of out-of-control Federal spending.

This legislation is sure to be opposed by members of the Senate's old guard Democrats. But the 11 freshmen were elected to bring the message of the American people to the Senate. We must change, or America may be irreparably harmed. The nation is suffocating under debt, and this Congress must take every step it can to stop the flow of red ink. Mr. President, the line-item veto is a tool that will help do that, and I urge the Senate to enact this important legislation.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. ABRAHAM). The Senator from Arizona.

Mr. McCAIN. I yield to the Senator from Minnesota as much time as he may consume.

Mr. GRAMS. Mr. President, I rise today in support of legislation that will create a fundamental change in the way we do business in Washington. I want to lend my voice to the McCain line-item veto legislation.

It is legislation Republicans are calling for. It is legislation Democrats are calling for. It is legislation that Americans called for—loudly—when they voted at the polls in November.

The Framers of the Constitution could never have imagined the need for a line-item veto, but neither could they have imagined the garbage bills coming out of Congress that have made the line-item veto a Presidential necessity.

The garbage bill is Washington's version of pucksack stew—a place to dump leftover bills that could never have been swallowed by themselves, but become more palatable when they are stirred safely inside a massive spending bill.

Too often, these extra morsels are million-dollar pieces of pork, dumped into the stew pot by a Member of Congress eager to please a special interest group back home.

But that favor for a few comes at the expense of everyone else.

Last year's package of disaster assistance following the California earthquake quickly became a garbage bill of the very worst kind.

By the time the legislation passed, it included not only \$10 billion in actual emergency relief, but an extra \$10 million to design a new Amtrak station in New York City, \$20 million to hire employees for the FBI's fingerprint laboratory in West Virginia, \$1.4 million to fight a potato fungus in Maine, and \$1 million for sugar cane growers in Hawaii.

As stand-alone legislation, particularly when compared against the rest of the monstrous Federal budget, individual pork projects may not appear so ominous.

Collectively, however, they account for billions of dollars in Federal spending every year.

And by putting the legislative priorities of a few ahead of the fiscal priorities of an entire Nation, they set a dangerous precedent.

Passage of the line-item veto would help stop the fiscal recklessness that has dragged this country \$4.8 trillion into debt.

Wielding a line-item veto, and without having to reject the entire bill, the President could comb through spending legislation line by line and eliminate the wasteful, pork-barrel projects when Congress does not have the courage.

When Congress just can not say no, the line-item veto would let the President do it for them.

It would also have a powerful impact on keeping wasteful spending out of appropriations bills in the first place.

My colleagues might think twice about sponsoring some pork for back

home, knowing they could be forced to argue its merits individually on the floor of the Senate if it were vetoed by the President.

The American people have asked Congress to pass the line-item veto—64 percent of them, in fact, consider it a high or top priority.

The House overwhelmingly passed its line-item veto legislation on February 6 as a birthday tribute to Ronald Reagan, the President known as the bill's greatest champion.

Governors in 43 States have line-item veto authority, and why should they not? It works.

In my home State of Minnesota, Gov. Arne Carlson used the line-item veto 29 times during his first term to cut the fat out of State legislation—saving Minnesota taxpayers \$164 million in wasteful government spending.

In neighboring Wisconsin, Gov. Tommy Thompson has put his line-item veto to work 1,500 times during his 8 years in office.

If the line-item veto existed on the Federal level, the Government Accounting Office says the President could have cut more than \$70 billion in Federal spending between 1984 and 1989.

Last year, President Clinton could have saved the taxpayers millions by blue-penciling frivolous pork projects such as screwworm research, \$35 million; honeybee research, \$5 million; and chiropractic demonstrations in Iowa, \$1 million.

But unlike his counterparts on the State level, the President does not have the power of the line-item veto, or the power to rein in Federal spending that comes with it.

Like every modern Chief Executive, however, President Clinton has supported Congress' efforts to grant him that tool of the line-item veto. "For years, Congress concealed in the budget scores of pet spending projects," said President Clinton in his most recent State of the Union Address.

Last year was no different. There was a million dollars to study stress in plants and \$12 million for a tick removal program that didn't work. If you'll give me the line-item veto, I'll remove some of that unnecessary spending.

This year, Congress appears ready to deliver, and I, along with others, encourage President Clinton to demonstrate his commitment to this legislation by being an aggressive supporter.

This is no time to sit on the sidelines.

Even with the backing of President Clinton, however, the bill may face trouble here in the Senate. Opponents say it gives too much authority to the President; that it shifts the constitutional balance of powers.

Others claim it could lead to influence trading, with Presidents trying to sway legislators by threatening to veto their pet projects.

But those colleagues of mine who are the most outspoken opponents of the

line-item veto are perhaps the most conspicuous example of why we need it.

Congress itself has not been able to stop the big spenders. But a line-item veto could.

If the Senate can pass the line-item veto, Democrat Bill Clinton will be the first President to use it, and it will be thanks to a Republican Congress.

But this effort is not about politics, and the line-item veto is certainly not Republican legislation. It is simply the right thing to do.

We need a line-item veto.

If it can work in Minnesota, if it can work in Wisconsin where it has repeatedly protected taxpayer dollars, it can work here in Washington for the benefit of all taxpayers as well.

Again, Mr. President, I lend my voice today in strong support of legislation for a line-item veto.

I yield the floor. Thank you.

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. I yield to the Senator from Wyoming such time as he may consume.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. Mr. President, I have risen over the past week several times to voice my support for a line-item veto. It seems to me it is one of the things that we need to change procedurally. We need a change procedurally to make a change in this country.

This morning, however, I listened with great interest to one of our friends on the other side of the aisle who said these things that we are dealing with in the Senate over the last 2 months have been quick fixes, that we have been dealing with items that are simply short-term gimmicks. I simply cannot let that go by without some response.

It seems to me that very clearly over the past number of years the product from this Government, the product from this Congress, the product from this Senate, has not been what almost anyone would want. And in November the voters said we want some change. If you are going to have change in the outcome, if you are going to have change in the product, you have to change the way you do things. That is what these past several months have been about. That is what the election was about, it seems to me, in November. It was about things like a balanced budget amendment and putting some discipline into the process so that the Congress could, in fact, balance income with outgo.

It was about term limits, so that there could be some end to the amount of services that are carried on from one particular district when no one else in any other district can do anything about that. It was about a line-item veto where we seek to get some of the unnecessary pork-barrel kinds of things out of the huge budget that are presented to the President. These are not gimmicks. These are changes in

process. These are changes that cause things to happen that cause a different result. The line-item veto is simply a reasonable response, it seems to me, to the idea that bills become so voluminous, so broad and so changed that there needs to be some way to reach into them and take out those things that are not relevant, that are not appropriate, that would not stand at all on their own merit. And there are a great many of those, particularly here in the Senate where the rules allow for amendments that are not necessarily consistent with the bill. In the House there are rules that are stricter, but here they are not. I understand that. I respect that. But it allows for things to be hidden in the highway bill that have nothing to do with highways, that would not stand for 5 minutes on their own merit.

So we need a process to change that. That is what the line-item veto is all about. It is not a gimmick. It is not a short-term fix. In fact, it is a proven way of doing it. It is done in more than 40 States, and has been done for years, and successfully, in my State of Wyoming.

Is the balanced budget amendment a short-term gimmick? Give me a break. It is not a short-term gimmick at all. What it is is a response to 25 years without a balanced budget; 50 years with something like five balanced budgets. It is a response to performance. It is a response to the question of, Do you think it is financially and morally responsible to balance the budget, to not spend more than you take in? That is a pretty reasonable question. The answer is almost invariably yes, that is immoral; yes, that is irresponsible; yes, we do need to change it. We have not changed it. There is no sign of changing it unless there is some discipline. Some discipline applies to the process. That is what the balanced budget is about.

Are term limits short-term gimmicks? I do not think so. This place is built on seniority. It is built on how long you have been here. That is fine. The problem is, people say, "Well, you have an election every 2 years. You have an election every 4 years. You can change that." People in Wyoming cannot do anything about it, nor in Colorado or Massachusetts or somewhere else.

So you have an extraordinary amount of authority lying in someone who happens to be there for 40 years and is not going to be exchanged by his people at home because of that authority. Term limits make some sense. These are not short-term gimmicks. Unfortunately, we have seen over the last month the sort of rapid response team of those who are opposed to change. Every time there is an idea that we ought to change something, suddenly there is this great aroused response that, no, we cannot do that because it is a short-term gimmick.

Mr. President, the real test, it seems to me, of responsive government, the

real test of good government, is if there is indeed a response in Government from the requests and demands of voters. That is not a new concept contrary to something that should happen in democracy. It is something that has happened in this country for years. In the 1800's, even up to the 1930's, in every generation, there was a response from voters and a change in government—as there should be.

In the beginning, however, in the 1930's when Government became larger and a greater part of our lives, the change becomes more difficult. As I remember the numbers of President Roosevelt in the 1930's, there was something like 75,000 people who worked for the Federal Government. Now there is something like 3 million. So there is great resistance to change in the bureaucracy. There is probably even a higher percentage of resistance to change by the number of lawyers in Washington. That is great resistance to change.

In addition, of course, as Government gets larger, it develops a sort of a dependency on Government and voters become more resistant to really take a look at the notion of what the Federal Government ought to be. What should we expect from the Federal Government? The message, I believe, was clearly we have too much Government and it costs too much. It is not easy to change that. It is a painful experience to change that. It is much easier to continue to do what we have been doing. Lots of good people come to Washington who are uneasy about the future, who really do not have strong feelings about change, but it is easier to go forward the way it is. Change is not easy. But that is what we are asked to do. That is what is necessary to do.

The White House liaison people were by this morning, and I was delighted to meet with them. I asked them if the White House was for a line-item veto. "Yes, sir. The President is very much for line-item veto. He has made that clear." That ought to have some impact. I hope that is communicated wholly to our friends on the other side of the aisle.

So, clearly, we need to change the way we do things if we are going to expect the change in the results.

Things we have been doing—the procedural things—are not nearly as much Republicans versus Democrats as those who are willing to make some changes and those who are for the status quo. We simply cannot continue to do that.

This is a time when we need change. And for those who resist it, I say, come on, get over it; we have to make changes, do some things right. We have to balance the budget, we have to have line-item veto to do something about pork barrel. We can do it. We simply have to come to the post and get after it. Now is the time.

Thank you.

Mr. McCAIN. Mr. President, I have just received a statement by the President of the United States that has been

released today, March 20, 1995. I would like to quote that statement by the President of the United States for the RECORD. I am very encouraged by it and also very appreciative.

It says:

The Senate is now debating the line-item veto legislation which passed last month in the House. I urge the Senate to pass the strongest possible line-item veto, and to make it effective immediately. If the Members of Congress from both parties are serious about cutting the deficit, give me this line-item veto, and I will get started right away. This is one area where both parties can, and should, come together.

I have advocated the line-item veto for a very long time. When I was a governor, I had a line-item veto and I balanced 12 budgets in a row. I advocated the line-item veto when I ran for President, and I have pushed for it since becoming President because it is a very effective tool for cutting wasteful government spending and bringing down the deficit.

We have made great headway in cutting wasteful spending. We have already cut the federal bureaucracy by 102,000 positions, on the way to cutting a quarter million. We are bringing the deficit down by more than \$600 billion. My new budget calls for another \$81 billion in deficit reduction.

But there is still too much waste in the Federal budget. This year I have proposed eliminating 131 programs altogether and consolidating 270 others. I proposed many of these spending cuts last year and the year before, only to have Congress tell me I couldn't cut their pet projects.

I tried to cut \$16 million for the Small Business Administration's tree planting program. But Congress put it back in the budget.

Congress even spent \$12 million for a Cat-tle Tick Eradication Project.

Well, this year, if the Congress gives me the line-item veto, I will cut each one of these programs, and a whole lot more. I also think the line-item veto should be applied to the revenue as well as the spending sides of the budget, so I can curb wasteful tax and spending provisions.

This is really about closing the door on business as usual in Washington. If Congress is serious about changing the way Washington works and getting a handle on wasteful spending, they will put politics aside, stand up to the special interests, and pass this bill.

The President, no matter what party, needs the line-item veto to bring discipline to the budget process. I urge the Senate to pass it, and make it effective right now.

Mr. President, I applaud the statement of the President of the United States. I appreciate it. I hope that now he can start some personal lobbying on that side of the aisle.

As I have said before, the crux of this issue will lie in whether we obtain 60 votes to cut off debate. We have 54 votes on this side of the aisle. Now we need 6 votes on that side of the aisle—6 out of 46. I hope that the President of the United States can prevail upon six Members on that side of the aisle to achieve that. As he says, "I urge the Senate to pass the strongest possible line-item veto." There can be no mistake about what that means, Mr. President. It means a two-thirds majority to override a President's veto in both Houses, not the sham and fraud and deception being perpetrated by calling a veto a simple majority vote in one

House in order to override a President's veto. That is what this debate will be all about. It will be all about the fact that, finally, after 8 years of being prevented from bringing up the line-item veto, we are now about to move to the bill for the first time. It has been blocked every time on a parliamentary procedure, a budget point of order. Now we are about to reach it. Now the President of the United States says he wants the strongest possible line-item veto enacted. Fifty-four Members on this side will at least vote for cloture. That is what this debate is about. I hope we can get six votes on the other side.

I want to comment on the President's statement about, "I think the line-item veto should be applied to the revenue as well as the spending sides of the budget so I can curb wasteful tax and spending provisions."

I agree with him there, also. Too many times, mammoth tax bills have been passed with so-called transition rules and little tax breaks for individuals or groups tucked into massive tax bills. I am all for it, but I am concerned about the language, Mr. President. We have to make sure the language does what it says. I am not interested in giving the President of the United States—either Republican or Democrat—the right to veto a capital gains tax cut. I am not interested in having that kind of management of the tax reform or tax bills impacted by a veto. But I am interested and committed—and I believe we can shape the proper language that specifically targets individual or special tax benefits so that we can do away with those abuses, as well.

In addition, I say to the President of the United States, not only that, sir, but we are willing to give you the authority to veto new entitlements or expansion of entitlement programs. Often we will hear in this debate that the real budget problems—and they are right—exist as far as expansive growth of entitlement programs are concerned, and new entitlement programs, which seem to come down quite often. We are willing to shape a compromise that gives the President of the United States the authority not to veto existing entitlement programs—Social Security will not be touched—but the authority to veto expanded or new entitlement programs.

I want to say again, Mr. President, that I have urged the President of the United States to get involved in this issue. I am glad he is engaged. I appreciate this very strong and, I think, important statement where he even cites examples of the problems that any chief executive has with trying to balance the budget. He mentions, "I tried to cut \$16 million for the Small Business Administration's tree planting program, but Congress put it back in the budget. Congress even spent \$12 million for a cattle tick eradication project."

Mr. President, I have a list that would stretch from here out to the steps of the Capitol of programs like that which have been put into the appropriations bills over the past 10 or 15 years—actually, since 1974. The problem is epidemic in proportion, and I am very encouraged by the President's statement. I look forward to working with him and the White House personnel as we try to corral enough votes in order to get this done, get it behind us, and move on to the other important issues of the day, such as, for example, the rescission package which will be pending before this body.

Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be equally divided.

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

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. COVERDELL. Mr. President, I ask unanimous consent that I be given up to 5 minutes to speak on the measure before the Senate.

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

Mr. COVERDELL. Mr. President, I rise in support of the adoption of the line-item veto, and I would like to share with the Senate a perspective that comes from having spent 19 years in the State legislature of Georgia as a member of the Senate.

Georgia, like 49 other States, had a line-item veto. While I debated back and forth various budgets and the fiscal condition of the State of Georgia, I think it is safe to say that it is in a much better state than the United States Government.

The line-item veto, along with a balanced budget amendment, are among the reasons for that healthier condition. The fact that so many of our State executives have the authority to line item and, therefore, be another force, if you would, to intervene and bring about fiscal discipline is a very healthy thing.

I think the American people know it, if the people in Washington do not, that we need many new rules of the road in order to bring fiscal order to the affairs of the United States. This is but one of many. We should have passed the balanced budget amendment.

We should probably have a spending reduction commission. We need a line-item veto. We need to redesign the process by which we manage our fiscal affairs, and we need but look at the \$5 trillion of debt that we have.

The United States has spent every dime it has and \$5 trillion it does not have, and it stays on a spending spree. Look at the President's budget—\$200 billion in deficits as far as the eye can

see. It is obvious we have to do things like the line-item veto.

Some people on the other side of the aisle allege that the line-item veto destabilizes the balance between the executive and legislative branches, but so many States have it. They are great laboratories to review. I do not believe anybody in our country remembers waking up and reading about any State of the Union becoming unglued or destabilized or taken to the brink of ruin over the contest between an executive and legislative branch over the authority to have a line-item veto.

This is a very sensible process that will help establish fiscal order.

I remember years ago when I was running for the U.S. Senate, in fact on other occasions, people said, "Well, you only want the line-item veto because over the recent generations, the Presidents have been Republican." I said at the time, "I am going to support the line-item veto no matter who the Chief Executive is because it is sensible and reasonable."

I find a certain irony that I would be in this capital city watching a new Republican majority fighting the Democrat minority to give a Democrat President the line-item veto. What an irony. I would think both sides of the aisle would be embracing this idea. It is their President. He is a Democrat, and I am just absolutely baffled that we find the other side of the aisle throwing barriers and tacks in the road as we try to put in place this very sensible rule that President Clinton campaigned on and said he was going to fight for.

I think I just heard Senator MCCAIN read a letter from the President indicating his support for the strongest version. You would think, Mr. President, we could end this debate in about a day given the fact that a majority of the Congress supports it and the President supports it and the American people support it 70 to 80 percent. But not in this city. No, sir, not in this city. In this city, the disconnect is so great, and in the light of the new majority going forth, the President of the United States asking for it, and the American people wanting it, we still have to fight our way through, just as we did on the balanced budget amendment, to try to bring this to fruition.

The Presiding Officer just came from the elections. I was there just 24 months ago. I think the Presiding Officer, like myself, recognizes that we are in the midst of a revolution, and the American people want to see some change in the capital city. They are tired of business being run as usual. Mr. President, they expect change to begin to happen here, and one of the cornerstones of this change is the line-item veto.

I hope that the other side of the aisle can somehow make a connection with what is going on in the country and it will register on them that our President, the titular head of their party, the majority, and the American people

have said now is the time for there to be a line-item veto.

Mr. President, I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. Will the Senator be making the request that the time of the quorum call be equally divided between the two sides?

Mr. COVERDELL. I so request.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

RECESS

Mr. MCCAIN. Mr. President, I ask unanimous consent that the Senate stand in recess until 5 p.m. this evening.

There being no objection, at 3:58 p.m., the Senate recessed until 5 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. GRAMS).

LEGISLATIVE LINE-ITEM VETO ACT

The PRESIDING OFFICER. Under the previous order, the hour of 5 p.m. having arrived, the Senate will now proceed to the consideration of S. 4, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 4) to grant the power to the President to reduce budget authority.

The Senate proceeded to consider the bill, which had been reported from the Committee on the Budget and the Committee on Governmental Affairs, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

S. 4

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Legislative Line Item Veto Act of 1995".

SEC. 2. ENHANCEMENT OF SPENDING CONTROL BY THE PRESIDENT.

The Impoundment Control Act of 1974 is amended by adding at the end thereof the following new title:

"TITLE XI—LEGISLATIVE LINE ITEM VETO RESCISSION AUTHORITY

"PART A—LEGISLATIVE LINE ITEM VETO RESCISSION AUTHORITY

"GRANT OF AUTHORITY AND CONDITIONS

"SEC. 1101. (a) IN GENERAL.—Notwithstanding the provisions of part B of title X and subject to the provisions of part B of this title, the President may rescind all or part of any budget authority, if the President—

"(1) determines that—

"(A) such rescission would help balance the Federal budget, reduce the Federal budget deficit, or reduce the public debt;

"(B) such rescission will not impair any essential Government functions; and

"(C) such rescission will not harm the national interest; and

"(2)(A) notifies the Congress of such rescission by a special message not later than twenty calendar days (not including Saturdays, Sundays, or holidays) after the date of enactment of a regular or supplemental appropriations Act or a joint resolution making continuing appropriations providing such budget authority; or

"(B) notifies the Congress of such rescission by special message accompanying the submission of the President's budget to Congress and such rescissions have not been proposed previously for that fiscal year.

The President shall submit a separate rescission message for each appropriations bill under paragraph (2)(A).

"(b) RESCISSION EFFECTIVE UNLESS DISAPPROVED.—(1)(A) Any amount of budget authority rescinded under this title as set forth in a special message by the President shall be deemed canceled unless during the period described in subparagraph (B), a rescission disapproval bill making available all of the amount rescinded is enacted into law.

"(B) The period referred to in subparagraph (A) is—

"(i) a congressional review period of twenty calendar days of session under part B, during which Congress must complete action on the rescission disapproval bill and present such bill to the President for approval or disapproval;

"(ii) after the period provided in clause (i), an additional ten days (not including Sundays) during which the President may exercise his authority to sign or veto the rescission disapproval bill; and

"(iii) if the President vetoes the rescission disapproval bill during the period provided in clause (ii), an additional five calendar days of session after the date of the veto.

"(2) If a special message is transmitted by the President under this section during any Congress and the last session of such Congress adjourns sine die before the expiration of the period described in paragraph (1)(B), the rescission shall not take effect. The message shall be deemed to have been retransmitted on the first day of the succeeding Congress and the review period referred to in paragraph (1)(B) (with respect to such message) shall run beginning after such first day.

"DEFINITIONS

"SEC. 1102. For purposes of this title the term 'rescission disapproval bill' means a bill or joint resolution which only disapproves a rescission of budget authority, in whole, rescinded in a special message transmitted by the President under section 1101.

"DEFICIT REDUCTION

"SEC. 1103. (a) If Congress fails to disapprove a rescission of discretionary spending under this part within the period of review provided under this part, the President shall, on the day after the period has expired, reduce the discretionary spending limits under section 601 of the Congressional Budget Act of 1974 for the budget year and any outyear affected by the rescissions to reflect the amount of the rescission.

"(b) If Congress fails to disapprove a rescission of discretionary spending under this part within the period of review provided under this part, the chairs of the Committees on the Budget of the Senate and the House of Representatives shall, on the day after the period has expired, revise levels under section 311(a) and adjust the committee allocations under section 602(a) to reflect the amount of the rescission.

"(c) If Congress fails to disapprove a rescission of direct spending under this part within the period of review provided under this part, the President shall, on the day after the period