

last election cycle while fighting to protect Federal grazing fee policies that give ranchers access to Federal lands at below-market prices.

The mining industry spent over \$1 million in 1993-94 on campaign contributions to Members of Congress so that they could try to prevent the reform of the 1872 mining law which allows people to pay a few thousand dollars for land that contains billions of dollars worth of gold and silver and other minerals.

The oil and gas interests contributed over \$6.1 million during the last election cycle to help back their hefty 1995 agenda, which included repeal of the alternative minimum tax. They do not even want to pay a minimum tax for all the profits they are making.

Mr. President, in the 6 weeks following a close House vote on funding the B-2 bomber, opposed by even the Defense Department, contributions from defense contractor Northrop Grumman's PAC's to House Members who voted for the program totaled over \$50,000, just from that one company for that one program that the Defense Department did not even want.

Mr. President, obviously I could go on with these examples, but they show the fact it is not just a question of there being too much money in campaigns, but the connection between campaigns and the fact that we still have a terrible budget and deficit problem in this country.

So, Mr. President, it has become clear to many of us, Democrats and Republicans alike, that their failed campaign finance system contributes to keeping many unnecessary Government subsidies flowing, and it helps explain why well-financed special interests were able to grab the legislative process by the scruff of the neck in the first place.

Mr. President, it is my fond hope the President of the United States will use his bully pulpit and excellent intentions on this issue to give a strong push behind the bicameral, bipartisan effort to reform our campaign finance laws.

I thank the Chair and yield the floor.

Mr. HEFLIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

#### BUDGET NEGOTIATIONS

Mr. HEFLIN. Mr. President, I believe we are closer to a balanced budget than we have been in many years. I think the public overwhelmingly wants a balanced budget. I think we are moving in that direction. But there are little problems here and there that seem to prevent us from getting together in being able to shake hands on a balanced budget.

The President and the Republican leadership I think all realize that we need a balanced budget for it will certainly directly affect virtually every segment of the Government and every citizen of the country. I feel that lost

in the political rhetoric over the budget is the fact that we have reached substantial agreements at this stage.

We have agreed that the budget ought to be balanced in 7 years. We have agreed that CBO figures ought to be controlling. We have agreed that there ought to be less Government. We have agreed that there ought to be a tax cut. And while both sides still have some major differences to work out, I feel that good-faith negotiations on these issues can yield a budget that is fair and equitable to all segments of society, and each party can claim victory.

When the recess occurred, there was a statement to the effect that we were going to stop the negotiations and then come back again.

There have been three or four efforts that have been made recently to try to get the parties together to start negotiating again. But for some reason or other they have been called off. Now that the recess is over, and the recess from the negotiations is over, it is time to begin again and for each side to meet and come to an agreement. The longer the negotiators avoid constructive negotiations the greater the chances for each side to become reentrenched in their policy positions.

Compromise is an art that appears to have somehow been forgotten. It is apparent that in order for an agreement to be reached, both Democrats and Republicans are going to have to give and take. Each side is going to have to have some wins and each side is going to have to have some losses. If the Israelis and the Palestinians can get together and negotiate in good faith, there is no reason why the Democrats and the Republicans cannot do likewise. If the Croats, Moslems, and Serbs can agree on a cease-fire, why cannot both parties put their verbal pistols back in their holsters?

I do not know exactly what the solution is. But it may well be that we may have to go to Camp David and tell them to stay there until they reach an agreement. Maybe Dayton is the place. Maybe Norway. But whatever it takes in regards to getting together and finding a location and staying with it until we reach an agreement, it seems to me to be the proper course to follow. When you add it up, the current Democratic proposals and the Republican proposals are less than \$100 billion apart. Taking into account \$12 trillion over a 7-year period, this figure amounts to less than .8 of 1 percent. With this in mind, it seems to me that the negotiations should proceed with an emphasis on what each side is willing to give and take in order to reach a long overdue budget agreement.

The State of the Union Address will have a significant impact on the negotiations. It is a good opportunity for the President to demonstrate his willingness to reach an accord. However, if his speech is overly partisan, it can harm the negotiating atmosphere by having a hardening effect on the Republican negotiators. Likewise, the Re-

publican response can also either help or hurt the negotiating process.

Hopefully, the President will extend a hand of conciliation, and if he does, I hope the Republicans will not slap it, but instead shake it. I hope that each Senator will keep this in mind when determining exactly what he or she wants to convey, when commenting on the content of the President's speech. Each Senator must be aware that their responses may affect the overall negotiations pertaining to the budget.

We need to adopt a continuing resolution—hopefully a clean one—by January 26. The expiration of the current continuing resolution, of course, runs out on that date. Despite all the heated rhetoric, I do not believe it is in the best interest of our citizens to have the remaining portion of Government closed down. A great number of the various Agencies and Departments will stay open under the legislation that has already been adopted.

Taxpayers and Federal employees should not be punished, because Congress and the administration have not fulfilled their obligation to reach a budget.

Mr. President, as I have stated before, I think it is imperative that we reach an agreement on the budget, and I am optimistic that when reasonable people sit down together an agreement can be worked out.

It seems to me we have made a great deal of progress. We have agreed on some fundamentals: A 7-year period for a balanced budget; CBO figures; a tax cut; and a cut in Government. We just need to get together. Perhaps we need a mediator. But I hope that we will let reason prevail, and we will not let this opportunity pass to achieve a balanced budget.

Mr. GRAMS addressed the Chair.

The PRESIDING OFFICER (Mr. KYL). The Senator from Minnesota.

#### FRESHMAN TOUR: PROMISES MADE, PROMISES KEPT

Mr. GRAMS. Mr. President, too often here in Washington, politicians come to town with a mission but end up coming down with a severe case of Beltway fever.

They get caught up in the unreal atmosphere of this place and eventually forget what it was that first propelled them into public service.

They shut themselves away in their Senate or House offices or even in the Oval Office.

They spend their time hobnobbing with their new-found Washington friends. And after awhile, they just lose touch with the folks who sent them here. They think they are doing "the people's business," but in truth, they are no longer speaking for the people at all.

The 11 Members of the Senate freshman class came to town with a mission, too, a mandate given to us by the voters.

We met often as a group last year to track our progress. And as 1995 came to

a close, we took a step back and began asking ourselves some pretty tough questions, such as:

What is the mood of the country?

What are people saying about Congress and the decisions we freshmen faced in our first year in the Senate?

Did we really hear the message we thought we heard in November 1994, when the voters sent us here to balance the budget to get Government spending under control, to deliver middle-class tax relief, and protect and strengthen Medicare and Medicaid?

Most importantly, is the message that brought this freshman class to the Senate in 1994 still alive and well in 1996?

We thought we knew the answers, and we knew we had delivered on each one of our promises, but after being in Washington and of course, debating those very important questions over the past year, we thought it was time for a reality check.

So last week, at the urging of my good friend, Senator Abraham from Michigan, nine Members of the freshman class took to the road to take our message directly to the people and bring the people's message back with us to Washington.

We visited eight cities over 4 days. What we saw and heard truly opened our eyes and, I believe, reaffirmed our mission.

In Philadelphia, we toured an empowerment zone and shared ideas on how to rebuild our troubled inner cities. The section of north Philadelphia we visited is a model for the concept that restoring neighborhoods means creating incentives for businesses to locate in urban areas. The Federal Government has made a difference, local officials told us, but the incentive is tax relief for these areas to attract businesses and jobs.

In Knoxville, 300 concerned citizens packed the auditorium at West High School for a town meeting. They cheered our progress on a balanced budget and called on us—and forcefully I might add—not to give up.

In Columbus, at a crime forum, we met with police, other law-enforcement officials, and victims of crime who shared how Washington can play an important role in making local neighborhoods safer.

Rain, sleet, snow, and even a blizzard warning could not stop a crowd from attending my town meeting in Minneapolis. We had a frank and, I believe, lively discussion covering a tremendous range of issues and the audience enthusiastically applauded our efforts to shrink the size and scope of government and return power to the States.

Employees at the Emerson Electric Co. in St. Louis sat down with us to talk about a balanced budget and just what it would mean for themselves and their families. It was heartening to hear their words of support, especially since our budget is specifically targeted at improving their lives, and the lives of every hard-working, taxpaying, middle-class American family.

In Tulsa, we met with small business owners—the men and women who create the jobs on Main Street—for a roundtable discussion organized by the Metropolitan Tulsa Chamber of Commerce.

Again, they thanked the Members of the 104th Congress for taking such a strong lead in bringing job providers relief from the stranglehold of Federal regulations and mandates.

Our whirlwind tour ended in Cheyenne, with a final opportunity to hear from the voters at a town hall meeting at the Cheyenne Civic Center.

At each stop, the people thanked us for taking our message directly to them and bypassing the curtain of misinformation draped over the issues by the congressional Democratic leadership, the White House, and too often, the media. They repeatedly shared their frustrations at hearing only one side of the budget debate.

And at each stop, they asked “why can't you reach a compromise with the President on a balanced budget?”

The President's latest budget plan—the first plan of his that actually balances in 7 years—is similar to the four other budget plans he sent to Capitol Hill in the last year which, by the way, got no votes in the House and Senate. Throughout these weeks and weeks of budget negotiations, he has given up very little while Republicans have moved dramatically to help spur an agreement.

The President's budget cuts around the edges, but does not reform a thing. And I think we can say in one word the President's budget is a sham.

It does not reverse the kind of wild overspending that will continue to drag this Nation deeper into debt.

Spending remains unchecked under his latest plan, and \$1 out of every \$6 the President claims in deficit reduction comes not from cuts in spending, but from raising new revenue, new taxes.

It does not save Medicare and provide the choices for seniors our plan offers. Under the Clinton plan, Medicare remains a relic from 1960's that no longer works in the 1990's.

His budget does not reform Medicaid, either. We say let the States run Medicaid, and they will do a better job. The President's plan says, again, Washington has all the answers.

He does not offer meaningful tax relief. His tax cuts amount to only token tax relief, and with \$66 billion in new taxes, the President's budget does nothing to reduce the tax liability of the country. His version of the \$500-per-child tax credit is slowly phased in and then eliminated in 2002, and applies only to children 12 years old and younger.

He does not make fundamental changes in welfare to control spending.

In fact, his welfare proposals spend \$20 billion more than the bipartisan welfare bill passed by Congress. The President does not “end welfare as we know it,” he extends welfare as we know it.

In reality, the President's budget plan is just a Band-Aid on a wound that is demanding emergency surgery. Yank off the Band-Aid after 7 years and the wound will not be healed, it will have festered and grown.

Mr. President, it will do no good to balance the budget in 2002 if it all unravels in 2003. And without a solid framework to work from, that is precisely where we would be heading under the President's version of a balanced budget.

That is how the freshman class answered the question each time we were asked why we have not been able to reach a budget compromise. We will not compromise our principles. No budget is better than a bad budget.

The President is right when he says the debate over the Federal budget is no longer just about dollars. It is about dollars and about something far more important: the future direction of this Nation, and which governing philosophy ought to lead us there.

The President says maybe we should wait until the next election and let the people decide what direction they want their Government to take. But the taxpayers we met with in Knoxville, and Philadelphia, and Minneapolis, and Tulsa last week told us that is the change they thought they voted for in November 1994, when they turned this Government around by electing a new majority in Congress.

You know, President Clinton is going to come here to the Capitol tonight to deliver what will undoubtedly be a passionate speech on the State of the Union.

As we all know, he can be an impressive speaker. He will speak fervently and forcefully and, with any luck, he will wrap up in time for Sunday's Super Bowl kickoff.

I hope that what we hear tonight is a message of leadership, an acknowledgment of the awesome responsibility with which a President is entrusted, and a willingness to put aside a narrow political agenda in order to do what is best for the American people.

Only great leadership will lead this Nation toward the great days that await us.

What I am afraid we will get instead is a campaign event—the great kick-off to Bill Clinton's 1996 re-election campaign.

Judging by the folks we met around the country last week, he may have a tougher go of it than he thinks in the weeks and months ahead because at every stop on our freshman tour, Americans offered us their full support.

“Do not back down,” “Hold the line,” they said. “Get the budget balanced, but do it right.” A lot of people told us they would be willing to wait a year for a responsible budget agreement, if that is what it takes.

Maybe then, they said, somebody a little more serious about balancing the budget will be occupying the Oval Office.

And so the revolution of 1994 continues, Mr. President.

That is the strong message my freshman colleagues and I bring with us back to Washington. And for our colleagues who may not have ventured beyond the confines of the Beltway recently, that is the message the American people are demanding we do not forget.

Mr. HELMS addressed the Chair.

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

Mr. HELMS. I thank the Chair.

(The remarks of Mr. HELMS and Mr. FAIRCLOTH pertaining to the introduction of S. 1520 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

#### FRESHMAN TOUR

Mr. THOMAS. Mr. President, I rise to follow my friend, the Senator from Minnesota, in noting what I thought was useful, and that was the tour of freshman Senators throughout the country, actually, starting here in Washington, on through the Midwest, and ending up in Cheyenne, WY.

It seemed to me to be a very useful kind of an activity. Our theme was "Promises Made, Promises Kept." I think it was appropriate that 9 of the 11 new freshmen in this body participated. We made 10 stops in 9 States to talk about this kind of commitment to the things that had brought us to the Senate in 1994. I think we all agreed in general that there was a message in 1994, and that message basically was the Federal Government is too big and costs too much and we need to change the regulatory restrictions on the opportunities in this country.

That has been the effort of this freshman class, and to a large extent this body during that year. We have felt some kinship in that we have come here together, we did share this commitment, and we were committed to change. We had just come from an election where, I think, that message perhaps permeates a bit more than those who have been here before, perhaps.

There has been a great deal of success, I think, in that message. We have not accomplished specifically all the things that we would like to but the major change has been the turn of the debate. I think most anyone who has watched the Congress over the last 25 years would have to say that the conversation has basically been centered around those programs that have been in place for 25 years. They largely came in the Lyndon Johnson Great Society time, and each year most of the time has been spent saying, "How much more money do we put into the program? If it has not worked as well as it should, we will put more money in."

Now that debate has changed somewhat. The debate has change markedly. We are talking for the first time in 25 years about a balanced budget. We are talking for the first time in 25 years about how you spend less rather than more. That is a significant change in the framing of the debate in this coun-

try, a significant change in the direction that this Congress would take, and hopefully that this country would take.

We have talked about things like reducing spending as opposed to continuing to add more to the deficit, to add more to a \$5 trillion debt. We talked about a balanced budget. We have not had a balanced budget in almost 30 years. This is the first time that a balanced budget has been presented to the President of the United States. Unfortunately, he saw fit to veto it.

We have talked about entitlement changes. Most anybody who looks at our financial situation fairly has to see that we have to do something about entitlements. You cannot change the direction of spending by simply talking about those things that are discretionary. Two-thirds of the spending is in entitlements. You have to change that. Of course it is difficult. But we have set about to do that. We have talked about welfare reform, to make welfare the kind of program that most everyone believes it ought to be, where you help people who need help, but help them get back into the system, back into the workplace.

Middle-income tax reform—instead of the largest tax increase in the history, which is what we had 2 years ago, we are talking about middle-income tax relief. Also line-item veto, term limits, regulatory reform.

That is what has happened. We are very pleased about that and we took that message to the country. In addition to that message, I think we took some facts. We sort of evolved into politics by posturing and to a situation of policy by perception rather than facts. It is ironic. We have the ability to present facts to the whole world in a second. Fifty years ago it was months after something was done here before people even knew about it. Now we have this great opportunity, but unfortunately we are doing governing by advertising, doing governing by spinning.

We talk about gutting Medicare. Nobody in this place is interested in gutting Medicare. In fact, when you look of course at the numbers, why, obviously, it is not. That is what we talked about.

We talked about fundamental change. We heard a great deal of positive response to that. People who are aware of the benefits that come from balancing the budget, the fact that we can lower interest rates, reduce the cost of mortgages, and reduce the cost of loans to send your kids to school, and we can talk about being responsible for going into a new century without continuing to add costs to the debt for our kids to pay.

I want to say that I think this trip was very useful and I am pleased that my colleagues were willing to take their time to go. I am particularly pleased they went to Cheyenne, WY. We had the largest town meeting we have ever had there. Not everyone is in agreement how to do it, but the pre-

ponderance of people say we need to be responsible. We need to look to the future. One little guy in the audience had a computer. We talked about \$5 trillion debt, he divided it by the number of people and announced we each owe \$17,000, and we were dazzled a little by the technology, but the answer is right, we do.

Mr. President, what we need here is leadership. We need to provide for the direction of this country. We do not need obstructionism. We do not need insistence on the status quo. This is a great country with a great future. We have the best opportunity that we have ever had to strengthen that future and make it a land of responsibility and the land of opportunity.

#### EXTENSION OF TIME FOR MORNING BUSINESS

Mr. SPECTER. Mr. President, I ask unanimous consent that the time for morning business be extended until 3:40.

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

#### CONCERN OVER CONGRESSIONAL RECESS

Mr. SPECTER. Mr. President, I have sought recognition to express my concern about our being out of session for the next considerable period of time in the context of the gridlock and breakdown over the negotiations of the budget. It is my hope that the negotiators will continue the budget negotiations because of the importance of reaching a resolution on those subjects, and that we will not have a recurrence of the shutdown of Government, as we have had twice in the course of the past several weeks, or that there will not be a resort to the debt ceiling issue as an instrument of, candidly speaking, political blackmail—which I think will be unsuccessful. If we are not able to resolve the budget disagreements, that we will at least crystallize the issue and make that the election issue in 1996.

I made this point back on November 14, on the second day of the first governmental shutdown. It seemed to me from the start that this was bad policy. From the reaction of the American people, that view was confirmed. That is simply not the way to run the Government of the United States.

I think the budget negotiators, however, have worked hard and there has been considerable progress made. I have taken a look, in reviewing the issues, and believe that the negotiators with more work can come to a conclusion. The central point is to have a balanced budget—a matter of enormous importance.

There has been an agreement in principle by the Republican-controlled Congress and Republican-controlled White—almost a Freudian slip, to make the Republicans control the White House as well. We have a divided