

taxes too. The Senate budget resolution will ensure that we do both. Any fiscal dividend that results from enacting balanced budget legislation will be returned to the American people in the form of reduced taxes. There are significant differences between the House and Senate budget resolutions, and I will encourage the Senate conferees to increase the deficit reduction achieved in this budget to the maximum extent possible. If we achieve even more savings, then I will fight to ensure that further tax cuts are provided to the American people.

Let me just say to both my colleagues from Minnesota and Michigan that I appreciate their willingness throughout the last several days to try to come to some agreement that would provide the relief that they were seeking. This does not quite reach everything they wanted, but I commend them for their efforts.

I think this is a very significant amendment that was adopted today on the floor, with bipartisan support, I might add. And it was due to the efforts of the Senator from Minnesota [Mr. GRAMS], and the Senator from Michigan [Mr. ABRAHAM].

If I can say one word that would follow the statement of the Senator from Delaware on the antiterrorism bill, I thank Senator HATCH and Senator BIDEN for their willingness to try to pass this bill. I urge my colleagues, particularly on this side of the aisle, to help us enter into some time agreements to make it possible. It might be—and it may not happen—that we can reach a time agreement on a number of amendments and not be in very long tomorrow. We will have a couple of votes, and we will take it up the day we are back. I promised we would take up telecommunications on that day. Without an agreement, I do not have any idea how long it will take if we bring up or continue on this bill when we come back on June 5.

I will be working with Senators DASCHLE and BIDEN and HATCH. We promised the President we would bring this up before the Memorial Day recess, and we have done that now. We have not completed action, but we have had a little debate. Had we been able to start on this last night, we may have been able to finish it tonight or tomorrow. It may not be possible to do that now. I know colleagues have other commitments starting early afternoon tomorrow, and some have them in the morning. I hope that on both sides we can have the cooperation of our colleagues working with the chairman of the committee, Senator HATCH, and the ranking Democratic member, Senator BIDEN.

Mr. BIDEN. While the majority leader is still on the floor, I can say for the minority that I am confident we can agree on time agreements on all of the amendments I am aware of thus far. We are continuing to hotline this to see if there are any amendments other than the ones that I am aware of.

I doubt whether we can get an agreement on a final passage time. But I would suggest that if we can get narrowed down time agreements tomorrow on each of the amendments, we should do all we can to lock it in. I thank the leader for honoring his commitment to bring this up. It was a bit beyond his control, having 50 some votes in the last 2 days. To the best of my knowledge, the House has not acted on this at all. Even if we passed a bill tonight, we are not in a position to be able to send it to the President or even go to conference. I do not think there is any damage done by not doing that.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SPECTER. I thank the Chair.

#### IMPACT STATEMENTS ON FUNDING FOR THE NIH

Mr. SPECTER. Mr. President, on May 18 of this year, the Appropriations Subcommittee on Health, Human Services, Education and Labor held a hearing on the funding for the National Institutes of Health, and at that time a request was made by the representatives of the various units of the NIH to submit impact statements as to what the budget reductions would do. A good bit of this information was used by me in my statement on an amendment offered by Senator HATFIELD.

I ask unanimous consent that the RECORD contain these impact statements.

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

#### A GUIDE TO THE IMPACT STATEMENTS ABOUT NIH BUDGET REDUCTIONS

The National Institutes of Health (NIH) has identified 15 specific areas of research that would be severely affected by the cuts recommended by the Senate Budget Committee. These are only a representative sampling of the many research activities that would be significantly slowed, halted, or never started due to the proposed reductions. The effects are likely to be especially dramatic and long-lasting for several reasons:

NIH now funds less than one in four grant applications, so that any reduction in support would affect only those investigators already judged by expert peer reviewers to be among the best in the nation.

It is in the nature of medical research to find that the most important discoveries are made in unexpected places. If funding is reduced to what are deemed bare essentials, much of the best research may be eliminated because it is not obviously connected to immediate medical goals.

Over 80 percent of the NIH budget supports research at many colleges, universities, medical schools, and institutes in every state in the country. These awards are essential not only for generating new knowledge; they also improve the quality of medical care and training, help to recruit new biomedical scientists, and strengthen educational programs. A major reduction in funding will undermine these important aspects of American life; the effect will be felt for many years. Bright, young people, recognizing that the future for biomedical research has dimmed, would pursue other career options.

The research that NIH supports in the areas discussed in our samples is different

from the kind of work conducted at biotechnology and pharmaceutical firms, where a commercial product is the central goal. Without the basic knowledge generated by NIH-sponsored investigators, our international leadership in the industrial sector will be threatened.

#### IMPACT STATEMENTS FROM THE NATIONAL INSTITUTES OF HEALTH

Alcoholism.  
Alzheimer's Disease.  
Anti-Cocaine Agent.  
Blinding Diseases.  
Breast Cancer.  
Cancer Vaccines.  
Conquering Genetic Diseases (mapping the human genome).  
New and Re-emerging Infectious Diseases.  
The Obesity Gene.  
Otitis Media (a serious childhood infection).  
Parkinson's Disease.  
Prostate Cancer.  
Sexually Transmitted Diseases.  
Sickle Cell Disease.  
Stem Cell Research.  
Stroke.  
Vaccines to Prevent Stomach Ulcers and Stomach Cancer.

#### IMPACT OF NIH BUDGET CUTS ON PEOPLE'S HEALTH

Alcoholism: Naltrexone, the first medication approved for treating alcoholism in forty years, is a major step forward.

The Promise: Researchers supported by the National Institutes of Health (NIH) have shown that naltrexone, an opiate-blocker used for treating heroin addiction, is an effective treatment for alcohol addiction. The combination of naltrexone and skilled counseling resulted in alcohol-dependent people staying sober twice as long as placebo-treated patients. Even if naltrexone-treated alcoholics drank, they rarely "binged."

The Next Steps: Naltrexone is the first medication approved for the treatment of alcoholism in forty years. However, that approval is only for three months of use in any patient. Further research is needed to make this treatment more effective and to exploit what insights it may provide into underlying biological and behavioral mechanisms. NIH is currently studying naltrexone's longer-term use, side effects, and most importantly, how naltrexone—an opiate blocker—reduces alcohol craving.

Improved technologies are also aiding in the study of alcohol addiction. New brain imaging systems can actually show what alcohol craving looks like, including blood flow changes. Computer-aided design of new drugs to treat alcoholism has begun, using recently discovered information on how alcohol affects the surface of nerve cells. And investigators are narrowing in on the genes which account for inherited vulnerability to alcoholism.

Effects of a Budget Cut: The clinical trials of the longer-term use of naltrexone would have to be curtailed or not initiated. Other promising leads in alcoholism research would either have to be delayed or dropped.

Alcohol kills over 100,000 Americans every year. Some 20 to 40 percent of adult hospital beds in large urban hospitals are occupied by people being treated for alcohol-caused organ damage. Alcoholism and alcohol abuse costs the Nation about \$100 billion every year in medical costs, social costs, and loss of productivity. Slowing advances in the treatment of alcoholism could cost tens of billions of dollars.

Comment: Alcohol addiction is the number one drug problem in the United States. New treatments to help alcohol-dependent people stay sober are showing positive results, and the biological roots of alcoholism are being uncovered.

**Alzheimer's Disease:** Delaying or preventing the onset of symptoms and loss of mental capacity.

**The Promise:** Just in the last year, scientists working with support from the National Institutes of Health (NIH) have discovered a gene that is a major risk factor for Alzheimer's disease and found ways to detect early changes in the brain (by combining brain imaging and genetic analysis) before obvious symptoms of Alzheimer's develop.

**The Next Steps:** Now scientists are ready to conduct critical studies to find the direct role played by genes in Alzheimer's disease so that they can find ways to prevent the disease or at least delay the loss of mental capacity that devastates the patients and their families.

**Effects of a Budget Cut:** NIH's ability to continue these studies on Alzheimer's disease depends on maintaining a network of scientists, patients, and research institutions. A budget cut would cripple this network, delaying the translation of research advances to the next step—effective treatments.

Today, there is no effective treatment for Alzheimer's disease, which affects 4 million Americans. If no treatment is developed, by the year 2050, there will be over 14 million people affected by some form of dementia requiring care and institutionalization.

**Comment:** No family is immune from Alzheimer's disease—that became clear earlier this year when former President Reagan chose to reveal his diagnosis.

Total national cost to care for patients with Alzheimer's disease is about \$100 billion annually. If we don't find ways to delay, prevent or treat the disease, our health care system will be overwhelmed early in the 21st Century. The total NIH budget—for all diseases—is a small fraction of those health care costs and a small price to pay for the hope that Alzheimer's disease can be conquered.

**Anti-cocaine Agent:** To help combat the escalating epidemic of cocaine use, including "crack" cocaine.

**The Promise:** Because of breakthroughs in brain and immunology research in the last five years, scientists supported by the National Institutes of Health (NIH) are on the threshold of providing an effective anti-cocaine medication or "cocaine blocker".

In the last two years, scientists have identified the major sites (receptors) where cocaine works on the brain; discovered how cocaine works on the brain; and uncovered 4 biological targets at which to aim medication development, with more than 12 compounds in the pipeline.

**The Next Steps:** Medical scientists are now ready to study more closely the new, candidate compounds and select the most promising for tests in patients.

**Effects of a Budget Cut:** A reduction in the budget would freeze this program in its infancy, shut down the pipeline of new candidate medications, and preclude testing in patients of even the most promising drugs. It would delay by at least 5 years the development of an effective anti-cocaine agent.

Currently there is no way to treat cocaine overdose and there are no medications available to treat cocaine addiction. Large numbers of people die of overdose, and the Nation pays dearly for the violence, family disruption, and health care costs that result from growing cocaine use.

**Comment:** The single most important need in this Nation's battle against drug abuse and addiction is an effective anti-cocaine medication. Today we have none. Research is desperately needed to develop a useful drug to help us control the cocaine epidemic.

**Blindness:** Finding ways to treat eye diseases causing blindness.

**The Promise:** Scientists have recently identified a gene related to glaucoma in young people. This discovery provides great opportunities for early diagnosis and treatment of a disease that is the second leading cause of blindness in this country.

Other scientists have developed micro-surgical techniques in animals to "rescue" degenerated macular cells—cells in the part of the eye that allows the clearest, sharpest vision. If this surgical "rescue" proves successful in humans, it would be a major breakthrough in treating macular degeneration, the leading cause of blindness of people over age 60.

**The Next Steps:** Scientists supported by the National Institutes of Health (NIH) are now ready to capitalize on the genetic discovery relating to glaucoma in young people by developing ways to identify at-risk patients early so that effective treatment can be begun.

Other scientists supported by the NIH are set to apply microsurgical techniques for macular cell "rescue" in humans. Advances are desperately needed in macular degeneration, a disease for which, in most cases, no treatment currently exists.

**Effects of a Budget Cut:** Budget reductions would slow scientists' ability to move these two promising early findings into larger scale studies involving humans.

**Comment:** Blindness from glaucoma is estimated to cost the U.S. more than \$1.5 billion annually in Social Security benefits, lost tax revenues, and health care expenditures. Macular degeneration, which affects one of ten Americans over age 60, will become an increasingly important national health problem as the U.S. population ages. We need to continue this potentially sight-saving research.

**Breast Cancer:** Gene discoveries promise clinical advances.

**The Promise:** Scientists are on the verge of major clinical advances in breast cancer, thanks to long-awaited gene discoveries made in the last year. BRCA1, a breast cancer susceptibility gene, has been isolated and characterized, and scientists are closing in on other breast cancer genes, including BRCA2. Such breast cancer genes—when inherited in a mutated form—can cause breast cancers that strike early and afflict many women in the same family through generations.

These gene discoveries will permit the development of diagnostic tests to identify women who are at risk and will speed research to develop effective methods of prevention, early detection, and treatment.

**The Next Steps:** Scientists are eager to take the next steps:

Determine the role BRCA1 and BRCA2 genes play in converting a normal breast cell into a cancer cell;

Develop cost-effective, accurate diagnostic tests to identify those women at risk in order to intervene early;

Establish genetic counseling services to help women who believe—from family history—they are at risk make informed decisions and cope with the emotional trauma; and

Continue research to fully understand all the mutations involved in breast cancer including those involved in the spread of the disease (metastasis) in order to improve our ability to prevent, diagnose, and treat this disease.

**Effects of a Budget Cut:** A budget cut would slow or even curtail the enormous promise of these gene discoveries at the very time women are anticipating the real possibility of changing the previously depressing outcomes of breast cancer.

**Comment:** 182,000 women will be diagnosed as having breast cancer in 1995 and 46,000

women will die of breast cancer. Five to ten percent of these women will be classified as genetically prone to early onset familial breast cancer through BRCA1 and related genes. A diagnosis of breast cancer is most dreaded by American women. The widespread publicity attendant on the discovery of these breast cancer genes has led to optimism that this disease may be prevented or cured. The women's health movement would be devastated if this research is curtailed.

**Cancer Vaccines:** Strengthening the body's own natural defense against diseases that have already developed.

**The Promise:** Just a month ago, medical scientists working with the National Institutes of Health (NIH) reported that they had reversed the course of disease in a 43-year-old woman dying of multiple myeloma, a type of blood cancer that is nearly always fatal. They accomplished this by immunizing a healthy bone marrow donor against the cancer and then transferring the immunity to the sick woman through a bone marrow transplant. Two years later, she is free of detectable cancer.

Long-term follow-up of cancer patients receiving immunotherapy shows that this approach can bring dramatic response in melanoma and kidney cancer. In addition, last year, scientists identified a gene for one of the principal proteins that elicits natural immunity against melanoma. Potentially, this gene or its corresponding protein, could be used to produce a melanoma vaccine.

**The Next Steps:** In the next few years, this and other "vaccine" approaches to curing cancer need to be tested. Eight different vaccines for breast cancer and 13 for skin cancer (melanoma) are in early stages of testing in patients. If these efforts offer promise, they could someday be applied to other cancers such as prostate, colon, and lung cancer.

**Effects of a Budget Cut:** A budget cut would curtail or slow the testing of the 21 cancer "vaccines" already being used in patients. The entire "vaccine" approach to cancer treatment would be held back—an approach that offers hope for the thousands of cancer patients who die every year despite treatment with surgery, radiation and chemotherapy.

**Comment:** The American public desperately needs new ways to treat cancer. Today many people are cured of cancer through surgery, radiation, and the drugs—thanks to research supported for many years by the NIH—but 550,000 die of cancer each year and are counting on these vital research advances.

**Conquering Genetic Diseases:** Jump-started by mapping the human genome.

**The Promise:** Creating detailed maps of the human genome and understanding the makeup of the estimated 100,000 human genes will certainly speed the discovery of the approximately 5,000 genes that cause human disease.

Discovery of disease genes will dramatically improve our ability to develop tests for individuals who are at risk for the diseases, and enhance early treatment.

Scientists supported by the National Institutes of Health (NIH) have already:

A full year ahead of schedule, created a detailed genetic map of the human genome (this provides landmarks along the chromosomes, a powerful tool aiding scientists in search of disease genes);

Nearly completed a physical map of the human genome (this provides even more information for the gene-hunters); and

Discovered 42 disease genes, including those for early onset breast cancer, hereditary colon cancer, polycystic kidney disease, and Huntington's disease.

**The Next Steps:** Mapping alone will greatly increase the number of disease genes isolated. In addition, scientists are now ready

to begin "sequencing"—analyzing the chemical makeup of the genes—a year ahead of schedule. The entire sequencing project is expected to be completed by 2005 and tremendously speed the discovery of disease genes and new avenues for diagnosis, prevention and treatment.

**Effects of a Budget Cut:** A reduction in resources will mean that large-scale gene "sequencing" will not be started and the project will not be completed by 2005, because funds are needed to improve sequencing technology.

Scientists are on the brink of finding genes for prostate cancer, diabetes, familial Alzheimer's, obesity, schizophrenia and manic depression. A cut in funding will delay these discoveries.

**Comment:** If the U.S. fails to follow through, Japan, Britain and Germany are poised to finish the project themselves and they will be first to reap the health and economic benefits. The hopes of many patients and families will be dashed.

**New and Re-Emerging Infectious Diseases:** Changes in microbes and our environment, overuse of antibiotics, and increasing global travel present new challenges.

**The Promise:** One of the triumphs of the twentieth century is the conquest and control of many infectious diseases. This conquest was a result of research on vaccines, antibiotics, and the basic properties of microbes (much of it conducted by the National Institutes of Health). But in the past 15 years, new and re-emerging microbes and antibiotic-resistant organisms have eroded that victory.

The National Institutes of Health (NIH) is establishing a "New and Re-emerging Infectious Disease Initiative." This initiative addresses the threat of new microbes (such as Ebola virus and HIV), re-emerging infectious diseases (such as cholera and hantavirus), and drug-resistant strains of previously treatable infections (such as tuberculosis and streptococcus). The focal point of this initiative will be the development of vaccines, the most cost-effective and dependable method to combat new and re-emerging infectious diseases, particularly in light of increasing resistance to virtually all of the currently available antibiotics.

The NIH is uniquely positioned to launch this initiative because of its many infectious disease research collaborations with the World Health Organization, the Centers for Disease Control, the Agency for International Development and many individual nations. All of these collaborations assist in the attempt to identify and to control outbreaks of emerging and re-emerging microbes.

Additionally the NIH has established:

Seven U.S. university-based programs working in countries where tropical diseases are common;

Three tropical medicine research centers located in Colombia, Brazil and the Philippines;

Four tropical disease research units at U.S. academic medical centers;

An intramural Center for International Disease Research which is focused on parasitic diseases; and

Eight Regional Primate Research Centers across the U.S. Non-human primates are the natural reservoirs of many emerging diseases. These primate centers facilitate the rapid identification, study, and containment of these threats to our Nation's health.

**Effects of a Budget Cut:** A budget cut would curtail or significantly slow all of these efforts, both the launching of the "New and Re-emerging Infectious Diseases Initiative" and the continuation of NIH's network of national and international tropical, parasitic and primate research centers. Inter-

national collaborations are especially vulnerable to budget cuts, but the ongoing crisis concerning the Ebola virus demonstrates the obvious need for sustained, stable funding.

The seriousness of this challenge cannot be overstated. Events of the past year have demonstrated our increasing vulnerability to infectious diseases that may rapidly assume epidemic proportions. Many new and re-emerging microbes threaten our Nation's health. Vaccine development, continued international collaboration, and rapid identification of new strains are our best hope for the future.

**Comment:** The "antibiotic holiday" is over. We need a sustained strategic approach to new and re-emerging infectious diseases.

**The Obesity Gene:** Revolutionary advance providing hope for reducing obesity and its complications.

**The Promise:** Last year, scientists supported by the National Institutes of Health (NIH) discovered a gene in mice related to a protein that regulates body weight. A very similar "obesity gene" was also found in humans.

This finding has great potential for developing a totally new kind of agent for regulating body weight in humans. Over 50 million Americans are obese, and the number of obese adults has increased by one third in just one decade. An effective new obesity treatment could also combat the serious complications of obesity—heart disease, diabetes, stroke and cancer.

The current economic costs of the obesity epidemic are estimated at almost \$70 billion annually, to which can be added an estimated \$33 billion spent each year on weight reduction products and services, for a total of \$100 billion annually. Thus, the potential economic impact of the obesity gene discovery is tremendous.

**The Next Steps:** To capitalize on this important discovery, scientists supported by NIH now need to:

Study the protein made by the obesity gene to understand how the gene acts on the body and prepare an experimental form of the protein to learn its biological activity;

Conduct tests of the effects of the protein on obese and normal animals; and

Initiate clinical studies in humans to determine the potential of the gene product in obesity prevention or treatment.

**Effects of a Budget Cut:** Decreases in the budget would mean that NIH could fund fewer new research grants, thus slowing the basic, early research steps that scientists are eager to begin. Human studies would be put off into the future, awaiting the results of basic research.

**Comment:** The discovery of the obesity gene was met with great interest by the scientific community and the public. Research should push on to bring the public the benefits of this advance.

**Otitis Media:** A serious childhood infection in need of a better solution.

**The Promise:** Scientists funded by the National Institutes of Health (NIH) have recently been successful in developing a candidate vaccine to combat otitis media (oh-TIGHT-iss MEE-dee-ah), a bacterial or viral infection of the middle ear common in young children ages 3 months to 3 years.

Further development and testing of this candidate vaccine would offer hope that children might be spared the severe pain and sometimes serious side-effects of these middle ear infections. A useful vaccine could also significantly reduce the estimated health care costs of this disease—\$1 billion annually.

**The Next Steps:** Having developed a promising candidate vaccine, scientists are now ready to progress into the testing phase, ini-

tially in animals and later in children, looking first at safety and in later stages for clinical effectiveness.

**Effects of a Budget Cut:** It is estimated that a reduction in the budget at this time would delay development of a clinically useful vaccine by three years.

**Comment:** Otitis media is the major reason cited for taking a young child to the emergency room or to a physician's office and is the most frequent reason that doctors prescribe antibiotics for children. The disease causes little children and their families great distress. Each year of delay in the development of a vaccine costs the country \$1 billion in health care bills. Securing a vaccine to fight otitis media would reduce this toll on children, their families and the health care system.

**Parkinson's Disease:** New treatments for degenerating nerve cells.

**The Promise:** Parkinson's disease is caused by the degeneration of the cells that make dopamine, a chemical messenger in the brain. Lack of dopamine produces tremor, rigidity, gait abnormalities, and often changes in behavior. Replacement of the missing neurotransmitter, dopamine, with L-dopa has a limited effect and undesirable side effects.

Researchers supported by the National Institutes of Health (NIH) have discovered a drug, deprenyl, which delays the need for L-dopa therapy in Parkinson's disease patients, thereby significantly improving their quality of life. In addition, possible surgical intervention and other new treatment developments—including growth factors—are on the horizon.

**The Next Steps:** Scientists are ready to: Develop new drugs with fewer side effects, building on deprenyl;

Evaluate surgery that restores brain functions impaired by the disease and surgical methods to implant dopamine-producing cells;

Assess whether a recently discovered growth factor can restore function by protecting dopamine-producing cells; and

Develop new methods, using biotechnology and genetic engineering, to deliver treatments to the targeted cells.

**Effects of a Budget Cut:** Budget cuts would slow the basic and applied research that has led to the first real progress against Parkinson's in forty years. Clinical trials of promising treatments would have to be delayed and the momentum created by the discovery of deprenyl would be lost.

A budget cut would diminish the hopes of the approximately 500,000 Americans—one percent of those over 50—who suffer from Parkinson's disease. The economic burden of Parkinson's disease, currently estimated at \$6 billion per year, will only increase as the U.S. population ages.

**Prostate Cancer:** New discoveries may lead to clinical advances.

**The Promise:** Clinical advances in prostate cancer have been slow in coming, but recent new discoveries offer hope:

Some useful animal models of the disease have been found;

The drug finasteride (Proscar), which is useful in controlling a non-cancerous prostate condition that may be a precursor to prostate cancer, could offer a way to prevent the cancer;

Male sex hormones have been shown to exert a strong influence on the prostate, and new reports indicate that mutations occur in receptor genes for male sex hormones when prostate cancer worsens; and

Chemical markers—such as the prostate specific antigen (or PSA)—show promise for diagnosing prostate cancer.

**The Next Steps:** NIH-supported scientists have recently begun studies of:

The role of oncogenes (cancer-causing genes) and suppressor (cancer-blocking) genes in transforming a normal prostate cell into a malignant cancer cell that can be spread throughout the body;

The roles of the male hormone (androgen) and its receptor in the transition of prostate cancers from hormone sensitivity to hormone resistance;

Hormone treatment in combination with surgery in an attempt to develop better therapy;

The drug finasteride (Proscar) to prevent prostate cancer in human trials; and

Diagnosis of prostate cancer using a blood test to detect prostate specific antigen (PSA) in combination with ultrasound.

Effects of a Budget Cut: A budget cut would curtail or significantly slow all of these studies. This will, in turn, inhibit development of new and improved methods of prevention, early diagnosis and treatment for this very serious disease.

Comment: Prostate cancer, although it receives less attention than breast cancer, is a significant public health problem. New, promising leads should be followed so as to have an impact on this disease. This year 244,000 American men will be diagnosed with prostate cancer. Some 40,400 deaths will occur this year as a result of metastatic disease (the spread of cancer throughout the body) due to prostate cancer.

Sexually Transmitted Diseases: Topical microbicides for women could reduce the spread of HIV [the AIDS virus] and other sexually transmitted diseases.

The Promise: Scientists supported by the National Institutes of Health (NIH) are researching safe, effective "topical microbicides" which may be applied by women to block the transmission of sexually transmitted diseases (STDs). Currently several promising topical microbicides are being evaluated that kill the infectious microbes that cause HIV and other STDs. The successful development of these products will enable women to take control of their own reproductive health and significantly reduce the incidence of STDs, including HIV.

The Next Steps: Evaluation of these promising topical agents requires clinical trials to prove that a proposed microbicide is both safe and effective. Development of better microbicide products based on the results of these trials, as well as further basic research in the laboratory is also a part of the overall research program.

Effects of a Budget Cut: A budget cut would significantly impair the ability of the NIH to move these products from the laboratory into clinical trials. This would result in a delay in making safe and effective topical microbicides available to women, and thereby diminish any impact on the current epidemic of STDs and HIV. The significant cost savings and the reduction in illness and death associated with STDs and HIV will be severely delayed and possibly lost entirely.

Comment: A sexually transmitted disease, including HIV, is acquired each year by an estimated 12 million Americans—a disproportionate number of whom are women. Adolescents and young adults under 25 account for 63 percent of these cases. STDs account for over \$6 billion in health care costs alone. Up to forty percent of women with certain forms of STDs become infertile. STDs contribute excessively to illnesses, deaths, and health care costs among women as well as among newborns, who can be infected before or during birth.

Topical microbicides would greatly increase the empowerment of women in the prevention of all sexually transmitted diseases, including AIDS.

Sickle Cell Disease: The first effective treatment nearly ready for wide application

The Promise: People who suffer the painful, debilitating effects of sickle cell disease, an inherited blood disorder that primarily affects African-Americans, can now look forward to a better quality of life.

After many years of research investment, scientists supported by the National Institutes of Health (NIH) this year developed the first effective treatment for the disease.

A drug—hydroxyurea (hy-DROX-ee-urEE-ah)—relieves the pain and reduces by half the number of episodes or "crises" afflicting people with sickle cell disease.

The drug was also proven to reduce the number of blood transfusions and hospitalizations for sickle cell "crises", which are estimated to cost about \$350 million annually.

The Next Steps: Having proven success in treating adults with sickle cell disease, medical scientists are now ready to test the drug in children. The challenge is to test whether the drug is as effective in children as in adults, and whether the drug harms growing children.

Additional clinical studies are needed to find the optimal dosage, consider long-term effects of the drug, and look at combination therapy to improve treatment further.

Effects of a Budget Cut: A reduction in funding would put a hold on the availability of this promising treatment for children, because the needed clinical studies would be slowed. This would prolong the suffering of both the children and their families. The likely reduction in health care costs would not materialize.

Comment: Thanks to 20 years of research investment, tens of thousands of adults who suffer from the excruciating pain of sickle cell disease now have hope for relief. We cannot turn our backs on children who might also benefit from treatment.

STEM CELL RESEARCH: A revolutionary approach to a variety of diseases

The Promise: Bone marrow transplantation and gene therapy are currently being used to treat disease, but their utility is limited by the availability of blood stem cells.

Scientists are beginning to understand and harness the incredible promise of stem cells—cells that give rise to all the different cells found in blood. These stem cells may make ideal "universal donor cells" because they maintain the capability for cell division and can accept genes from other cells.

Recently, scientists have learned how better to isolate these cells, not only from bone marrow, but also from umbilical and peripheral blood. They have also learned how to increase the number of stem cells produced in animal models and in human volunteers.

There is great hope that stem cells can be used to:

Improve the prospects for people—such as those with aplastic anemia, a serious blood disorder—waiting for suitable bone marrow donors; the goal is to perform transplants from sources other than bone marrow, perhaps from blood itself;

Re-populate blood cells necessarily killed off when cancer patients undergo life-saving chemotherapy; and

Advance human gene therapy for patients with genetic disorders, AIDS and cancer.

The Next Steps: Scientists supported by the National Institutes of Health (NIH) are eager to move quickly to:

Search for sources of stem cells and test their usefulness for patients;

Explore potential for using stem cells for gene therapy;

Continue basic research to better understand how blood is formed; and

Create special facilities needed to isolate and grow stem cells under sterile conditions so they can be used in patients.

Effects of a Budget Cut: A budget reduction would mean that the research—both

basic and clinical—would move more slowly and the clinical payoffs would be significantly delayed. A delay would deny the great potential of this revolutionary approach.

Stroke: Preventing stroke and limiting brain damage.

The Promise: Research supported by the National Institutes of Health (NIH) has recently provided important new advances and insights:

Surgery to open blocked arteries in the neck can prevent stroke or stroke death;

Aspirin can protect against stroke in certain patients; and

New treatments to protect brain cells from damage during stroke are emerging from animal studies

The Next Steps: Further research could show how to prevent more strokes, limit brain damage when stroke occurs, and help people regain normal life after a stroke.

Scientists are ready to begin new studies in patients to:

Compare drug treatment and surgical approaches to episodes of bleeding within the brain;

Learn more about differences in stroke and in optimal treatment for stroke in different racial groups; and

Refine ways to reduce the occurrence and severity of brain bleeding in low birth weight infants.

Effects of a Budget Cut: A reduction in the budget would come just as scientists are poised to take a new approach by aggressively treating acute stroke to prevent brain damage.

Basic research would be curtailed just as promising new opportunities are coming to light, such as the effects of vitamin supplements, clot-dissolving medications, and agents such as calcium channel blockers to protect brain cells.

Comment: Research has brought us a dramatic decline in stroke death in the U.S. in the last 25 years, but stroke is still the third leading cause of death. Every year, over 500,000 Americans experience a stroke and many are left disabled, costing more than \$25 billion annually for medical treatment, rehabilitation, long-term care, and lost wages. These numbers and costs will only increase as the U.S. population ages.

Additional research—capitalizing on scientific opportunities—can help us learn how to prevent stroke and limit its damage when it does occur.

#### VACCINES TO PREVENT STOMACH ULCERS AND STOMACH CANCER

The Promise: Tremendous opportunity now exists for scientists supported by the National Institutes of Health (NIH) to develop a vaccine to prevent gastric (stomach) ulcer and to create the possibility of preventing stomach cancer.

This opportunity flows from the recent discovery that stomach ulcers are caused by a bacterium, *H. pylori* (pie-LOR-ee), and that recurrence of ulcers can be prevented with a simple antibiotic treatment. This finding can save an estimated \$400-\$800 million annually by preventing ulcer recurrence alone.

It is also known that *H. pylori* is strongly linked to stomach cancer, one of the leading causes of cancer death throughout the world. Today only about 18 percent of patients survive stomach cancer in the U.S., where there are 23,000 cases per year.

The Next Steps: Scientists are now ready to:

Isolate the genes from the bacterium in order to develop a vaccine;

Study how the bacterium might cause cancer; and

Follow up on preliminary evidence that other types of *H. pylori* may cause other intestinal cancers such as liver cancer.

Effects of a Budget Cut: A reduction in the budget would impede scientists' ability to pursue the many steps needed to develop a vaccine against *H. pylori*, conduct critical human trials on ulcer prevention, and understand more fully the role of the bacterium in various cancers and how to prevent them.

A budget reduction would diminish the number of scientists working on this important problem. Cuts would delay by years the development of a simple vaccine that might bring life-long protection from some of the most deadly cancers.

Comment: Recent understanding that stomach ulcers, and probably stomach cancers, are caused by a bacterium offers tremendous opportunity to develop a protective vaccine. We should not turn our backs on this opportunity to have a major impact on a serious public health problem.

Schizophrenia: Identifying the genetic factors involved in the onset of Schizophrenia.

The Promise: In the past few months, NIH-supported scientists reported and subsequently verified that a specific gene located on chromosome 6 is one trigger to the expression, or onset, of schizophrenia. While more than one gene is likely to have a role in causing this complex disease, this finding is of major importance to researchers seeking to develop more effective methods to diagnose, treat, and even prevent schizophrenia.

The Next Steps: For the first time, because of advanced genetic research and the possibility of locating the family of genes that underlay the vulnerability to schizophrenia, it may be ultimately possible to prevent a mental illness. This concept was virtually unthinkable 5 years ago. Having located a single gene loci associated with schizophrenia, it is vital that we pursue this lead aggressively to search for other relevant genes. In this manner, the complexity of this disease will be delineated and heretofore unknown approaches to treatment and prevention will be elucidated.

Effects of a Budget Cut: A budget cut at this time would have the effect of extending by years efforts to devise and apply molecular genetic strategies to the prevention of schizophrenia.

Comment: Schizophrenia, the most devastating mental illness, affects approximately 2 million Americans annually. Although there is no known single cause, scientists believe that genetic factors produce a vulnerability that may be triggered by environmental factors. Most currently available medications are only palliative and have severe side effects. In addition to the distress and disability caused by schizophrenia, the financial cost to society is great: treatment costs alone exceed \$7 billion per year, and social costs are estimated to be \$20 billion annually.

#### CHANGE OF VOTE

Mr. NUNN. Mr. President, on rollcall 229 I voted no. It was my intention to vote yes. It was a tabling motion.

Therefore I ask unanimous consent that I be permitted to change my vote. This will in no way change the outcome of the vote.

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

(The foregoing tally has been changed to reflect the above order.)

Mr. CRAIG. Mr. President, I rise in strong support of Senate concurrent resolution 13, the fiscal year 1996 congressional budget resolution.

I want to commend the hard work undertaken, and the excellent results obtained, by the chairman of the Budget

Committee, the senior Senator from New Mexico [Mr. DOMENICI]. We all know that his expertise in budget matters is unequalled and that he has great respect within this body and without as an opponent of deficit spending. I also appreciate how he has sought to work with and accommodate Senators with a wide variety of concerns.

This budget is not perfect; but then, no document produced by a committee—or a Senate—ever is. It is a good budget. More importantly, it is an essential budget, because it is a balanced budget.

My perfect budget would have included instructions for tax relief that is pro-family, pro-saving, pro-investment, and pro-economic growth.

We had a chance to vote on such a package yesterday, in the amendment offered by Senator GRAMM of Texas. That amendment was similar to the Contract With America tax relief bill passed by the House of Representatives. It was also similar to the Coats-Grams-Craig bill, S. 568, the first bill—the Family, Investment, Retirement, Savings, and Tax Fairness Act.

I'm disappointed that the Gramm amendment was not adopted. But I applaud Senator DOMENICI for designating a "fiscal dividend" reserve fund that takes the additional deficit reduction and surpluses expected under this budget, which will come from an improved economy and lower interest rates, and dedicates them to tax relief.

Senators have spent much time these last few days debating over this and many other budget priorities. This is what should happen when we consider a budget resolution. But this budget fulfills what is, by far, the single most important priority:

It sets us firmly on a course toward a balanced budget by the year 2002.

For most of our Nation's history, the moral imperative to balance the budget was considered part of what has been called our "unwritten constitution"—those traditions so firmly imbedded in the American system, like political parties and the actual operation of the electoral college that they have the status of virtual constitutional status. For more than 60 years now, and especially over the last 30 years, this balanced budget rule has been repealed.

Because Congresses and Presidents did not have to set priorities, every item of spending has been treated like a priority. To qualify, an item needs only some well-intentioned supporters. We all know what has happened as a result:

The sum total of these individually pleasant programs exceeds the capacity or the willingness of the American people to pay for all of them.

Without a binding requirement, or at least an extraordinary commitment, to balance the budget, there is no constituency to limit spending to the amount the American people are willing or able to pay in taxes.

This dynamic has become a systemic problem, a fundamental flaw, in how

our Government operates. It has led us to the point where the Government has saddled its citizens with almost \$5 trillion in debt. It has put the economic security of every American on a collision course with catastrophe.

This isn't just one Senator or one political party talking. The realization is bipartisan. The status quo is the least tolerable alternative. The experts agree:

The General Accounting Office's 1992 report, entitled Prompt Action Necessary to Avert Long-Term Damage to the Economy, said, "[I]naction is not a sustainable policy. \* \* \* [T]he Nation cannot continue on the current path."

The Bipartisan Entitlement Commission's Final Report, issued in January of this year, said, "The present trend is not sustainable."

DRI/McGraw-Hill, one of the world's leading economic forecasting firms, in testimony before the Senate Budget Committee in January, said, "[T]he current economic strength is not sustainable. \* \* \* A balanced budget would be a major boost to the long-term growth of the U.S. economy."

This is the year, and this is the budget, in which Congress finally makes that extraordinary commitment necessary to balance the budget.

By definition, an extraordinary commitment is not permanent. That's why we still will need to return to, and pass, the balanced budget amendment to the U.S. Constitution.

When we debated that amendment on the floor of the Senate earlier this year, opponents said, "You don't need a constitutional amendment; all you need is the political will." They also raised the taunt, "Where's your plan? Show us which way you'll balance the budget."

Well, the first Republican Congress in 40 years is showing the professional skeptics in Washington, DC, and the people across America that it has the will and the way.

This budget resolution is a blueprint for hope, full of promise for current and future generations. This budget is the one that will restore opportunity and growth. This is the budget for America's future.

My colleagues know, and it is important to remind others watching, that a budget resolution is just a blueprint. The details will be filled in during the coming weeks and months by the Appropriations Committee and the various authorizing committees. I, for one, look forward to carrying this process forward within my assignments on the Agriculture, Energy, and Veterans Affairs Committees.

There's been plenty of blame to go around for not balancing the budget. That blame has extended, for years, to both political parties and both the legislative and executive branches of Government. With today's vote, we will see if the solution is bipartisan, as it should be and as I hope it is.

In the coming weeks, we will see if the President is willing to become part

of the solution. I was sad to see the President become a conscientious objector to the war on deficit spending when he submitted his official budget this past February.

The law said the President had to submit a budget, so he did. But that budget dodged responsibility, dodged deficit reduction, and declared unconditional surrender to bigger deficits and more debt as far as the eye could see. In contrast, the budget before us today enlists, fights, and promises to win the war on the deficit.

The President still will have the chance to choose whether to be a fiscal freedom fighter or a member of the status quo resistance. Congress will give him that chance in the coming weeks as we send him 13 appropriations bills and a budget reconciliation bill. Those bills, taken all together, will enact into law a 7-year plan that finally, in fiscal year 2002, for the first time in 33 years, and only the second time in 42 years, will balance the budget.

It's very tempting to make the perfect into the enemy of the very good. And probably not one Senator thinks this budget is perfect. Many of my colleagues on the other side of the aisle have come to the floor to say how much they are for balancing the budget. Then they add that one little word, those three little letters, that cause so much mischief in this town: "B-U-T." We keep hearing, "I'm for a balanced budget, but \* \* \*."

Maybe they think 7 years is too soon. Or too late. Or they say it's not really balanced unless you don't count Social Security. Or they want to take interest savings that aren't officially counted yet and use that for more social spending. Or they don't want to rescue and reform a Medicare System that is on the verge of bankruptcy. Or they demand the cart come before the horse and they want Medicare to be completely overhauled before we assume in a budget blueprint that it's going to be overhauled. Or they do want to reform Medicare, but not without the Federal Government taking over everybody's health care, or the list goes on.

The easy thing is to vote no and say you wished someone had given you something on which to vote yes. There are always excuses available, if you want to say you're for a balanced budget but you want to vote against the real balanced budget.

Mr. President, the only balanced budget that counts is the one that passes, the one that can be translated into binding law as the budget process continues this summer.

A balanced budget is not an abstract goal or a political sound bite. It's an absolute necessity.

The vote that counts today is a "yes" vote on final passage of Senate Concurrent Resolution 13. I'm proud to cast that vote. I'm proud of the Budget Committee for writing a fair, reasonable, balanced budget resolution. I expect to be proud of the Senate when the vote is complete, and I believe the

American people will feel the same way.

Mr. President, I spoke briefly on Monday about what I consider the top ten reasons why the budget must be balanced, as it will be under this resolution. I would like to reiterate some of those points now, and expand on why this conclusion is inescapable.

#### THE TOP TEN REASONS TO PASS SENATE CONCURRENT RESOLUTION 13 AND BALANCE THE BUDGET

##### 10. THE WILL OF THE PEOPLE

A vote for the balanced budget resolution is the vote consistent with the will of the American people that the Federal Government get its house in order: 70 percent in some polls, 80 percent-plus in others.

##### 9. REASONABLE GLIDEPAATH

Under this budget resolution, overall spending still increases 3 percent a year through 2002, compared with the current rate of 5.4 percent a year.

The real dividend comes after a successful glidepath to balance. After fiscal year 2002, all it takes to keep the budget balanced is to match future spending growth to revenue growth. That would again allow more than 5.2 percent a year growth in spending after 2002, based on CBO projections.

It is critical to keep in mind: balancing the budget will be easier now than it will be later.

In the mid-1980's, a glidepath comparable to that in Senate Concurrent Resolution 13 would have produced a balanced budget within 2 to 4 years. Now, it will take 7 years. The longer we wait, the harder it will get to balance the budget ever. Anyone who has any experience with debt accumulation understands why. Anyone who understands the explosive growth in Federal programs under current trends understands why.

This year, fiscal year 1995.

The \$175 billion Federal budget deficit is 11.4 percent of total outlays, 12.9 percent of revenues, and 2.5 percent of gross domestic product.

Total revenues are enough to cover all entitlement spending plus interest payments plus 68 percent of discretionary spending, in other words, enough to cover 88.5 percent of outlays.

Total Federal outlays are 21.8 percent of GDP.

According to the Bipartisan Commission on Entitlement and Tax Reform, under current trends, by the year 2030:

The deficit will be almost 50 percent of outlays and almost 19 percent of GDP.

"Projected spending for Medicare, Medicaid, Social Security, and Federal employee retirement programs alone will consume all tax revenues collected by the Federal Government." That is, revenues will cover barely 50 percent of all outlays.

Total Federal outlays could exceed 37 percent of the economy.

This is why a number of us have said during this debate that this is not only our best chance of passing a balanced budget—it may be our last.

#### 8. PRESERVING FLEXIBILITY TO ADDRESS PRIORITIES

Families and businesses understand that, if you have discipline in the short term, if you forego instant gratification, you will have more later, more money and more options.

The increasing share of the Federal budget consumed by interest payments on the debt means a decreasing share which Congress controls, ever-higher taxes, or both.

More debt means more interest payments on that debt. Interest costs squeeze other spending priorities and threaten to swallow the options of our kids and grandchildren.

Already, by fiscal year 1994, net interest payments were five and one-half times as much as outlays for all education, job training, and employment programs combined.

GAO's 1992 report found that, if current policies continue, Congress may be forced to enact one-half trillion dollars in deficit reduction each year just to hold annual deficits to a constant 3 percent of GDP.

According to the Bipartisan Commission on Entitlement and Tax Reform:

If current trends continue, by the year 2030 net interest payments will consume 30 percent of the Federal budget—double the rate of today.

Under current trends, net interest payments on the Federal debt will more than triple as a percentage of GDP. Net interest is currently 3.3 percent of GDP and is projected at more than 10 percent of GDP by 2030.

Beyond the deficit reduction already built into this budget resolution, CBO has acknowledged a possible \$170 billion "reserve fund," or "Domenici dividend," in debt service savings and increased revenues from economic growth. This could result in an additional \$170 billion in deficit reduction and surpluses over 7 years, which frees up more money for other budget priorities, such as tax relief.

DRI/McGraw-Hill went even further, saying that, by 2002, half of all the \$1 trillion in spending restraint necessary to balance the budget could come from interest savings alone.

#### 7. STOPPING THE REGRESSIVE/OVERSEAS TRANSFER OF WEALTH

Interest on the Federal debt is largely a transfer from middle-income taxpayers to large institutions, wealthy individuals and foreign investors.

In fiscal year 1994, 22.8 percent, \$44.5 billion, of the interest on debt held by the public was paid to foreign investors. Also in fiscal year 1994, 33.9 percent—\$62.6 billion—of the dollars borrowed from the public came from overseas.

Interest on the Federal debt is actually the biggest foreign aid program in history. In fact, these payments amount to more than twice the amount spent on everything in the international affairs budget function, \$17.1 billion in fiscal year 1994, \$18.9 billion in fiscal year 1995.

I do not mean to imply here that there is anything wrong with being



wealthy, a lender, or investor. To the contrary, these persons supply the capital that creates jobs, raises living standards, and legitimately finances the Government in time of war or dire emergency.

But it is unfair to taxpayers, and bad for the entire economy, for wealth to be arbitrarily and artificially redistributed through interest payments on a growing and excessive debt that has been accumulated over the decades, merely because spending and borrowing was the course of least political resistance.

This actually was one of the reasons why the original Jeffersonian Republicans were so opposed to Government indebtedness. The Republicans, representing them, as now, farmers, merchants, and other working Americans, did not want to see the fruits of their labors taxed excessively to pay interest to the monied class, represented by the big-government Federalists.

#### 6. INTEREST RATES AND INVESTMENT

Lower interest rates and greater economic growth, of course, do not benefit only the Federal budget, but all Americans.

In an appendix to its April "Analysis of the President's Budgetary Proposals," CBO discussed the drop in interest rates that could result from balancing the budget, noting:

Good arguments exist for \* \* \* a range of from 100 to 200 basis points. A drop of that magnitude from CBO's baseline forecast would leave real long-term rates at between 1 and 2 percent—lower than they have been since the 1950's—and real short-term rates close to zero \* \* \* (R)real short-term interest rates have already been as low as zero.

One widely used model, developed by Data Resources, Inc. (DRI), predicts an exceptionally large drop in interest rates as the deficit falls, nearly 400 basis points \* \* \*.

We know what these interest-rate drops mean to American families: buying a house, buying a car, or financing a college education would be more affordable than today, by hundreds and even thousands of dollars.

DRI/McGraw-Hill says that balancing the budget could result in nonresidential investment increasing 4 to 5 percent by 2002, over what it would be with today's \$200 billion annual deficits.

#### 5. ECONOMIC GROWTH

Balancing the budget means preserving, in the near term and especially for our children, the American dream of economic opportunity. The damage being done by the borrow-and-spend status quo must be stopped. A study by the Federal Reserve Bank of New York showed that America lost 5 percent growth in GNP—and 3.75 million jobs—from 1978–89 because of deficit and debt. DRI/McGraw-Hill estimates that balancing the budget by fiscal year 2002 would raise real gross national product by about 2.5 percent. That means putting about \$1,000 a year into the average household's pockets, at today's prices, by 2005.

The U.S. Chamber of Commerce has cited a Laurence H. Meyer & Associ-

ates study showing that economic output would rise between 1 to 1.6 percent within 5 years after balancing the budget.

Even the Congressional Budget Office, using a more cautious model, projects a GNP in 2002 that is 0.8 percent—almost 1 percent—higher than in its baseline projections.

The idea that balanced budgets produce economic growth is not a new one. More than 160 years ago, President Andrew Jackson said:

Once the budget is balanced and the debts paid off, our population will be relieved from a considerable portion of its present burdens and will find not only new motives to patriotic affection, but additional means for the display of individual enterprise.

#### 4. LOWER TAXES

Balancing the budget and keeping it balanced will remove pressure for future tax increases. Since every dollar borrowed today has to be repaid eventually, with interest, the status quo promises ruinous levels of taxation in the future.

According to the National Taxpayers Union Foundation, for every year in which the Federal Government runs a \$200 billion deficit, the average child of today will pay \$5,000 in additional taxes over his or her lifetime. The status quo and the Clinton budget show deficits that large and larger for as long as the eye can see.

President Clinton's fiscal year 1995 budget included a section on "generational accounting." It projected that failure to change current trends will force generations to face a lifetime net tax rate of 82 percent to pay off the current generation's bills, counting taxes at all levels of government.

#### 3. PROTECTING SENIORS

The debt is the threat to Social Security, Medicare, and the economic security of seniors on fixed incomes.

Gross interest payments on debt are the second largest single spending item for the Federal Government, and under the status quo or the President's budget, would overtake Social Security within a few years.

Growing interest payments crowd out other spending, regardless of whether an item is off-budget or on-budget or financed through a trust fund. When the Government faces the need to make good on its obligations, its ability to do so is going to be affected by the total debt load it is carrying.

More debt and a bigger chunk of the budget going for interest payments ultimately threatens the Government's ability to pay for anything else.

This becomes more obvious and more true when we remember that, under current trends: Medicare goes into deficit in 1996 and runs out of money in 2002; and Social Security taxes no longer cover benefits in 2013, the system goes into deficit in 2019, and it runs out of money in 2029.

#### 2. JOBS

DRI/McGraw-Hill projects that balancing the Federal budget can create 2.5 million new jobs by 2002.

The last Federal balanced budget was in 1969. According to Investor's Business Daily, unemployment from 1970–1990 averaged 6.7 percent as compared to the post-war period as a whole which was 5.7 percent. In the first three decades of this century, before deficit spending was the rule and not the exception, unemployment averaged 4.5 percent.

#### 1. OUR CHILDREN

The future for our children and grandchildren depends on the future of the economy.

The General Accounting Office, in its 1992 report, showed gains in standard of living of between 7 percent and 36 percent in 2020 resulting from balanced Federal budgets. More recent economic and budget developments would still keep projections well within this range.

In fact, remembering the late 1970's, there's every reason to believe that the borrow-and-spend trends of the status quo and the President's budget would provoke a return of high interest rates and make GAO's "no action" scenario positively optimistic.

We all have become familiar with Thomas Jefferson's admonition in this regard:

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

Now is the time to act on that principle, by passing Senate Congressional Resolution 13, the balanced budget resolution.

Mr. BRADLEY. Mr. President, I would like to preface my remarks by commending Senator DOMENICI for his efforts to help tame the Federal Government's runaway deficits.

As you know, Mr. President, under 12 years of Republican administrations, the Federal debt quintupled. In 1980, when Republicans took over both the White House and the Senate, the Federal debt stood at about \$800 billion. After 12 years of Republican leadership, the debt stood at roughly \$4 trillion. If it were not for the almost \$200 billion in interest that we pay each and every year on the debt that was amassed under successive Republican administrations, we would already have a balanced budget. In 1993, in order to begin to tackle the problems posed by this mountain of debt, Congress passed the largest deficit reduction passage in history. We did this without a single Republican joining in the effort.

Time and time again, I have stated that we cannot gain control over the Government's fiscal crisis with gimmicks. No amendment to the Constitution will ever balance the budget. No rosy projections about economic

growth and supply-side impacts will balance the budget. Only strong and consistent leadership will balance the budget. If we want to restore the Federal Government to fiscal sanity, we cannot abrogate our leadership responsibilities or refuse to join the debate for fear of the political consequences of tough decisions. Instead, we must act decisively to continue to move toward a balanced budget.

We could adopt a "scorched earth" approach to balancing the budget, slashing and burning everything which gets in our way. But what good have we done for our children if we reduce their debt burden but deny them a decent education and adequate health care? How much have we improved our workers' ability to compete in the world economy if we deny them the funding necessary to improve their skills?

Presenting numbers which add up to a balanced budget is one thing; deciding how to reach those numbers is an altogether different task. It is in deciding how to reach those numbers—deciding what our priorities really are—that we reveal who we are as individuals and what we stand for as a nation. So, Mr. President, while I am pleased that the proposed budget resolution moves us toward a balanced budget, I am concerned about the means used to achieve this end.

Mr. President, the Republicans' choices distort the principle of shared sacrifice. They have balanced the budget on the backs of children, students, families, and seniors. They have chosen to cut programs for those most in need in our society, while asking little or nothing of large corporations and the wealthy.

Mr. President, no matter how the Republicans phrase their assault on Medicare, it's just that—an assault. Their cuts will force millions of seniors to suffer drastically reduced benefits, a much lower quality of care, and significantly higher medical bills. We desperately need Medicare reform, but we cannot simply let seniors free-fall until these reforms take place.

The Republicans' Medicare cuts mean that, on average, seniors will have to find an additional \$3,447 to pay for their health care over the next 7 years. For the majority of seniors, this will be no easy task. In 1992, the median income of seniors in this country was only about \$17,000 a year, and about a quarter of elderly households had incomes under \$10,000. These seniors already spend more than \$1 of every \$5 on medical care. For the millions of seniors across the country who live on fixed incomes, finding an additional \$3,447 will mean sacrificing something else which is important to them. It has been stated that each month millions of American seniors are forced to choose between food and necessary medication. I can't help wondering how many more will be faced with this horrible choice once the proposed cuts are put into place.

In addition to higher costs, seniors are likely to have fewer choices. In

many cases, financial limitations will leave them with no choice but to join a managed care plan. Doctors, hospitals, and others providers are all likely to face even lower reimbursement rates. As a result, many health care providers may no longer be able to afford to accept Medicare patients. Those that can will be forced to shift even more costs onto their privately insured patients, creating a hidden tax on employers and individuals.

Mr. President, that's just Medicare. This budget proposal also cuts Medicaid by \$175 billion. Again, I think it is important that we all understand exactly who these cuts will affect. Medicaid now insures about one of every four American children. It helps to pay for roughly one of every three births in this country. It also provides aid to over three-fifths of the people who need long-term care services, either in nursing homes or at home. Most elderly recipients of Medicaid are people who spent their whole lives as members of the middle class. But when faced with nursing home costs averaging almost \$40,000 a year, it doesn't take long for their entire life's savings to disappear. Once they reach this point, these people have nowhere else to turn. Thankfully, Medicaid has been there to provide a safety net for them.

This resolution caps Federal Medicaid spending at an average annual growth rate of 5 percent. We all know that Medicaid spending is expected to grow faster than that in the future. By setting a 5-percent cap, the Federal Government is essentially saying to the States: "It's all your problem now. We can't figure out how to deal with the growing number of uninsured and the rising costs of health care, so you do it. We wash our hands of any responsibility to help you deal with these critical needs." But, if we are honest with ourselves, we must admit that States can't cope with these problems alone.

So, Mr. President, let me tell you what is expected to happen once these proposed Medicaid cuts go into effect. By the year 2002, the number of uninsured children in America is predicted to rise by more than 6 million. By that same year, there will be an additional 3 million persons who need, but will not receive assistance with, the costs of long-term care. These individuals will not be able to obtain nursing home care, despite the fact that they will need more care than their family and friends will be able to provide. For those individuals who will be able to enter and remain in nursing homes the picture will not be much brighter. Medicaid now pays significantly less than the private sector for long-term care. When Medicaid cuts these payments even further—as it will have to do in response to the budget cuts—nursing homes will have to do even more with less. This means that staff will be stretched even thinner, and each resident will receive even less personal attention. The proposed cuts will mean

that the quality of life of nursing home residents will deteriorate even further.

There is no doubt that Medicare and Medicaid have taken the brunt of the proposed cuts. But they are not the only examples of shortsighted cuts contained in this budget proposal. Consider the cuts to the earned income tax credit and education funding. The EITC provides tax relief to lower income working families. By proposing to cut the EITC, this budget deals a strong blow to the working families. While I strongly believe that sacrifice is needed to balance the budget, I have to ask: Is it fair to ask working families to make a sacrifice of this magnitude at the same time the Republican budget proposals contemplate tax cuts for corporations and the wealthiest Americans?

At the same time, this budget significantly cuts funding for student loans. We all recognize that we must balance the budget so that our citizens will be able to compete successfully in the next century. While I agree with the need to prepare for increased global competition, it is difficult to understand how we will become more competitive without the skills and knowledge that an education provides.

At the same time that this budget makes drastic cuts in critical programs, it completely ignores the billions of dollars we spend each year on special-interest tax loopholes. The tax code provides special exceptions that will total over \$480 billion in 1996, more than double the entire Federal deficit and nearly one-quarter of total Federal spending. Because many of these tax code provisions single out narrow subclasses for benefit, the rest of us must pay more in taxes.

Balancing the budget will not be easy. It will require significant sacrifices. However, how can we argue that we are fairly balancing the budget when we raise taxes on working families and make dramatic cuts in Medicare, Medicaid, and education, yet continue to spend billions each year in tax pork?

Mr. President, to help correct many of the problems contained in the Republican budget proposal, I have offered a substitute balanced budget proposal. In fact, under my proposal, the Federal Government would have a significant budget surplus by the year 2002.

The main difference between the proposals the Republicans and I have offered is in the priorities that they set. I believe that our Nation's future success will depend on the choices we make today. To ensure this success, I believe that our priorities must be placed on our children. The most important step we can take to build a better life for our children will be to balance the budget, which my proposal would do. However, in our efforts to put the budget in balance over the long run, we cannot ignore the needs of our



children today. Therefore, my proposal would fully fund the education and child nutrition programs cut under the Republican proposal.

At the same time we are attempting to create a better future for our children, we cannot ignore the legitimate needs of older citizens today. To ensure that the elderly and the least well off in our society are not forced to bear the bulk of the sacrifices that balancing the budget will require, my proposal restores \$100 billion in Medicare funding and replaces \$75 billion in Medicaid cuts.

I would also repeal the Republican tax increase on those families that are trying to work their way out of poverty. Although we need to balance the Federal budget, it would be shortsighted to do so on the backs of America's working and middle-class families. In the face of declining real wages and Republican proposals to cut important aid programs, more and more American families are facing increasingly tough times. These are working families who need every penny of the wages they earn just to make ends meet. We simply should not tax these families into poverty by cutting the EITC.

My budget would pay for these changes by reducing defense spending by just \$5 billion below the current baseline, cutting \$15 billion in wasteful, pork-barrel spending, eliminating \$46 billion in unnecessary agriculture subsidies, and raising the tobacco tax by \$1 per pack to restore much of the funds lost in the Republican Medicare cuts.

I would also close \$197 billion in special-interest tax loopholes. My budget explicitly provides that individual tax rates will not be raised and that the deductions for mortgage interest, charitable contributions, and State and local taxes will not be affected. Instead, these savings will be realized by simply slowing the rate of growth in special-interest loopholes enjoyed by corporations and the very wealthy. Left unchanged, between now and the year 2002, the Federal Government will spend roughly \$4 trillion on tax subsidies; my proposal would affect less than 5 percent of this amount.

Rather than reducing the deficit by singling out children, working families, and the elderly for especially harsh treatment, I would offset a portion of these potential cuts by setting specific targets for eliminating tax loopholes. I believe that this approach would allow us to balance the needs of the many with the desires of the few.

Mr. President, I expect that some will attempt to mischaracterize my efforts to close special interest tax loopholes as a tax increase. If there was a special tax credit for Members of Congress, and we closed that loophole, no one would claim that we were raising taxes. However, when we attempt to close tax loopholes for the oil and gas industry, the agricultural industry, or other industries, we hear the cham-

pions of these special interests claim that we are trying to raise taxes.

Tax loopholes give some individuals and corporations a special exception from the rules that oblige everyone to share in the responsibility of our national defense and protecting the young, the aged, and the infirm. The only way to let everyone keep more of what they have earned is to minimize these tax expenditures so that we can reduce the burden of the national debt and bring down tax rates fairly, for everyone.

Finally, if, by balancing the budget, we realize additional savings, my budget provides that these savings may be used to provide a middle-class tax cut. This tax cut would not be available until after we have achieved the savings necessary to put us on a path toward a balanced budget. It is my strongest hope that we will have these savings in order to provide much needed tax relief to working families in New Jersey and across the country.

Frankly, Mr. President, I do not expect my budget proposal to pass. By asking the Defense Department, the tobacco industry, agribusiness, and other special interests to share in the burdens of balancing the budget, my proposal takes a small bite out of a number of sacred cows. As a result, I anticipate that my budget proposal will raise a good deal of organized opposition. Unfortunately, unlike defense, tobacco, and the wealthy, most Americans cannot afford high-paid lobbyists to protect their interests. So, in all likelihood, my budget proposal will be defeated, average Americans will be left bearing the burden of balancing the budget, and special interests will continue to enjoy all of their same benefits at the expense of the rest of us.

Mr. President, fundamentally, my budget proposal is about setting priorities. There's no serious disagreement between Democrats and Republicans on the need to balance the budget. In fact, my proposal would reduce the deficit by even more than the Republican proposal. However, the real question that my proposal raises is how we should balance the budget. Either we can balance the budget by raising taxes on working families and cutting needed assistance for children and the elderly—as the Republican proposal would do—or we can spread the burden for balancing the budget more fairly—as my proposal would do.

I am very pleased that our Republican colleagues have chosen to join the fight to eliminate budget deficits. Again, I commend Senator DOMENICI for introducing a budget resolution which seeks to achieve that goal. At the same time, however, I have serious concerns about many of the specific proposals contained in this budget. I am deeply concerned for our Nation's children, families, and seniors. And, I am concerned that many of the cuts in the Republican budget proposal are necessary because of a refusal to simply slow the rate of growth in special interest loopholes.

Mr. President, America needs a balanced budget. But it deserves a much better balanced budget than that proposed by our Republican colleagues. The budget I have proposed will balance the budget without losing sight of the obligations we have as a nation to our children, families, and seniors.

Mr. LIEBERMAN. Mr. President, today, by voting for the amendment offered by Senator CONRAD, I voted to balance the Federal budget by the year 2002. I was pleased to work with Senator CONRAD in recent days on his amendment, and I am particularly pleased that it restored funds for education, economic growth, job training, and environmental protection. Senator CONRAD's amendment would have balanced the budget by making tough choices: it drastically slowed the increase in spending on Medicare and Medicaid; it froze discretionary spending, meaning no real growth in spending over the next 7 years; it closed tax loopholes and eliminated wasteful subsidies.

I did not agree with every detail of this amendment, but it came closest to my priorities in terms of what we need to preserve and what we need to reduce or get rid of to reach the goal of a balanced budget. It balanced the budget without harming our Nation's defense or reducing our fight against crime. It did so without slashing Government's commitment to helping businesses create jobs, helping children receive a good education, and helping protect our environment from pollution.

I am sorry that the amendment did not pass, but I do not regret my decision to support it, because I believe achieving a balanced budget is essential if we are to keep our economy strong and keep hope for a brighter future alive for our children.

After careful consideration of the budget offered by Senator DOMENICI, I decided to vote against it. I have great admiration for what he has done: he brought a serious balanced budget to the floor and shaped a historic debate over the direction of our country. Senator DOMENICI deserves much credit for putting us on the path toward a balanced budget.

But I concluded the path his budget takes to achieve that goal is too strewn with policies that I do not support. The worthy end does not justify the harsh means. I decided to oppose the Budget Committee's budget because it: reduces government's key role in promoting education, research, technology, and trade promotion, all of which are crucial to our children's economic future; turns back the clock on environmental protection, threatening to foul our waters and beaches and pollute our lands; and increases the tax burden on working families by canceling the expansion of the earned income tax credit.

I could not reconcile the Budget Committee's balanced budget with the

steps taken to achieve that balance. If there were no other way to achieve a balanced budget, I would have had no choice. But the Conrad Amendment proved that there is a better way.

One final point: this has been, for the most part, a sober, substantive debate over a serious, precedent-setting budget resolution. But too much politics was being played by both parties. Unfortunately, some Democrats used this occasion too frivolously by simply sniping at the Budget Committee's plan for short-term, partisan gain. As a consequence, they have helped reinforce an image of our party as reflexively committed to spending and the status quo. I also regret that the leadership of the Republican party failed to reach out to those of us on the other side of the aisle who share a genuine commitment to a balanced budget to fashion a budget that could have won substantial bipartisan support. By acting alone, I believe they have gone too far.

This is the first step of a long process, however, and I hope we can begin to work together so that, in the end, we can pass a bipartisan balanced budget.

#### THE BUDGET RESOLUTION

Mr. KERRY. Mr. President, America has three deficits—not one. And we have to address all three if we are to solve our fiscal and social problems. We have to cut the budget and reduce the fiscal deficit, but, as I have said before, we also have an investment deficit and a spiritual deficit that require our collective commitment to retool and rebuild our communities, our politics, and our culture for the next century.

This budget, Mr. President, is wrong-headed and misdirected in concept as well as in substance. It is at best myopic and at worst destructive.

I have come, once again, to the floor to talk about the three American deficits, not one about a commonsense approach to the budget and about fair cuts. These things seem to have eluded my friends on the other side of the aisle, and I submit that this budget proposal, Mr. President, proves it.

I have to say, first, I think the American people are looking for an honest, truthful budget that tells them what really is being cut and who will bear the burden.

Mr. President, we all want to eliminate the deficit. It is bankrupting this country, but to cut Medicare and break a generational compact with American mothers and fathers who are retired and struggling to make ends meet in order to pay for tax cuts for the wealthiest among us is not the way to do it.

I was both troubled and in a way amused to see, Mr. President, that the Republican cuts in Medicare actually take "choice" in health care away from senior citizens. They will not be able to choose their own doctors. That is exactly what my friends on the other side complained about last year when

they rejected the President's health care plan because working Americans would not have a choice of doctors.

And now, here they are doing what they said was wrong for workers last year, but in their minds is apparently right for senior citizens this year.

Mr. President, this is the height of hypocrisy. We saw television commercials that played on those fears, and here we are today with those same Republicans doing what they claimed a year ago was dead wrong.

If that is not a flip-flop on the fundamental issue of health care reform, then I don't now what is.

Let me say a few things about Medicare, Mr. President.

Medicare was a Democratic compact and I—for one—will not trade it for an ill-conceived attempt to score political points.

It is a bedrock program that provides adequate health care to one out of every seven Americans—that's 38.3 million people—38.3 million Americans who worked hard, played by the rules, and made plans based on our contract with them, and we won't break it.

Without these benefits many if not most of our seniors would have limited access to adequate care, and in many cases no treatment at all.

Mr. President, when it comes to Medicare, turning our back on our commitment to the elderly and disabled by asking them to pay almost \$900 more per year in premiums, \$1200 for home health services, and \$100 more per year to meet their deductible may be what the Republicans think they need to do to keep their promise to protect the wealthiest and the strongest in this society, but it is not part of the Democratic commitment to protect average, hard-working Americans.

That is not to say that Medicare doesn't need to be fixed, but this is not how we ought to fix it.

Mr. President, I find it very interesting that the proposed cuts in the Medicare program under this Republican plan virtually equal the total amount the Republicans have budgeted for a tax cut for the wealthy.

They have to break a promise to millions of Americans who live on fixed incomes and have made careful plans based on our commitment to them to achieve their goal.

It is absolutely outrageous. It is fundamentally unfair. And it's just plain wrong.

We need to fix the system, Mr. President, but fixing it does not mean using it to balance the budget or win some ideological points.

The system is, indeed, costly. This year's estimated Medicare expenditures will be 10.4 percent higher than last year. But that is not the function of government largesse. It is the function of a number of factors: including a rapidly aging population resulting in more beneficiaries, increases in the costs of medical procedures, inefficiencies in the utilization of medical services, and the costs of new technologies for increased medical care.

For all these reasons, Mr. President, Democrats supported comprehensive health care reform last year, and my colleagues on the other side took a walk on it; and now I am amazed to hear my colleagues demanding that the Democrats should take the lead on the budget and do something about health care costs.

We did, and they said no. Now it is time for them—now that they are in the majority—to stand and deliver.

The truth is that the President's proposals to accomplish this last year were shot down by the Republicans without their offering even a single alternative—and despite all the publicity of the Contract With America, it has not produced even the beginnings of a broad health care reform proposal, much less a comprehensive plan this year.

Mr. President, it has been my belief that we must gain control over the increases in Medicare costs. But it should be done in the context of comprehensive reform of our health care system, not by willy-nilly cutting benefits to the elderly.

The problem with Medicare is nothing new. It has been articulated by the trustees, and by every responsible government official. For this reason, Mr. President, when this latest political effort to trade Medicare for tax cuts is over, I anticipate that this Congress, Republicans and Democrats, will support a broad range of bi-partisan reforms that will make the Medicare trust fund solvent—just as we did for Social Security in 1981.

I do not support dumping those problems on the States, or thoughtlessly cutting eligibility for these programs or the services they finance for the elderly.

And I am not for cutting reimbursement rates to providers so deeply that they leave the program, go out of business, or simply shift costs to individuals who pay for their care directly or with private insurance.

Mr. President, I will support only thoughtfully-devised approaches designed to address these six basic reforms to Medicare: eliminate unneeded care and treatment; put a stop to paying for ineffective treatments; increase inefficiency of the entire medical care delivery system; emphasize preventive rather than remedial care; emphasize outpatient rather than inpatient care; and implement financial reforms that build-in disincentives to excessive use of medical services without inhibiting needed preventive care.

Any plan that addresses these six basic areas will represent the kind of comprehensive reform we need.

But, Mr. President, we must approach reform intelligently and compassionately with a deep and abiding regard for the promises we've made to elderly Americans who have reached the age of 65 and have planned on Medicare benefits.

Medicare needs to be fixed—not raided.

Having said that Mr. President, I believe that Medicare is hardly the only problem with this proposed budget.

I have said on this floor, and I will say it again, that we face an enormous fiscal deficit and I am prepared to make the cuts necessary to reduce the deficit and avoid bankrupting our children and grandchildren, if they pass the fairness test and the common sense tests.

But I want to discuss how this budget fails to address the two other American deficits.

Yes, we face a growing fiscal deficit, but we also face a growing investment deficit and a growing spiritual deficit, and this budget is wrongheaded in not understanding or appreciating the significance and interrelation of the three American deficits that are ruining this nation.

As much as we need to reduce the fiscal deficit we also need to increase living standards, create jobs, educate our children and our workforce, and preserve and protect the quality of life that generations of Americans have come to expect.

I believe the budget debate should focus on attacking all three of these deficits:

The first is the fiscal deficit. The national debt has more than tripled since 1979 and will soon top \$5 billion. Just the interest payments on the debt affect every other budget decision we can make. We know that.

We know that if we let this continue, we will be crowding out all the other choices we can make: how much we can spend on national defense and on essential social programs like drug treatment and prevention.

The second deficit is the investment deficit. We need to find ways to invest in our infrastructure as well as in our people. A nation that does not invest is a nation that has given up hope for the future. We are not such a nation.

And let me tell you, we are a nation that has always found a way to build and grow—re-tool and re-invest in education, in business, in the arts and sciences, in our culture and in our families. We need to remove unnecessary regulations so business can create jobs while, at the same time, we maintain the health and safety of every American.

The third deficit is the spiritual deficit. Values, my friends, do not come from laws and speeches. They come from families, teachers, and churches.

There are millions of young Americans today who no longer have significant contact with any of these sources.

If this country is going to have children having children; if families are going to continue to erode—then our ability to reach these kids is essential. If that means investing in community organizations with a track record of success, then we should do it.

So, I submit that this budget debate needs to go beyond the political rhetoric about our fiscal deficit. We all agree that we need to downsize and

streamline government, but we must not lose sight of our obligation to re-invest in our people and in our nation to keep both strong.

Mr. President, let me quote from an editorial on this budget debate in the Washington Post on Tuesday by E.J. Dionne. I think he asks an important question that must be addressed.

He asks, "Will Democrats be bold enough to question the Republicans' core assumptions about government? The issue in this debate," he said, "should not be whether to reduce the deficit, but how that can be done in ways that will increase living standards and average wages, which have been dropping for two decades."

Now, Mr. President, I am challenging those core assumptions of the Republicans because I believe they are short-sighted and wrong. And I believe that we will not be in an economic position to increase living standards until we have a budget that addresses the three American deficits simultaneously.

In fact, Mr. President, I submit that if we pass this budget we will dramatically *increase* our investment and our spiritual deficits because we will not have committed ourselves to creating opportunities and jobs. We will not have committed to preserving the fundamental structural integrity of our nation—whether it's our roads, railroads, and bridges, or our values and our belief in citizenship and in the concept of community.

This budget, Mr. President, is, therefore, wrong-headed, misdirected. It doesn't make any sense. It fails the common sense test. It fails the fairness test.

This budget disinvests in people and makes us less competitive.

It cuts Medicare by \$256 billion; it cuts student aid by \$14 billion; it terminates AMTRAK by the year 2000—terminates it.

Do you know that we are 34th in the world in our commitment to our rail system which industry and commerce rely on. We are behind Ecuador and just ahead of Bangladesh. And the Republicans now want to cut all support for the railroads.

The proposed budget decimates environmental programs and cuts all the crime prevention programs we passed last year.

It cuts \$34 billion from food and nutrition programs.

It cuts unemployment compensation, SSI, and other programs under the jurisdiction of the Finance Committee by \$66 billion.

But this so called revolution doesn't stop there. It disinvests in our infrastructure by cutting \$3 billion for airports, highways and school improvements.

It disinvests in job training for young people by cutting \$272 million. It disinvests in summer jobs for kids by cutting \$871 million. It even disinvests in safe drinking water with a \$1.3 billion cut in grants to the states to keep our water clean.

These are not just draconian cuts that go to the heart of our ability to address the three deficits we face. They are the symbol, Mr. President, of a wrong-headed political philosophy that does not represent the mainstream of America.

So, I submit that this budget is fundamentally flawed in its concept and is designed simply to achieve the political goals of a minority of anti-government zealots who are blind to the real needs of this nation. They cut what we need and keep what we don't.

Let me conclude by saying, Mr. President, that I am emphatically for a balanced budget. I voted for the Bradley and Conrad alternative budgets because, though they are not perfect, they better protect Medicare, Medicaid, education, and other critical government services and they make better choices than the Republican leadership's budget.

What the Bradley and Conrad alternatives prove is that we can balance the budget in less than ten years without increasing income tax rates for lower- and middle-income Americans. They prove in some what different ways that we can balance the budget without pillaging or eliminating key government services on which tens of millions of Americans depend and which are critical to keeping our nation competitive and our people healthy, happy, and safe.

Both of these alternatives balance the budget in a fairer fashion than the Republican leadership in both the House and the Senate has tried to persuade the American people is possible.

Mr. President, until my Republican colleagues understand that this budget is about people and their future and the future of our nations, and that there are three deficits we face as a nation—until they change their core assumptions about what we must preserve as well as what we must cut, then they will have failed, as the majority party, to legislate in the best interest of the people who have entrusted them with the fundamental process of this democracy. As I oppose this Budget Resolution, I commit to continue working to place us on a different course that will permit us to realize our potential as a nation.

AMENDMENT NO. 1150

OIL AND GAS LEASING IN THE ARCTIC NATIONAL WILDLIFE REFUGE

Mr. KERRY. Yesterday the Senate voted on an amendment sponsored by Senator ROTH which removed from the budget all savings attributable to enactment of legislation to open the Arctic National Wildlife Refuge (ANWR) to oil and gas leasing. The Arctic Refuge is often referred to as America's Serengeti because of its outstanding wildlife, beauty and recreation opportunities. ANWR serves as the staging area for thousands of migratory birds, denning habitat for polar bears, and calving grounds for the 160,000 member Porcupine Caribou Herd. Moreover, the Refuge plays an integral part in the

lives of the Gwich'in people, whose members depend upon the seasonal migrations of the caribou for both survival and cultural identity. The biological heart of this pristine wilderness is the 1.5 million acre coastal plain.

The fate of ANWR has been the subject of a complex and highly contested debate for more than a decade. That is why I am deeply saddened that the Budget Committee would use this back door approach via the budget process to try to open one of the Nation's last great wilderness areas to oil drilling.

Under current law, receipts generated from assets sales and leases cannot be used for deficit reduction. I fear using the anticipated \$1.4 billion proceeds from opening ANWR to drilling for deficit reduction may signal the beginning of a "fire sale" of natural resources such as the ANWR. For many Americans, trading the Arctic Refuge wilderness for a one-time budget reduction, and the possibility but only the possibility of finding oil, is simply not worth it. The environmental costs of opening the Refuge to leasing are not worth the estimated benefits, especially when the oil—estimated to supply only a 200 days supply of oil for the nation—is not needed because small gains in energy conservation could provide both more energy and more job creation than developing all of the potential for oil available in ANWR. It is very ironic that, while taking the first step towards opening up ANWR for exploration for petroleum, this budget will cut funding for energy conservation programs that could decrease our dependence on petroleum and create more U.S. jobs. A national energy efficiency program would create, on average, ten times the number of jobs that might be produced from Arctic Refuge drilling.

All Americans have a stake in our national wildlife refuges and parks. The Arctic National Wildlife Refuge is the crown jewel of the National Wildlife Refuge System. The Refuge is a wilderness area unique not only in the United States but in the world. The words of the renowned naturalist, George Schaller, say it all:

Based on my experience, I conclude that the Arctic National Wildlife Refuge in all its magnificent diversity, from mountain range to coastal plain, is unique and irreplaceable not just on a national basis, but also on an international basis. It is sometimes thought that there are still many remote and untouched wilderness areas in which the earth's biological diversity will be protected . . . Most remote ecosystems, both inside and outside reserves, are rapidly being modified. The Refuge has remained a rare exception. It represents one of the last and true large wilderness areas left on earth, an area unspoiled, its biological systems intact. Our civilization will be measured by what we leave behind. The Refuge was established not for economic value but as a statement of our nation's vision. There are certain places on earth that are so unique that they must be preserved without compromise . . . Such places include the Virunga Volcanoes with its mountain gorillas, the Serengeti plains, the Chang Tang of Tibet—and the Arctic National Wildlife Refuge.

Mr. President, I voted for the Roth amendment primarily because I believe it is unconscionable to allow the degradation of the "biological heart" of the only complete arctic ecosystem protected in North America without a thorough and substantive debate undertaken in full view of the American public. I terribly regret a majority of the Senate did not vote the same way and that we moved one step closer to what I believe is an unacceptable outcome.

Mr. EXON. Mr. President, I yield 2 minutes to the Senator from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. CONRAD. I thank the Chair. I thank the ranking member.

I wish to commend the chairman of the Budget Committee and commend the ranking member for really an exceptional effort. The chairman of the Budget Committee has been truly dedicated to balancing the budget and deficit reduction for as long as I have been a Member of this body, and I wish to pay respect to that commitment.

The goal is absolutely right. This is precisely what we must do for the country's future. I think all of us who have worked on the budget understand that we must rein in the growth of entitlements, we must look at freezing defense spending and domestic discretionary spending if we are going to have a chance to do what is the right economic policy for this Nation's future. It will mean a better future for America if we achieve a balanced budget.

Mr. President, I do not believe the specifics that we have in this plan are yet a fair sharing of the burden of deficit reduction.

It seems to me that the middle-class children and the elderly have been ordered into the front lines, but the wealthiest among us have been ushered to the sidelines. More than that, they have been put at the head of the line for additional tax preferences, tax breaks, and tax loopholes.

Mr. President, I do not think that is right. A group of us offered an alternative. We called it the fair share plan because we think it had a more equitable distribution of the burden of reaching a balanced budget, and we reached a balanced budget in the year 2004 without counting the Social Security surpluses. We had more deficit reduction in the year 2002 than the plan we will vote on momentarily.

But perhaps the most interesting irony is that as part of our plan, we proposed closing tax preferences and tax loopholes. Yesterday, the other side said that was a tax increase. But interestingly enough, the last vote that we had on an amendment offered by a Republican Senator was to do precisely what we advocated.

The Senator from Maine offered an amendment to restore funding to education priorities and do it by closing tax preferences and tax loopholes. I am

glad they have put it on the table. It got 67 votes, when that was the last amendment adopted because that is precisely what direction we ought to take to reach a fair conclusion when we vote on reconciliation. I hope we do that, Mr. President. I hope we do that.

Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER. Who seeks recognition?

Mr. BIDEN. Will the Senator yield me 2 minutes?

Mr. EXON. I yield 2 minutes.

The PRESIDING OFFICER. The Senator is recognized for 2 minutes.

Mr. BIDEN. Mr. President, we have reached an important point in dealing with the budget deficit. The Senator from New Mexico has proposed a deficit reduction budget that is real. The Senator from Nebraska and the Senator from the State of North Dakota and Senator BRADLEY and I, although they are different plans, have introduced proposals that are real, genuine reductions in working on a balanced budget and moving to a balanced budget within 7 years.

But there is a big difference here. I believe the one we are about to vote on is simply not fair. We can get there from here fairly. There is a fundamental difference in the approach taken by Senator BRADLEY and myself and the Senator from North Dakota, and others, and the Republican proposal, and that is, we put a lot less burden on the elderly, a lot less burden, or no burden, on college loans, a lot less burden on middle-class folks. We increase the burden on other elements of society. The point is, we do look at and do play a major part in dealing with closing tax loopholes.

It is a big difference. It is a fundamental difference, but this is only the first round of the fight. This is a budget resolution that does not mean a darn thing other than as it guides us. It is not a law. It does not change anything. The President does not get to veto it or sign it. We now get into the hard stuff, the hard part.

I am confident that as the American people understand the commitment on both sides to move to a balanced budget, they are going to be able to begin to weigh what the real costs are, and they are going to make a judgment whether or not cutting Medicare and Medicaid by \$400 billion is a better way to go than closing \$176 billion worth of tax loopholes. They are going to make those basic judgments. I think we will be back at it again. I compliment the managers of the bill for their diligent effort.

The PRESIDING OFFICER. Who seeks recognition?

Mr. DOMENICI. I yield 1 minute to Senator THURMOND.

The PRESIDING OFFICER. The President pro tempore of the U.S. Senate is recognized.

Mr. THURMOND. Mr. President, we have the greatest nation in the world. It has given us more freedom, more justice, more opportunity and more hope

than any nation has given its people in the history of the world. If we are going to keep it free, though, and enjoy freedom and democracy, we have to do at least two things: We have to keep a defense that is strong to protect us from our enemies. And the other thing is, we have to take steps to handle our finances correctly. We have not balanced this budget but once in 32 years, eight times in 64 years. We cannot keep on like this.

I want to commend Senator DOMENICI, the chairman, for the great job he has done. I also commend the able Senator from Nebraska for how he has handled this bill on the floor. In addition I commend Senator DOLE, for the leadership he provides.

Mr. President, we must take steps to take care of our finances. If we do that, and protect our defense, we can continue as the greatest nation in the world. I hope we will take a step tonight toward putting our fiscal house in order, and pass this Budget Resolution. I thank the chair and yield the floor.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The distinguished majority leader.

Mr. DOLE. Mr. President, it is my understanding both the distinguished minority leader and the majority leader each have 5 minutes of the allotted 40 minutes. How much time is remaining?

The PRESIDING OFFICER. There are 9 minutes left for the Senator from New Mexico and 2 minutes left for the Senator from Nebraska.

Mr. DOLE. I wonder if I might inquire of the Democratic leader, will he speak following the Senator from New Mexico?

Mr. EXON. Mr. President, the order, I thought, was I would speak, Senator DOMENICI would speak, Senator DASCHLE, and then Senator DOLE. That is what we tentatively agreed to.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I yield myself 4½ minutes so the Senator from Kansas can make the final remarks on our side.

Mr. President, there are so many people to thank. I do not believe I am going to try to thank them name by name, because I am going to forget some. But I must say, there are 11 Senators that I must thank very personally and very specifically.

Senator DOLE, on January 6, assigned the Budget Committee and I was its chairman. As I looked at the Senators that were assigned and the Senators that were left from previous years, I wondered how would I get 12 Senators to vote together.

Maybe to those on the outside they would not understand this, but let me just read off the names as I thank them individually and share with our leader how difficult and daunting I thought the chore was on January 6:

Senator GRASSLEY, Senator NICKLES, Senator GRAMM of Texas, Senator

BOND, Senator LOTT, Senator BROWN, Senator GREGG, Senator GORTON, Senator SNOWE, Senator ABRAHAM, and Senator FRIST. That is a very diverse group of Republican Senators.

But let me say to the American people, a very significant event is going to occur tonight when we vote on this balanced budget. And as it is recorded and as we look back on it, while many deserve credit, none deserve the credit more than these 11 Senators who joined with me in producing what I am absolutely convinced is a fair budget, is a good budget and will, indeed, protect today and tomorrow. It is a budget for today and a budget for tomorrow.

The tomorrow part is shown right here behind me. I am not going to go through each one. Here are five little children and a set of twins.

Mr. President, if you look at those big numbers on each of these including—let us pick whatever you want, Sam and Nicholas. You can guess about how old they are. You see that \$151,000. Mr. President, I say to my fellow Senators that \$151,000 is what those children will pay out of their income to pay the interest on the national debt if we were to adopt the President's budget and stay at current law.

Mr. President, I say to my fellow Senators, we can talk all we want about who this budget helps and who it hurts. But I want to tell you, for one thing, you cannot continue to do that to our children or there will be no America, there will be no future. For what will young people have to work for if they work for us to pay our interest on our debts which we adult leaders refuse to pay?

Frankly, what we are saying today is a very simple vision. For the first time in 25 years, the grown-up leadership of America is going to say we are going to pay our own bills. If we want to give citizens of the United States benefits, if we want to have programs that we herald across America, we are going to pay for them or we are not going to have them. That is what this budget says, 7 years from now, not tomorrow, for some would say, is it not too quick?

How quick is too quick? Twenty-five years in deficit and 7 more in deficit—that is 32, I say to my friend. When is it enough? Mr. President, let me suggest that Senator EXON has been a marvelous ranking member, and I thank him, his great staff and my great staff. But I do not believe it is fair to say that there was no room for cooperation. It is now many, many days since we put forth a comprehensive budget that everyone that has looked at it says not only is it fair, but it is filled with integrity. It is honest, it has no smoke and mirrors, and, if implemented, its probability for a balance is very, very high. We cannot do much better for our people than to produce that.

Now, frankly, I have not seen any real serious effort to try to address the issues that we put before the Budget Committee or here on the floor. Frank-

ly, in the committee they have an argument. The first couple of days they did not know enough about it. Even after they found out about it, the amendments all went to spending more money but taking it out of the reserve fund.

I close today saying to my fellow Americans—young, old, seniors, military men—you all ought to be proud of the Senate tonight because we will vote about 56 or 57 strong to preserve today and make sure that we are strong and powerful in the future and that our children live in a land of opportunity.

I yield the floor.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The Democratic leader is recognized.

Mr. DASCHLE. How much time remains?

The PRESIDING OFFICER. Four and a half minutes to the Senator from New Mexico, 2 minutes to the Senator from Nebraska.

Mr. DASCHLE. I will use additional leader time, if I must, to accommodate whatever time is required for my remarks.

Mr. President, let me begin by commending the distinguished chairman of the Budget Committee and the ranking member for what I consider to be an outstanding job. They have led this Senate in the last several days in a very good-faith effort, and I applaud their work, and I applaud the staff, especially, for what has been an extraordinarily arduous and extremely meaningful project for which we can all be very proud.

Let me also say there is absolutely no disagreement with what the chairman said about those children. There is no disagreement about how concerned we are about the debt they are incurring. There is no disagreement whatsoever about their futures and how important it is that we address this budget. The only disagreement is how we got the interest amounts that were designated under each picture. The amounts those children have to pay, in large measure, were run up in the Reagan and Bush administration years, and everyone understands that.

The question now is: How do we get out of it? Because for the last couple of years, that is what this administration has given us the opportunity to do—to begin making the downpayment on a balanced Federal budget.

So this debate is about priorities. It is not about goals. Everyone understands the importance of the goal. We agree on the need for a balanced budget. We agree on the need for a date certain by which the budget should be balanced. We agree on the tough choices that have to be made.

We offered over 50 amendments to this budget resolution and not one—not one, Mr. President—would have increased the debt. Not \$1. Only one moved back the date, because it was honest, because it did what we said a couple of months ago we had to do, and

that was to exclude Social Security. In fact, this budget resolution does not bring about a balanced Federal budget by the year 2002 as touted. On page 7, on line 21, it shows that we will still have a \$113 billion debt, money borrowed from the Social Security trust fund to make the budget appear balanced.

Whether or not Social Security is included, let me reiterate that this debate is about priorities. This debate is about what is important. With or without Social Security, we agree on the goal.

When it comes to those priorities, this budget resolution, in the opinion of most Senators on this side of the aisle, is fundamentally flawed. We have many substantive disagreements, but most of them boil down to one core difference—the Republican majority has insisted on tax cuts for the wealthiest 1 million Americans, and they have made that the highest priority above everything else. As a result, this budget takes the side of the privileged few. It virtually abandons ordinary Americans, families, students, veterans, seniors, and children. It demands deep sacrifice from America's middle class, while it showers tax cuts on the elite.

We knew the Republicans had the votes to pass this resolution. That was never in doubt. What Democrats have tried to do is to reveal the truth about this budget and to try as best we can to improve it.

Without increasing the debt, Mr. President, our priority was to ensure that millions of older Americans have access to health care, by taking \$100 billion in tax cuts for the most prosperous among us and investing in the health of senior citizens. The Republicans said "no."

Without increasing the debt, we tried to help millions of young Americans by investing \$40 billion in education and averting the largest educational cuts in our Nation's history. The Republicans said "no."

Without increasing the debt, we tried to assist 12 million working Americans by repealing a \$21 billion tax increase by slightly reducing the huge tax breaks going to the 1 million wealthiest among us. The Republicans said "no."

Without increasing the debt, we tried to invest a small part of the tax cuts in science, technology and research. The Republicans said "no."

We tried to use the tax cuts to reduce the deficit. The Republicans said "no."

With our amendments—and without increasing the debt—we tried to help seniors, to lower the heavy burden on students, to attempt to be fair to veterans and to farmers and to small businessmen and to families, to reduce the deficit. And on virtually every occasion, the Republicans said "no."

We even tried to ensure that the middle class would be the beneficiaries if we had a tax cut, and that 90 percent of the benefit would not go to the 10 percent of us who are the most well-to-do. And again, the Republicans said "no."

Time after time, amendment after amendment, the wealthy won and the middle class lost.

Fairness and equal sacrifice were great goals, but they were lost to the higher Republican priority—a tax cut we simply cannot afford.

This budget is fundamentally flawed, Mr. President. It does not strengthen America; it weakens it. It does not bring us together; it moves us apart.

The "haves" will have more and the rest will have less.

It is not what the American people would have as their priorities, not when you put tax cuts for the privileged ahead of seniors, students, families and deficit reduction.

But this is a long process. It is only the beginning. Today is the easy part. When the American people understand whose side this budget is on, I believe they will demand that we change it. By the time the committees confront the hard choices in reconciliation, the public will understand who is sacrificing and who is benefitting. This budget will be altered, or it will not become law.

Democrats remain committed to balancing the budget. We remain open to working with Republicans to fashion a bipartisan budget. But it must be a budget that asks equal sacrifice and does not exclude the privileged few.

It must be a budget that invests in America, even as we reduce spending, a budget that pulls Americans together, rather than divide us. We can do that, Mr. President. It is not beyond our reach. And the American people expect no less.

I yield the floor.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. Mr. President, like most Senators, I have lost track of the meetings I have attended. But a few years back, I was in a meeting that I will never forget.

These people were not presidents or prime ministers. They did not run big businesses. In fact, most of them did not even have a job.

Who were they? They were high school seniors—100 of them—one boy and one girl from each State.

The reason why I will never forget that day is because of what they taught me—and what they should teach all of us.

Sometime during our meeting, one young man stood up and said, "Senator, it seems like every group of Americans is represented in Washington. Everyone has somebody who speaks for them." "But who speaks for us?" He asked me, "Who speaks for the future?"

It was a good question then. And it is a good question now.

And for far too long, the answer has been that "No one speaks for the future." Instead, we have piled deficit upon deficit, mortgaging our children's future for the temporary convenience of the present.

But today, the Senate will make a statement, and we will make history in the process.

We will finally begin to unpile the deficits. We will finally begin to speak for the future. And we will do it with one word—leadership.

Harry Truman was right when he said:

Where there is no leadership, society stands still. Progress occurs when courageous leaders seize the opportunity to change things for the better.

And let us be frank. When it comes to reducing the deficit, Congress has stood still—frozen in place year after year after year, as our debt grew bigger and bigger and bigger.

But in November 1994, Americans voted to change all that. For the first time in 40 years, they gave control of Congress to the Republican Party. And with that control came a responsibility.

A responsibility to do what we promised—a responsibility to act courageously—a responsibility to change things for the better.

And under the leadership of Senator DOMENICI that is exactly what we have done. We have accepted the responsibility of leadership. We have made the tough choices. We have put a plan on the table that will result in a balanced budget within 7 years.

This budget is based on the underlying principle that we simply cannot go on spending our children's money.

In fulfilling that principle, those bureaucracies and programs counting on their usual big spending increases must learn to make do with less—\$961 billion less over the next 7 years, to be exact.

And we begin right here in Congress, as this budget reduces legislative branch spending by some \$200 million.

Those who are used to more and more power flowing to Washington, DC, will have to adjust to a new tide, where power is carried back to the States and to the people.

And we will have to learn how to make do without the Department of Commerce, and its more than 140 Federal departments, agencies, and programs. This Senator is confident that we will do just fine, thank you.

And despite the rhetoric coming out of the White House, this budget also recognizes that Government has certain responsibilities.

Responsibilities like taking the steps necessary to preserve, improve, and protect Medicare, which three of the President's Cabinet members tell us will go bankrupt in 7 years if we do nothing. We do this by slowing the growth rate of Medicare—while still allowing Medicare spending to increase by \$1.6 trillion.

This budget also recognizes that there are those in need who depend on Government programs, and who often have nowhere else to turn.

Therefore, it provides for an additional \$36 billion in spending for Medicaid.

It increases funding for the Women/Infant/Children Program by \$2 billion.



It increases funding for food stamps, for aid to families with dependent children, for supplemental security income, and for the earned income tax credit.

Is the budget perfect? Of course not. Some of us would have reduced spending in other programs than the ones chosen. Some of us would have increased spending in others. And some of us—including this Senator—would have dedicated more funds to reducing the tax burden on Americans.

But make no mistake about it, this budget does provide tax relief.

The \$170 billion fund this budget creates must and will be devoted to tax reductions that will help America's families, stimulate savings, increase investment, create jobs, and promote economic growth.

Family tax credits, spousal IRA's, estate tax relief for family businesses, and a capital gains rate reduction are some of the actions I will promote as Senate majority leader, and as a member of the Finance Committee.

Additionally, it's no secret that when the House and Senate return from conference on our respective budgets, we are likely to return with a budget that will dedicate even more funds to tax relief.

Mr. President, when Republicans drew up our plan to reach a balanced budget, we also drew a line in the sand.

And we said that those who are serious about balancing the budget will cross that line and work with us, or propose an alternative.

And those who are not serious will stay on the other side of the line and offer no leadership. I regret to say that President Clinton has never come close to crossing that line.

While he says we have the wrong plan, he never comes close to saying what the right plan is—except one that gave America \$200 to \$300 billion deficits well into the next century, and that would have added \$1.2 trillion to our debt in the next 5 years.

Thankfully, that plan was defeated by a vote of 99-0.

Instead of leadership, the President offers fear. And he casts his net far and wide. Seniors, children, the so-called middle class, the needy, farmers, students, the list goes on and on. Each day, the President tells them they should be afraid of our budget, they should be afraid of Republicans.

Let me again quote the words of Harry Truman. Truman said:

America was not built on fear. America was built on courage, on imagination, and an unbeatable determination to do the job at hand.

So, Mr. President, we will win this vote today. We will take our budget to conference. We will work with the Republican majority in the House. And we will return with a plan that will balance the budget in 7 years. We will do it with the help of the American people—people who have always exhibited courage, imagination, and an unbeatable determination to do the job at hand.

I conclude where I began. With speaking for the future. And I conclude not by quoting Harry Truman, but by quoting another President.

Somewhere at this very moment, another child is born in America. Let it be our cause to give that child a happy home, a healthy family, a hopeful future. Let it be our cause to see that child reach the fullest of their God-given abilities.

Those words were spoken by Bill Clinton in 1992, as he accepted his party's nomination for President.

And with passage of this budget, Republicans will turn those words into action. Because somewhere at this very moment, another child is born in America.

And that child comes into the world already owing \$18,500 as his or her share of the national debt.

That child comes into the world with the knowledge that he or she will pay \$163,300 in taxes during his working life just to pay off interest on the debt. That child comes into a world facing a future of fewer jobs, fewer opportunities, and higher interest rates.

Today, with this vote, we begin to change that child's world for better.

Today, we begin to speak for all the children born today and in the days to come.

Today, we begin to speak for the future.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Senate proceed to consideration of Calendar No. 115, the House budget resolution.

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

The clerk will report.

The legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 67) setting forth the congressional budget for the United States Government for the fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002.

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.

Mr. DOMENICI. Mr. President, I ask unanimous consent that all after the resolving clause be stricken and the text of Senate Concurrent Resolution 13, as amended, be substituted in lieu thereof, and that the Senate amendment be adopted, and that all time on the resolution be yielded back.

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

The question is now on agreeing to the concurrent resolution.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. 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.

#### CHANGE OF VOTE

Mr. HATFIELD. On rollcall vote No. 231, I voted "no." It was my intention to vote "yea." Therefore, I ask unani-

mous consent that I be permitted to change my vote. This will in no way change the outcome of the vote. This has been cleared by the two leaders.

(The foregoing tally has been changed to reflect the above order.)

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution, as amended. 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 desiring to vote?

The result was announced—yeas 57, nays 42, as follows:

[Rollcall Vote No. 232 Leg.]

#### YEAS—57

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

#### NAYS—42

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

#### NOT VOTING—1

Mikulski

So the concurrent resolution (H. Con. Res. 67), as amended, was agreed to.

(The text of the concurrent resolution will be printed in a future edition of the RECORD.)

(Applause.)

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The distinguished majority leader.

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

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

The motion to lay on the table was agreed to.

Mr. HATCH. Mr. President, I ask unanimous consent that the Senate insist on its amendment and request a conference with the House on the disagreeing votes of the two Houses, and that the Chair be authorized to appoint conferees.

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

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

#### MORNING BUSINESS

Mr. DOLE. I want to ask that there be a period for the transaction of routine morning business for about the next 10 minutes or so. There are a couple of people who want to speak. Then we will turn to the terrorism bill.

Mr. President, I ask unanimous consent that there be a period for the transaction of routine morning business with Members permitted to speak for not more than 5 minutes each, and that at 6:45 the Senate then turn to the consideration of Calendar No. 192, S. 735, the antiterrorism bill.

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

Mr. JEFFORDS addressed the Chair.

The PRESIDING OFFICER (Mr. GRAMS). The Senator from Vermont is recognized.

Mr. JEFFORDS. I thank the Chair.

(The remarks of Mr. JEFFORDS pertaining to the introduction of S. 856 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

#### HEARINGS ON TERRORISM

Mr. SPECTER. Mr. President, the Subcommittee on Terrorism of the Judiciary Committee was scheduled to have hearings on terrorism today.

Those hearings could not be held because the Senate was in session continuously from 9 a.m. with rollcall votes of 9 minutes. So those hearings had to be postponed. They are going to be held on Thursday, June 8.

A good many people came from substantial distances. I expressed our regrets that we could not hold the hearing. But it was not possible to do so. But I did tell them that the statements which had been submitted would be put in the RECORD at this time so that their prepared statements could at least be read by Members of the Senate or those interested in reading them.

At this time, I ask unanimous consent that the statement of attorney John W. DeCamp, the statement of Mr. Norman Olson, the statement of Mr. Leroy Crenshaw, and the statement of the Militia of Montana be printed in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

Memorandum from: Senator John W. DeCamp, Atty.

To: Sub Committee on Terrorism, U.S. Senator Judiciary Committee.

Re: Testimony to Committee.

To paraphrase an old saying. . . . "Five months ago I couldn't spell 'Militia' and now I represent one."

It was five months ago I agreed to PROVIDE LEGAL ASSISTANCE TO the leaders of the Montana Militia on a dozen felonies. Why? I felt the felony charges involved open and shut first amendment issues of freedom of speech, assembly and right to petition

Government issues, and have learned a wealth of information since that time—particularly in light of the Oklahoma bombing and the anti-militia movement.

Before I go too much further, let me give brief background on myself and let me answer the first questions that press and your staff asked of me.

Question: Are you a white supremacist?

My wife is Vietnamese—one of the Boatpeople. Our four home made AMERASIAN children are the four most beautiful and talented mixed race children on the planet. My business partner is African-American. My Comptroller is Indian from Bombay & my legal associates over the years have been mostly Jewish. You make your own conclusions.

Question: Are these militias dangerous?

Absolutely yes, and absolutely no.

First, the media and MOST OF US have made the same fundamental error ("Cat Bagging" I call it) as was made during the McCarthy Era, during the Vietnam War Protest Movement, and during Watergate.

That is, we lump all the Militias, the So Called Patriot groups, and Tax Protesters and Free Men & Survivalist Groups together as identical cats and then put them all into one bag.

Second, we SELECT An individual or entity that is simply off the spectrum in their beliefs, one not tethered to reality and attribute those horrible characteristics to all the militias. In short, we "demonize" them. Quickly, they are all labeled as white supremacist, racist, anti-government, paranoid revolutionaries fixing to blow up the world.

The truth is that there is as much diversity among these groups as there is among religious groups. As a young boy, I remember sitting in the front pew and hearing the Priest in my small town of 1,800 people explain why the Protestants were all going to hell. And, on Monday morning at school my best friend, a Protestant kid named Jimmy, would explain to me that his preacher had told him the same thing about us Catholics the day before.

It has been my observation that many of these groups—particularly the ones I considered not tethered to reality—are a bit like the Priest and the Preacher \* \* \*. That is, much of their effort is devoted to explaining to their members why the other group are not real patriots, or why Bo Gritz or John Trochman are really C.I.A. agents.

In truth, most of the militia groups—Montana Militia, Oklahoma Militia, New Hampshire Militia—could be classified as middle of the road among hard conservatives. What do I mean?

Ten, twenty and thirty years ago they are the individuals who were clamoring for "Law and Order."

I suppose it is ironic, some might say poetic, that what many of them sought, "Law and Order" has now come to pass in a FORM they deem to be excess \* \* \* that is too much oppressive law and abuse of the Constitution. And "order" has become what they fear to be "a new world order." And thru speaking out, they want everyone to know this attitude on their part and their fears and concerns.

But are they dangerous?

They are a political movement. All political movements are dangerous to some other political movement they run counter to.

That is how our system of government evolves \* \* \* thru political conflict and wars fought with words instead of bullets and fought in the press and from the bully pulpit instead of on the battlefield.

Ultimately, that is the only truly distinguishing feature separating our 200-year-old political system from all others that went before it. Namely, the ability thru verbal

conflict and battle for our system to reverse itself (revolution) and go in an opposite direction without the necessity of a violent revolution.

But are they physically dangerous or a threat to our Government or our Constitution?

You judge \* \* \* but do it on the facts, not on innuendo or the words of the natural enemies of these militias, namely, other political groups opposed to their philosophy.

To the best of my knowledge, there are no reported incidents of any significance of militias being involved in any of the following:

1. Drive by shootings.
2. The drug trade.
3. Use of children for pornography, pedophilia & drug couriers.
4. Gang wars.
5. Auto theft.
6. Murder, rape, robbery, trafficking in illegal arms.

If militias are involved in these somebody is not reporting them. And I doubt that.

For benefit of those who might differ with me on this, I would point out that in each of the incidents you might be familiar with, Gordon Kahl, Radny Weaver, Waco, the events were initiated by the Government in an attempt to serve usually misdemeanor warrants on contested tax matters using overwhelming force and what in hindsight seems rather poor judgement.

In short, an analysis by you will show that the militias themselves have been the victim of violence rather than the perpetrator or initiator.

As an example to prove my point, I challenge this committee to examine the most notorious & deadly event in American history involving U.S. marshals \* \* \* namely, the Gordon Kahl shoot-out 12 years ago in which about a half-dozen marshals were shot, and Kahl escaped resulting in the largest manhunt in American history.

Have the courage to OBJECTIVELY examine this event—same with Waco—, and you will begin to understand the origins of the militia movement, their disenchantment and fear of law enforcement and Government.

Whether you believe Kahl was the most notorious and crazy tax protester in American History or whether you believe he was a martyr responsible for triggering the militia movement, it is only by understanding this case in depth that you can understand the origins of the Militia movement.

Question: Are you, John DeCamp, a member of a militia?

Sure, about twenty-five years ago I was a member. We called it the United States Army. We had training sessions and exercises in a place called Vietnam. I was an Infantry Captain there specially assigned to a man named Bill Colby. Bill subsequently became my friend, Godfather, advisor and Legal Associate on a case or two. Bill was the individual who insisted I write the book, the Franklin Coverup—which book resulted in some of the Militias asking me to represent them. You may remember Bill as the former head of a group called the C.I.A., Central Intelligence Agency.

So, since Colby told me to write my book the Franklin Cover-up; and since the book resulted in my representing the Montana militia and being here today, I suppose I'm here because of the C.I.A. just kidding. . . .

My Militia leader, a chap named McNamara, told us in Vietnam that we were winning; that our government was sincere . . . and a lot of other nice things that inspired us to get our heads blown off. Then a couple weeks ago, I understand Mr. McNamara told the world that he was only "funnin' us when he told us those things during the war. McNamara said that he or our other leader Lyndon knew all along that they were lying to us.