

granted, it would be spent in the manner suggested.

It is subject to a point of order under the Budget Act, and I make the point of order.

Mr. EXON. Mr. President, I move to waive the Budget Act for consideration of the pending amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nebraska. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Maryland [Ms. MIKULSKI] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The yeas and nays resulted—yeas 43, nays 56, as follows:

[Rollcall Vote No. 211 Leg.]

YEAS—43

Akaka	Feingold	Lieberman
Baucus	Ford	Moseley-Braun
Biden	Glenn	Moynihan
Bingaman	Harkin	Murray
Boxer	Hollings	Nunn
Bradley	Inouye	Pell
Breaux	Jeffords	Pryor
Bryan	Johnston	Reid
Bumpers	Kennedy	Robb
Byrd	Kerrey	Rockefeller
Conrad	Kerry	Sarbanes
Daschle	Kohl	Simon
Dodd	Lautenberg	Wellstone
Dorgan	Leahy	
Exon	Levin	

NAYS—56

Abraham	Frist	McCain
Ashcroft	Gorton	McConnell
Bennett	Graham	Murkowski
Bond	Gramm	Nickles
Brown	Grams	Packwood
Burns	Grassley	Pressler
Campbell	Gregg	Roth
Chafee	Hatch	Santorum
Coats	Hatfield	Shelby
Cochran	Hefflin	Simpson
Cohen	Helms	Smith
Coverdell	Hutchison	Snowe
Craig	Inhofe	Specter
D'Amato	Kassebaum	Stevens
DeWine	Kempthorne	Thomas
Dole	Kyl	Thompson
Domenici	Lott	Thurmond
Faircloth	Lugar	Warner
Feinstein	Mack	

NOT VOTING—1

Mikulski

The PRESIDING OFFICER. The yeas are 43, the nays are 56. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to. The point of order is sustained.

Mr. EXON. Mr. President, I move to reconsider the vote.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI. Mr. President, I wonder if I might just ask the Senate if I could have 1 minute as if in morning business for a completely unrelated matter.

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

(The remarks of Mr. DOMENICI pertaining to the introduction of S. 852 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. I ask unanimous consent that I might have 1 minute, as the Senator from New Mexico, as if in morning business.

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

ABSENCE OF SENATOR MIKULSKI

Mr. FORD. Mr. President, the distinguished Senator from Maryland [Ms. MIKULSKI] asked me to inform her colleagues that she is necessarily absent today because of a special event in the Mikulski family.

Today, her niece, Val, and her nephew, Jimmy, are receiving their college degrees from Johns Hopkins University in Baltimore.

In addition, I would like my colleagues to know that Senator MIKULSKI is giving the commencement address at Johns Hopkins as well. She is also being honored by the university with an honorary doctorate for her outstanding life in public service, her commitment to strengthening higher education, and her work on behalf of the university.

On behalf of all my colleagues, I extend the Senate's congratulations to the family on this very happy day. And we know that the Senator and her family are very proud of the accomplishments of Val and Jimmy.

CONCURRENT RESOLUTION ON THE BUDGET

The Senate continued with the consideration of the concurrent resolution.

AMENDMENT NO. 1178

(Purpose: To express the sense of the Senate regarding mandatory major assumptions under Function 270: Energy)

Mr. EXON. Mr. President, on behalf of Senator BAUCUS, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nebraska [Mr. EXON] for Mr. BAUCUS, for himself, Mr. DORGAN, Mr. PRESSLER, Mr. ROBB, Mr. WARNER, Mr. FORD, Mr. HARKIN, Mr. HEFLIN, Mr. HOLLINGS, Mr. WELLSTONE, and Mr. EXON, proposes an amendment numbered 1178:

The amendment is as follows:

At the end of title III, add the following:

SEC. . SENSE OF THE SENATE REGARDING MANDATORY MAJOR ASSUMPTIONS UNDER FUNCTION 270: ENERGY.

It is the sense of the Senate that within the mandatory major assumptions under budget function 270, none of the power mar-

keting administrations within the 48 contiguous States will be sold, and any savings that were assumed would be realized from the sale of those power marketing administrations will be realized through cost reductions in other programs within the Department of Energy.

Mr. DORGAN. Mr. President, the budget resolution assumes \$1.6 billion from the sale of unnamed power marketing administrations, and I have cosponsored this amendment to express the Senate's view that savings should be sought from other Department of Energy spending rather than from sale of the PMA's.

Some in Congress and the executive branch have tried for years to sell off parts or all of the public power generation, transmission and marketing system that we built in the middle of this century to bring affordable power to rural areas and many small cities.

From the standpoint of our responsibilities to the public purse, such proposals are penny-wise but pound foolish. For a one-time gain in sale of assets, some propose selling off a system that has generated about \$50 billion in power revenues, a system that has paid its way on time and with interest.

In addition to net power revenues that come to the Treasury, the \$21.6 billion that was invested to build the PMA's is being repaid by the power customers in the same way most of us repay our home mortgages. The system has paid off more than \$5 billion of the initial investment, and \$9 billion in interest.

But, for me, the worst part about selling the PMA's would be the effect on rural America. The PMA's were built so our farms and small towns would have access to dependable, affordable electricity. That promise has been fulfilled.

However, the sale of the PMA's would cancel the mortgage, so to speak, upon which the PMA's and their customers have been faithfully making payments for years. It would add debt to the system and force substantial power rate increases across rural America. I have received estimates that customers in my State would see rate increases averaging 24 percent.

In a budget resolution that would cut taxes to the most wealthy in this country, the provision for PMA sales would impose a kind of back-door tax increase upon rural America.

The sale of PMA's is foolish from a public policy standpoint, and it is unfair and hurtful to rural America. This body should voice its opposition to such a proposal by voting for this amendment.

Mr. MCCAIN. Mr. President, the amendment offered by the Senator from South Dakota would state the sense-of-the-Senate that none of the Power Market Administrations [PMA] should be sold and that the savings assumed from these sales should be taken from elsewhere in the Department of Energy's budget. I intend to vote against this amendment, and I would

like to take a brief moment to explain why.

Many people have offered their interpretations of last November's elections. The theme which reoccurs in almost all of these analyses is the desire of the American people to have a smaller and more efficient government. The budget before us lays out a road map which attempts to accomplish that goal.

My colleagues are well aware that the assumptions included in the budget resolution are not binding. The authorization committees can set their own priorities as to how to meet the budget outlined in the resolution. We should not follow the advice of this sense-of-the-Senate amendment that urges the authorizing committee to refrain from exploring all of the available budget options.

The Power Marketing Administration sells power generated at Federal water projects to millions of Americans across the Nation. The power generated by these facilities is essential to many small and rural communities throughout my home State of Arizona.

We should of course be very careful not to enter into any agreement which would result in unfair rate increases to the many people served by these systems, or that would result in the inefficient operation of these facilities.

Nevertheless, the committee should be allowed to at least examine the issue. Several ideas have been discussed on how to down size the Federal Government in relation to the PMA's either through sale, lease, or management contracts.

The budget resolution suggests that existing customers could be given the first option to buy the PMA's. Under this scenario, it may be possible for users to operate these facilities more efficiently than the Federal Government and actually reduce power rates. These and other ideas could and should be discussed to determine if it is possible to resolve this issue in a manner which will meet the public interest.

Mr. President, I feel it would be inappropriate and an abdication of our responsibility to not even examine if and how we can reduce the size of the Government by exploring opportunities to provide power in a more efficient and cost effective manner.

Mr. EXON. Mr. President, the amendment that I have just offered proposes a sense of the Senate that the budget resolution not include language to sell the power marketing administrations except for Alaska; that offsetting revenue be found in the Department of Energy programs.

This amendment recognizes that the production marketing associations contribute an annual \$240 million a year in revenue to the Treasury while providing affordable, reliable power to 32 rural States. The PMA's are a vital part of this Nation's infrastructure and should not be sold to net an estimated \$165 million.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, the budget resolution scales back on the President's proposals to sell PMA's.

We reduce the savings in the President's budget by two-thirds or \$2.9 billion. Our assumption can be accomplished by dropping the sale of the western PMA's from the President's budget. We also assume that existing customers get a preferential right to purchase the PMA's. I think there are some Senators who know which PMA's were in neither proposal.

I wish to move to table the amendment. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question occurs on agreeing to the motion to table the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Maryland [Ms. MIKULSKI] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 35, nays 64, as follows:

[Rollcall Vote No. 212 Leg.]

YEAS—35

Abraham	Feingold	Lugar
Ashcroft	Glenn	Mack
Bennett	Gorton	McCain
Bond	Gramm	McConnell
Chafee	Grams	Moynihan
Coats	Gregg	Roth
Cohen	Helms	Santorum
Craig	Jeffords	Simpson
D'Amato	Johnston	Smith
DeWine	Kassebaum	Snowe
Domenici	Kempthorne	Thompson
Faircloth	Kyl	

NAYS—64

Akaka	Ford	Murkowski
Baucus	Frist	Murray
Biden	Graham	Nickles
Bingaman	Grassley	Nunn
Boxer	Harkin	Packwood
Bradley	Hatch	Pell
Breaux	Hatfield	Pressler
Brown	Heflin	Pryor
Bryan	Hollings	Reid
Bumpers	Hutchison	Robb
Burns	Inhofe	Rockefeller
Byrd	Inouye	Sarbanes
Campbell	Kennedy	Shelby
Cochran	Kerrey	Simon
Conrad	Kerry	Specter
Coverdell	Kohl	Stevens
Daschle	Lautenberg	Thomas
Dodd	Leahy	Thurmond
Dole	Levin	Warner
Dorgan	Lieberman	Wellstone
Exon	Lott	
Feinstein	Moseley-Braun	

NOT VOTING—1

Mikulski

So the motion to table the amendment (No. 1178) was rejected.

Mr. EXON. Mr. President, the yeas and nays have been ordered on the underlying amendment.

In view of the vote on the motion to table, I ask unanimous consent that the yeas and nays be vitiated.

The PRESIDING OFFICER. Without objection, the yeas and nays are vitiated.

The question is on agreeing to the amendment.

The amendment (No. 1178) was agreed to.

Mr. EXON. Mr. President, unless it was previously ordered, I ask unanimous consent that Senators WELLSTONE, MOSELEY-BRAUN, and EXON be included as cosponsors of the amendment that was just agreed to.

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

Mr. EXON. Mr. President, I say to all Senators we are making great progress. There has been great progress on both sides.

We have two amendments that I think we have tentatively agreed to accept by voice vote.

AMENDMENT NO. 1179

(Purpose: To express the sense of the Senate regarding reducing overhead expenses in the Department of Defense)

Mr. EXON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nebraska [Mr. EXON], for Mr. LEVIN, for himself, and Mr. SIMON, proposes an amendment numbered 1179.

Mr. EXON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . DEFENSE OVERHEAD.

(a) FINDINGS.—The Senate finds that—

(1) the major discretionary assumptions in this concurrent budget resolution include 15 percent reduction in overhead for programs of nondefense agencies that remain funded in the budget and whose funding is not interconnected with receipts dedicated to a program;

(2) the Committee Report (104-82) on this concurrent budget resolution states that "this assumption would not reduce funding for the programmatic activities of agencies."

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Committees on Armed Services and Appropriations should make a reduction of at least three percent in overhead for Fiscal Year 1996 programs of defense agencies, and should do so in a manner so as not to reduce funding for the programmatic activities of these agencies.

Mr. EXON. This is the Levin-Simon amendment. The budget resolution assumes the 15 percent reduction in overhead for nondefense agencies. The Levin-Simon amendment is a sense-of-the-Senate resolution which calls on the Senate Armed Services Committee and the Appropriations Committee to make at least a 3-percent reduction in overhead in defense agencies without reducing programmatic activities. I believe that, after a lot of discussion, this can be accepted by a voice vote.

Mr. DOMENICI. Mr. President, this is a sense of the Senate, and it in no way cuts the dollar amount of defense. Defense receives the exact amount of money as prescribed in the budget resolution. I have agreed to accept it and see how it works out.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1179) was agreed to.

Mr. LEVIN. Mr. President, I move to reconsider the vote.

Mr. EXON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1180

(Purpose: To express the sense of the Senate regarding the essential air service program of the Department of Transportation)

Mr. EXON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nebraska [Mr. EXON], for Mr. BAUCUS, for himself, Mr. INOUE, Mr. BRYAN, Mr. SIMON, Mr. ROCKEFELLER, Mr. BUMPERS, Mr. STEVENS and Mr. EXON, proposes an amendment numbered 1180.

Mr. EXON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

At the end of title III, add the following:

SEC. . SENSE OF THE SENATE REGARDING THE ESSENTIAL AIR SERVICE PROGRAM OF THE DEPARTMENT OF TRANSPORTATION.

(a) FINDINGS.—The Senate finds that—

(1) the essential air service program of the Department of Transportation under subchapter II of chapter 417 of title 49, United States Code—

(A) provides essential airline access to isolated rural communities across the United States;

(B) is necessary for the economic growth and development of rural communities;

(C) connects small rural communities to the national air transportation system of the United States;

(D) is a critical component of the national transportation system of the United States; and

(E) provides air service to 108 communities in 30 States; and

(2) the National Commission to Ensure a Strong Competitive Airline Industry established under section 204 of the Airport and Airway Safety, Capacity, Noise Improvement, and Intermodal Transportation Act of 1992 recommended maintaining the essential air service program with a sufficient level of funding to continue to provide air service to small communities.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the essential air service program of the Department of Transportation under subchapter II of chapter 417 of title 49, United States Code, should receive to the maximum extent possible a sufficient level of funding to continue to provide air service to small rural communities that qualify for assistance under the program.

Mr. EXON. Mr. President, this is another amendment that I believe we

have worked out with the cooperation between both sides. This amendment is a sense-of-the-Senate amendment by Senator BAUCUS on essential air service, which I believe can be accepted by the managers.

Mr. EXON. We have agreed to this and I urge its adoption.

Mr. DOMENICI. Mr. President, I ask unanimous consent to add Senator STEVENS as an original cosponsor. He was part of working this amendment out.

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

Mr. EXON. I ask unanimous consent that I be added as a cosponsor if I am not already one.

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

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1180) was agreed to.

Mr. EXON. Mr. President, I move to reconsider the vote.

Mr. INOUE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1181

(Purpose: To express the sense of the Senate regarding funding for the National Railroad Passenger Corporation)

Mr. EXON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Montana [Mr. EXON], for Mr. BAUCUS, proposes an amendment numbered 1181.

Mr. EXON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . SENSE OF THE SENATE REGARDING FUNDING FOR NATIONAL RAILROAD PASSENGER CORPORATION.

It is the sense of the Senate that the assumptions underlying the functional totals in this resolution include the following: that Congress should redirect revenues resulting from the ½ cent of the excise tax rate directed by the amendments made by the Omnibus Budget Reconciliation Act of 1993 for fiscal years 1996 through 1999 to the account under subsection (e) of section 9503 of the Internal Revenue Code of 1986 to a new account under such section for grants to the National Railroad Passenger Corporation for operating expenses and capital improvements incurred by the Corporation.

Mr. EXON. Mr. President, this amendment is the next one on our list. It is a sense-of-the-Senate amendment by Senator BAUCUS on Amtrak.

Mr. DOMENICI. Mr. President, I will oppose this amendment on a couple of bases. One is that a half cent of the gasoline tax would be transferred from the highway fund to a special new fund called the Amtrak trust fund. I believe

we ought not do business that way. I urge that this amendment be tabled.

I therefore move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Maryland [Ms. MIKULSKI] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 50, nays 49, as follows:

[Rollcall Vote No. 213 Leg.]

YEAS—50

Abraham	Gorton	Lugar
Ashcroft	Graham	Mack
Bennett	Gramm	McCain
Bond	Grams	McConnell
Breaux	Grassley	Moynihan
Brown	Gregg	Murkowski
Campbell	Hatch	Packwood
Coats	Helms	Pressler
Cochran	Hollings	Shelby
Coverdell	Hutchison	Simpson
Craig	Inhofe	Smith
D'Amato	Johnston	Stevens
Dole	Kassebaum	Thomas
Domenici	Kempthorne	Thompson
Faircloth	Kohl	Thurmond
Frist	Kyl	Warner
Glenn	Lott	

NAYS—49

Akaka	Exon	Murray
Baucus	Feingold	Nickles
Biden	Feinstein	Nunn
Bingaman	Ford	Pell
Boxer	Harkin	Pryor
Bradley	Hatfield	Reid
Bryan	Heflin	Robb
Bumpers	Inouye	Rockefeller
Burns	Jeffords	Roth
Byrd	Kennedy	Santorum
Chafee	Kerrey	Sarbanes
Cohen	Kerry	Simon
Conrad	Lautenberg	Snowe
Daschle	Leahy	Specter
DeWine	Levin	Wellstone
Dodd	Lieberman	
Dorgan	Moseley-Braun	

NOT VOTING—1

Mikulski

So the motion to lay on the table the amendment (No. 1181) was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote.

Mr. LEAHY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

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

The assistant legislative clerk proceeded to call the roll.

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

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

The Senator from New Mexico.

AMENDMENT NO. 1182

Mr. DOMENICI. Mr. President, I send an amendment to the desk on behalf of

Senator GRAMS and Senator ABRAHAM and ask for its immediate consideration. Senator LIEBERMAN is also an original cosponsor.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI] for Mr. GRAMS, for himself, Mr. ABRAHAM and Mr. LIEBERMAN, proposes an amendment numbered 1182.

Mr. DOMENICI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 73, line 2, strike "may be reduced" and insert "shall be reduced".

On page 73, line 2, strike "may be revised" and insert "shall be revised".

On page 74, line 12, strike "may" and insert "shall".

On page 74, line 13, strike "may" and insert "shall".

On page 74, line 21, strike "may" and insert "shall".

On page 74, line 16, insert the following before the period, "by providing family tax relief and incentives to stimulate savings, investment, job creation, and economic growth."

Mr. LIEBERMAN. Mr. President, I support this amendment because I believe that at least a substantial part of the fiscal dividend in the budget before us is set aside for family tax relief, incentives to stimulate savings, investment, job creation, and economic growth.

Getting our fiscal house in order by balancing the budget represents a significant investment in our economic future. At the same time, I very much believe that providing family tax relief and savings and investment incentives is a significant investment in our collective and individual futures as well.

The budget will inevitably require some painful adjustments. If we are asking the American people to make some of these adjustments, to share in this sacrifice, there should also be a light at the end of the tunnel. We should provide much-needed tax relief to the working families of this country, and tax incentives to the businesses of this country so that people will continue to have jobs at which they can work.

As I understand it, the family tax relief envisioned by this amendment could embrace not only a middle-class child credit but a deduction for college and vocational training, much like the \$10,000 education deduction proposed earlier this year by President Clinton. In my travels across Connecticut, I have found that the level of anxiety among parents over how to pay for the higher education of their children is very high. Even those parents who have scrupulously saved over the years are wondering how they can ever foot education bills that run up to hundreds of thousands of dollars. And it is important to point out that while an education deduction will make it easier

for families to invest in the future of their children, an education deduction also represents a collective investment in the future of this country.

We are all aware of two additional facts. First, savings and investment are critical to our future economic well-being, and second, we are not doing enough of either. At present, our budget deficit eats up our national savings by borrowing from our national savings pool to pay for our current spending. Our national savings rate, which has been hovering between 3 and 4 percent of national income is not only historically low for us but three to four times lower than competitor countries such as Japan. This is a national crisis which the balanced budget before us attempts to address.

That is one side of the equation. The other side is to jump start savings and investment in this country by providing tax incentives for savings and investment. Short of a complete overhaul of the Tax Code, along the lines of the thoughtful proposal that has been put forth by Senators NUNN and DOMENICI, I believe we should act now to reverse the downward savings trend in this country.

The initiatives outlined above, combined with a steady path toward a balanced budget, will take us up to a higher plateau of savings and investment which will translate into new jobs and new growth in this country. I encourage my colleagues to support this amendment.

Mr. DOMENICI. Mr. President, the amendment states that once balance is achieved and certified by the Congressional Budget Office, a reserve fund is provided to the Finance Committee for reduced revenues.

If the Finance Committee reports a tax bill, it would include provisions for family tax relief and to stimulate savings and investment.

Mr. DOLE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment. The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Maryland [Ms. MIKULSKI] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 54, nays 45, as follows:

[Rollcall Vote No. 214 Leg.]

YEAS—54

Abraham
Ashcroft
Bennett
Bond
Breaux
Brown
Burns

Campbell
Coats
Cochran
Coverdell
Craig
D'Amato
DeWine

Dole
Domenici
Faircloth
Frist
Gorton
Gramm
Grams

Grassley
Gregg
Hatch
Hatfield
Helms
Hutchison
Inhofe
Inouye
Jeffords
Kassebaum
Kempthorne

Kyl
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Nickles
Packwood
Pell
Pressler

Roth
Santorum
Shelby
Simpson
Smith
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NAYS—45

Akaka
Baucus
Biden
Bingaman
Boxer
Bradley
Bryan
Bumpers
Byrd
Chafee
Cohen
Conrad
Daschle
Dodd
Dorgan

Exon
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Heflin
Hollings
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg

Leahy
Levin
Moseley-Braun
Moynihan
Murkowski
Murray
Nunn
Pryor
Reid
Robb
Rockefeller
Sarbanes
Simon
Snowe
Wellstone

NOT VOTING—1

Mikulski

So the amendment (No. 1182) was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1183

(Purpose: To propose a substitute)

Mr. EXON. Mr. President, on behalf of Senator CONRAD, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nebraska [Mr. EXON], for Mr. CONRAD, for himself, Mr. REID, Mr. GRAHAM, Mr. SIMON, Mr. DORGAN, Mr. KOHL, Mr. FEINGOLD, Mr. BRYAN, Mr. BINGAMAN, Mr. ROBB, and Mr. BYRD, proposes an amendment numbered 1183.

(The text of the amendment appears in today's RECORD under "Amendments Submitted.")

Mr. EXON. Mr. President, this amendment received some debate, although limited. I think most Members of this body understand the proposal very, very well. I do not have enough time to explain it in great detail.

Let me try to sum up very briefly. The fair share alternative offered by Senator CONRAD and others makes some very hard and necessary choices in the whole area of budget fairness. The Republican plan makes the wrong choices.

This alternative gives us a plan that asks everyone to contribute. The fair share plan balances the budget by the year 2004 without counting the surpluses in the Social Security trust fund and achieves more deficit reduction in 2002 than the Republican plan.

The fair share plan freezes discretionary spending but restores \$190 billion in public investment. The fair share plan restores funding to Medicare, Medicaid, student loans, and other high priorities. It rejects the tax

cut targeted to wealthy and instead asks them to contribute by limiting the growth of tax loopholes that benefit the wealthy.

The alternative does not balance the budget on the backs of the middle class, children, college students, and our elders.

FINALLY, A "REAL" BALANCED BUDGET

Mr. HOLLINGS. Mr. President, I rise today to applaud my colleague and friend, Senator CONRAD, for his work in constructing this amendment. As I learned in 1980 and again in 1985, it is not an easy task. But the Senator from North Dakota should be commended for his courage and resolve to focus his budget alternative on three bedrock principles that are essential if we really want to do the job.

First, the Conrad alternative would comply with section 13301 of the Congressional Budget Act and would balance the budget without counting the surpluses in the Social Security trust fund. We've heard a lot of talk in the last few days about how the Republican budget resolution would balance the budget in 7 years, but the hard facts tell otherwise. Again, I would invite my colleagues to turn to page 7 of the Republican resolution where the deficit for fiscal year 2002 is listed as \$113.5 billion. In contrast, the Conrad amendment is designed not only to talk the talk, but to walk the walk. Under this proposal by the year 2004, the Federal budget, excluding Social Security, would be in balance.

Second, the Conrad approach recognizes that the Federal budget cannot be balanced through spending cuts alone. If we want a balanced budget, we have to have a balanced approach. No one relishes the idea of raising taxes, but the simple fact is that we could eliminate all spending on non-defense discretionary programs and the budget would still be out of whack. Instead of facing this budget reality, the Republican resolution plays Santa Claus, promising \$170 billion in tax cuts that will be written in stone out of an economic dividend that may never materialize.

Finally, the Conrad amendment protects programs that are crucial to our Nation's well-being. The Republican strategy is an alarming permutation of a justification that we heard during Vietnam—that we had to burn the village in order to save it. Mr. President, that line was wrong then and it is wrong now. Programs such as education and biomedical research are crucial investments in our Nation's future; drastic cuts in such programs are penny wise and pound foolish.

While the Conrad approach offers a far more honest and realistic approach to balancing the budget, it is not a perfect plan. Specifically, I am concerned that the \$170 billion economic dividend, which Senator CONRAD puts towards deficit reduction, may never materialize and that the elimination of tax loopholes may fall short of its \$228 billion target. A far more certain and eq-

uitable alternative, I believe, would rely on a comprehensive 5 percent value added tax that would be earmarked specifically for deficit and debt reduction. Such an approach would reap additional benefits in encouraging national savings over consumption and in improving our international trade position through a border neutral tax.

While we may differ on some of the specifics, let me again applaud the efforts of Senator CONRAD for his willingness to stop the gamesmanship of the past few days and to propose the first real balanced budget that we have seen.

Mr. DODD. Mr. President, as we approach final passage of the fiscal 1996 budget resolution, I want to take a few moments to outline my views and concerns on this historic vote.

CONRAD ALTERNATIVE

This morning I voted to support Senator CONRAD's Fair Share Balanced Budget Plan offered as a substitute to the majority's resolution. While this plan is far from perfect, it represents a fairer, more honest approach to fiscal discipline than the underlying budget resolution.

The Fair Share plan would balance the budget by 2004 without counting the Social Security trust fund in the calculation. In other words, it would not use the Social Security surpluses to mask the true size of the deficit, as the majority's resolution would do. It would produce \$16 billion more in deficit reduction in 2002 than does the Republican plan.

The plan would freeze non-defense discretionary spending, instead of cutting it \$190 billion below a freeze, as the Republican resolution would do. As a result, this alternative would save critical investments such as education, technology, medical research, and important environmental clean-up efforts from far more severe cuts.

The alternative would also lessen the severity of the Republicans' cuts in Medicare, Medicaid, nutrition and veterans benefits. The plan would fully fund student loans.

The alternative wisely contains no tax cuts. As I have said previously, I do not believe that now is the time to cut taxes. Revenue reductions only serve to make the hole we must dig ourselves out of that much deeper. Tax cuts skewed toward the affluent, as are those passed by the House, are especially difficult to justify.

Finally, the Fair Share plan would cap the rate of growth for tax loopholes that benefit corporations and the wealthy. It would therefore ensure that all segments of society, including the most affluent, sacrifice to attain a balanced budget. This stands in stark contrast to the Republican plan.

I do not support every element of this alternative, but I believe it makes an important statement: There are other, fairer routes to a balanced budget than the one offered by our Republican colleagues.

FISCAL 1996 RESOLUTION

Mr. President, in my view, the underlying resolution is fundamentally flawed. It treats our people not as assets to be developed, but as items in a spending cut process. It burns the bridges that ordinary Americans use, or hope to use, or hope to use, to cross over to a better life for themselves and their families. And it requires the middle-class and the less affluent to clean up from the fiscal train wreck of the 1980's. I would remind my colleagues that our budget would be in balance if we were not required to pay interest on the debt accumulated solely during the Reagan/Bush era.

In an effort to lessen its adverse impact, I have supported numerous amendments to restore funding for vital Federal investments such as health care, education, and the environment. The cost of all of these amendments has been fully offset from other sources. I regret that few of these amendments have passed, but I am pleased that we were able to achieve bipartisan cooperation in restoring funding for the National Institutes of Health and partial restoration for student loans. I offered and cosponsored a number of amendments that would have restored greater funding for our critical investment in education. They, unfortunately, failed.

CONCLUSION

Mr. President, the American middle-class is collapsing around us. A report just released by the Casey Foundation states that today, nearly a third of all men between the ages of 25 and 34 don't earn enough to support a family of 4 above the poverty level. That's about two and a half times the number from 25 years ago.

There was a time when blue collar workers formed the bedrock of the middle-class. High-wage jobs for people without years of advanced education were plentiful, and a high school education was a passport to a healthy future. That time is gone.

The United States now has the largest gap between rich and poor of any industrialized nation in the world. The richest 1 percent of American families now own 40 percent of our Nation's wealth, whereas in Britain—our closest rival—the top 1 percent own just 18 percent of the wealth.

If we care about restoring opportunity and security to our people, then we've got to do better by them. If we want them to obtain the best jobs that the new economy has to offer, then they'll need the best education, job training, and health care that this country has to offer.

American politics is about change, Mr. President. But it is not about this kind of change. This debate should be about how we build a stronger and a richer America, not just fiscally, as important as that is, but economically and socially and morally, as well. Using this standard, this resolution fails.

In the days ahead, it is my sincere hope that we can work cooperatively together to put our fiscal house in order without jeopardizing our neighborhoods, our communities, and our future in the process. We can do better, and we must.

GETTING PRIORITIES RIGHT

Mr. DORGAN. Mr. President, I rise in support of the alternative budget proposed by my colleague from North Dakota, Senator CONRAD.

I have cosponsored this alternative because a budget debate is about priorities. The Republican budget resolution has its priorities all wrong. And the CONRAD alternative, which I helped put together, gets our priorities right.

Mr. President, the problem with the Republican budget resolution is that it hits middle America in the stomach. It tells the elderly, most of whom live on fixed incomes, to absorb \$256 billion in Medicare cuts. This budget asks the poor to suffer \$175 billion in Medicaid cuts. It requires students from middle-income families to pay interest on their loans during their schooling, a total hit of \$14 billion. And it would cut food and farm programs by \$46 billion.

As I have mentioned on the floor before, what is truly galling about the Republican budget is that it would use this hit to middle-income Americans to pay for \$170 billion in tax cuts primarily for the wealthy. Tax cuts are irresponsible when we are trying to cut the budget deficit. And the budget passed by the House is even worse. It takes \$350 billion from programs that people depend on and then uses that money to pay for tax cuts that would overwhelmingly benefit the rich.

Our alternative is a sharp contrast to the Republican budget. My colleague from North Dakota and I are interested in very different priorities.

While achieving more deficit reduction than the Republican plan, we would restore much of the funding for a few key domestic programs that the GOP budget would cut. We would add back \$100 billion for Medicare. We would restore \$50 billion for Medicaid. We would provide \$24 billion more for food and farm programs. And we would soften the blow to our Nation's students by \$14 billion. All of these programs would still be cut, but not nearly so much under our alternative as under the Republican budget.

To pay for our changes, we simply would ask the wealthy and big corporations to give up some of their tax breaks, get out of the corporate welfare wagon, and help the rest of us pull toward a balanced budget.

We would require the Finance Committee to close \$228 billion in tax loopholes for the wealthy and for big business. Foreign corporations that try to avoid taxes here could expect a crack-down under the Conrad budget. Multinational firms that try to hide their income from the IRS would have a far more difficult time. Billionaires who renounce their citizenship and retire to

tax havens abroad would have to pay the taxes the rest of us have to pay.

We have chosen these tax changes carefully. We would not touch the home mortgage interest deduction, the deduction for State and local taxes, or the deduction for charitable giving. These are provisions that millions of Americans depend on. We would also insist that any reduction in tax preferences target those who earn over \$140,000 a year.

Also, Mr. President, let me emphasize that we would use the \$170 billion fiscal dividend for deficit reduction, not for tax cuts for the wealthy. That is what the American people want us to do—reduce the deficit first.

And reduce it we do. This alternative budget would balance the budget (without counting the Social Security trust fund surplus) in the year 2004, two years earlier than the Republican budget would do so. We achieve more deficit reduction than the majority's budget by the year 2002.

Mr. President, there you have it. I will vote for this alternative because it does more to reduce the deficit and it shares the pain fairly. It asks all Americans to pay their fair share, and that is the right way to cut the deficit.

Thank you Mr. President. I yield the floor.

Mr. BINGAMAN. Mr. President, the Republicans, in particular Representative KASICH and Senator DOMENICI, deserve credit for focusing the attention of Congress on the great need to balance the Federal budget. The ever-growing national debt is a weight on the growth of the economy. Merely paying the interest on the debt costs taxpayers hundreds of billions of dollars each year and limits the Government's ability to act effectively. I strongly support balancing the budget at the earliest possible date, and I realize that a lot of sacrifices will need to be made in order to reach a balanced budget.

The Republican budget leaders in both the Senate and the House were brave enough to submit plans that call for a great deal of fiscal restraint and some hard choices. For that we should commend them.

But, unfortunately for a lot of Americans and a lot of New Mexicans, the choices the Republicans have asked us to make are the wrong choices. With their eyes firmly fixed on providing tax loopholes to the rich and to providing an unspecified tax cut, the Republicans in Congress are forced to balance the budget in an unbalanced way.

I am sure in coming weeks I will be criticized for not voting for the Republican budget. People will say I did not support a balanced budget. But the truth is that today I will be recorded as having voted in favor of a balanced budget, the very same day the Republican budget passed. But the balanced budget I voted for—the Democratic alternative budget I helped craft—is a budget just as strict fiscally as the Republican budget, but fairer to seniors, students and working families.

The Republican budget, in my view, is anti-working families, anti-seniors, anti-future, and anti-New Mexico. In contrast, the Fair Share Plan—formulated by my colleague from North Dakota, Senator CONRAD, myself and a small group of Democratic Senators—does the following:

I. ACHIEVES EVEN GREATER FISCAL DISCIPLINE THAN THE REPUBLICAN PLAN

A. Balances the budget (on a unified basis) by 2002, just as the Republican plan does.

B. Achieves total on-budget balance (that is, without using Social Security surpluses) by 2004, or 2 years before the Republican plan does.

II. PROTECTS CRITICAL INVESTMENTS IN OUR FUTURE COMPETITIVENESS

A. Restores non-defense discretionary spending to a hard freeze, providing almost \$200 billion more than the Republican plan for critical investments in: First, education and training, second, infrastructure, third, research & development, and fourth, other areas that will boost our economic competitiveness in the 21st century.

B. Freezes defense spending to the same extent as the Republican plan.

III. REDUCES THE BURDEN ON MIDDLE CLASS FAMILIES

A. Protects middle class seniors by restoring \$150 billion from the Republican cuts in Medicare and Medicaid benefits.

B. Restores to middle class college students and their families the full \$14 billion that Republicans propose to cut from student loans and other mandatory education accounts.

C. Reverses the Republican plan's cut in the earned income tax credit for lower-middle class and poor working families, by restoring \$60 billion of the Republican proposal on income assistance programs.

D. Only cuts \$22 billion from family farm and nutrition assistance programs, \$24 billion less than the Republican proposal.

E. Restores half of the Republican \$10 billion cuts in veterans benefits.

IV. ASKS THE WEALTHY TO PAY SOME FAIR SHARE OF THE BURDEN OF BALANCING THE BUDGET

A. Rejects the Republican \$170 billion reserve for tax cuts that will mostly benefit wealthy taxpayers.

B. Asks big corporations and wealthy taxpayers (couples making over \$140,000 per year, e.g.) to pay some share of the deficit reduction burden, by closing tax loopholes and by just limiting the growth in tax breaks and tax preferences for corporations and these wealthy taxpayers to inflation plus one percent (CPI + 1 percent).

V. BRINGS ALL, AND NOT JUST SOME, OF THE COMPONENTS OF FEDERAL EXPENDITURES UNDER CONTROL

A. The Republican budget proposal limits Federal direct spending to less than a 25-percent increase over the

next 7 years, but allows Federal tax expenditures in the form of loopholes, tax preferences, and tax breaks to increase by almost 50 percent over the next 7 years.

B. The Fair Share Budget corrects this imbalance by limiting direct spending to just over 25-percent increase (cutting over \$1 trillion in spending and interest over the next 7 years), but also by slowing the growth of Federal tax breaks and tax preferences to a 35-percent increase over the same period. The alternative budget requires the cutting of just 5.7 percent of a projected \$4 trillion of tax expenditures over the 7 years, and limits the cuts only to wealthy corporations and wealthy taxpayers (couples earning over \$140,000, e.g.).

VI. IS NOT ABOUT RAISING ANYBODY'S TAXES

A. Tax preferences or tax entitlements are one of the fastest growing categories of Federal spending. The Fair Share Balanced Budget resolution does not reduce these entitlements. It only slows their growth to inflation plus 1 percent.

B. The Republicans cannot have it both ways. They cannot claim, on the one hand, that the Fair Share Budget's proposed slow-down in the growth of tax entitlements for the wealthy constitutes a tax increase, but, on the other hand, claim that their slow-down in the growth of the earned income tax credit [EITC] (which is also a tax expenditure) is not a tax increase. If they claim that the Fair Share Budget includes a tax increase on the rich and big corporations, they must also admit that the Republican budget plan includes a tax increase on lower-middle class and poor working families.

While not perfect, this Democratic alternative plan achieves the goal of a balanced Federal budget without asking America's working families, seniors and students to bear all of the burden. But the Republican budget does not ask the wealthiest corporations and the wealthiest Americans to contribute one dime to balance the budget. Moreover, in order to secure a \$170 billion reserve for tax cuts to benefit mostly wealthy people, the Republican budget trades away investments in our future—in education, infrastructure, and research and development—investments in our children.

Remember that the main reason given for eliminating the deficit is that we are doing it for our children. But, if we free our children from the burden of the Federal deficit by depriving them of the education and training that they will need to compete and succeed in the global and technologically driven economy of the next century, then we have not been responsible.

Education programs, for example, are especially important to New Mexico. My State has the third highest rate of children living in poverty of any State in the Nation. More than one in four children in New Mexico live in families with incomes below the poverty line. One-third of the students in New Mexi-

co's schools have limited proficiency in English. Its school-age population has grown tremendously, and a 12-percent increase in New Mexico's population of school-age children is projected over the next 7 years. The Republican budget will cut programs for New Mexico's schools by about 30 percent over the next seven years; that translates into tens of millions of dollars that New Mexico's schools will have to do without as they struggle with these special problems.

By cutting programs to help the children of working families go to college by nearly a third, which is being proposed by the GOP, tens of thousands of New Mexico's students could lose the opportunity to go to college. That would be devastating to their futures and to the future of our State. In New Mexico, most higher education students receive Federal financial aid, including 33,000 students who receive Pell Grants.

I do not believe that America will be well-served by the Republican budget, nor do I feel that most Americans would agree with the specific proposals contained within it. And that is why I am proud to have cosponsored the fair share balanced budget alternative and to vote for it today.

In conclusion, I want to remind the Senate that the passage of any budget resolution today is only the beginning of a long process that will determine the priorities of our Government. The budget is only a framework for the appropriations committees to work with as they spend the summer determining specific spending levels for agencies and programs.

Throughout this process, I pledge to continue to fight for proper funding for programs that will contribute to providing educational opportunities for our children, meet the health care needs of our senior citizens, and reward work and encourage innovation in the marketplace.

Thank you, Mr. President. I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, 2 years ago, we passed the largest tax increase in American history. This will be the second largest tax increase in American history. I do not think we ought to adopt it.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. FORD. I announce that the Senator from Maryland [Ms. MIKULSKI] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 39, nays 60, as follows:

[Rollcall Vote No. 215 Leg.]

YEAS—39

Akaka	Ford	Leahy
Biden	Glenn	Levin
Bingaman	Graham	Lieberman
Boxer	Harkin	Moseley-Braun
Bradley	Heflin	Moynihan
Bryan	Hollings	Murray
Bumpers	Inouye	Nunn
Byrd	Johnston	Pell
Conrad	Kennedy	Pryor
Daschle	Kerrey	Reid
Dodd	Kerry	Robb
Dorgan	Kohl	Sarbanes
Feingold	Lautenberg	Simon

NAYS—60

Abraham	Faircloth	McCain
Ashcroft	Feinstein	McConnell
Baucus	Frist	Murkowski
Bennett	Gorton	Nickles
Bond	Gramm	Packwood
Breaux	Grams	Pressler
Brown	Grassley	Rockefeller
Burns	Gregg	Roth
Campbell	Hatch	Santorum
Chafee	Hatfield	Shelby
Coats	Helms	Simpson
Cochran	Hutchison	Smith
Cohen	Inhofe	Snowe
Coverdell	Jeffords	Specter
Craig	Kassebaum	Stevens
D'Amato	Kempthorne	Thomas
DeWine	Kyl	Thompson
Dole	Lott	Thurmond
Domenici	Lugar	Warner
Exon	Mack	Wellstone

NOT VOTING—1

Mikulski

So the amendment (No. 1183) was rejected.

Mr. EXON. Mr. President, I move to reconsider the vote by which the amendment was rejected, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I want to say to the Senate, I apologize for the delay I caused. I thought I voted before I left.

PROVIDING FOR AN ADJOURNMENT OF THE TWO HOUSES

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now turn to the adjournment resolution, House Concurrent Resolution 72.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

Providing for an adjournment of the two Houses.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 72) was agreed to.

The concurrent resolution is as follows:

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on the legislative day of Thursday, May 25, 1995, it stand adjourned until noon on Tuesday, June 6, 1995, or until noon on