

While the President was changing his mind, there was not any evidence whatsoever that China had altered its behavior to satisfy President Clinton's very own standards that he had enunciated in 1992 on the issue of MFN. Recently the contradictions and rhetoric have become more pronounced, and the consequences even more important.

Our lack of a tough and clearly defined policy toward Beijing has created a new atmosphere in China. It is an atmosphere in which China decided that it can ignore its responsibilities to the world community.

So my question to you is this: Does this administration have credibility in dealing with China? I think that lack of credibility is part of the reason that we have problems not only with our government toward China but also within the United States of whether or not our policy toward China is right. This constant changing of policy does not send a very clear signal to the American people of the benefits of MFN, or the importance of continuing MFN for China. You see some of this in China's action—its attempt to intimidate Taiwan prior to its election through so-called military exercises. China has allegedly sold nuclear materials to Pakistan, but denies knowledge of doing so. Now it has blatantly violated its intellectual property rights agreement with the United States. Do you think that China would behave in this manner if they really took the President's rhetoric seriously? Our own United States Trade Representative has announced sanctions due to China's breach of the intellectual property rights agreement. I support these sanctions, and I have not found any opposition to these sanctions. The credibility of the United States and our ability to enforce future agreements would be very much on the line and questioned if we did not impose these sanctions. However, if we had had a more consistent policy toward China in the last few years, I think this situation on the intellectual property rights could have been avoided. Unfortunately, Congress will have to debate China's most-favored-nation status with its looming trade dispute as a backdrop. For many Members it will be difficult to go home and justify voting for MFN while China openly violates existing trade agreements. So I am afraid that the vote may be very close.

Mr. President, it is important to consider the implications of not extending most-favored-nation status at this time.

In 1995, United States exports to China totaled about \$12 billion. Those exports would be jeopardized. Tariffs on products coming into the United States from China would also be raised significantly. This amounts to a tax, of course, on our American consumers, so American businesses and consumers will suffer.

The MFN debate is no ideological exercise. It affects business. It affects jobs for Americans. It affects consumer

costs. So we are talking about pocket-book issues in dealing with MFN. There is at least one area that will suffer if MFN is revoked. It is of interest to my State of Iowa. That is agriculture. Those of us from agriculture States know how especially important this debate is. It is very important.

Is the Chair speaking of the 10-minute thing?

The PRESIDING OFFICER. Yes.

Mr. GRASSLEY. I thought I yielded to the speaker without losing my right to the floor; I was protected.

The PRESIDING OFFICER. Unanimous consent was granted.

Mr. GRASSLEY. OK. Then I should have objected to the unanimous consent request. But the unanimous consent overrode the unanimous consent I had to have my right to the floor.

The PRESIDING OFFICER. That is true.

Mr. GRASSLEY. I ask for 5 more minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. GRASSLEY. Those of us from agriculture States especially know how important the debate on MFN is. China has a population of 1.2 billion, which is one-fifth of the world population, but it has only 7 percent of the world's arable land. So China will continue to import large amounts of its food needs. The good news for the American farmer is that the diet of the Chinese people is changing rapidly. Meat consumption is growing 10 percent per year there, or a staggering 4 million tons annually. So value-added exports will play a very important role in China's future and in the agricultural exports of our country to China.

The potential for growth over the coming decades is extremely high. We are going to have a 75-percent increase of exports to Asia, and 50 percent of that increase by the year 2000 is going to be with China. So by the year 2030 this is going to be a very important market for America and particularly for American agricultural.

It also relates very well with our new farm program. This program will have a declining amount of appropriations for agriculture to a phaseout by the year 2002. So farmers will earn more from the marketplace, and our ability to export is very important in accomplishing this. China, of course, will play a very important role in these exports.

So I think our policy toward China must be one of aggressive engagement. We need to continue to negotiate agreements with the Chinese on trade and other matters as well. We must work to bring China into the world community of nations, and I believe that these actions will ultimately bring about real reform within China. Granting most-favored-nation status should be a part of that policy.

We had a debate in the Finance Committee a few weeks ago about how misleading the term MFN is. It is not

something special. As I have already said, it is something that is granted to all but a handful of nations. But with that said, we must still vigorously enforce all of our agreements with China. Trade agreements are not worth the paper they are written on if we are afraid to take appropriate measures of enforcement.

There is a real old saying in the Western United States of "keep your door unlocked, but if you do, keep a shotgun behind the door." I think that is how I see our activities with China. You have to be open with them, but we have to be prepared to make sure that they stick to the agreements as well. So we have the WTO accession negotiations with China coming up. That gives us an opportunity to discuss with the Chinese all of the concerns raised in the MFN debate. We can also use the imposition of 301 sanctions to accomplish our goal.

That is a much better environment than the MFN debate for bringing China to the table and around to the international norms that they say they agree with, the international norms of trade agreements being followed, the international norms of human rights that are in the United Nations Charter, the international norms of rule of law, and you can name a lot of others. China says that they accept them. A lot of people who do not want MFN status say since China does not meet these international norms all the time, we should not grant MFN. But these other environments are the place for those issues to be discussed.

I yield the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Parliamentary inquiry, Mr. President. Is this morning business?

The PRESIDING OFFICER. It is, indeed, with 10 minutes allotted for each speaker.

Mr. DOMENICI. I yield myself the 10 minutes.

TRUSTEES REPORT ON MEDICARE AND SOCIAL SECURITY

Mr. DOMENICI. Mr. President and fellow Senators, the trustees' report on Medicare and Social Security has just been delivered. Everybody should know that is a report that is put together by a six-member commission, four of whom are either Cabinet Members of the President or hierarchy of the Social Security System itself.

On page 10 of the summary of that report, the following statement is found:

The trustees recommend the earliest possible enactment of the legislation to further control the HI program costs and thereby extend the life of the Hospital Insurance Trust Fund. This is, however, only a first step in what must be a long-term process to achieve balance between HI costs and funding.

Now, I repeat, these trustees I do not believe are Republicans. They are not Members of the Congress. Three of

them are members of the President's Cabinet. One of them is the administrator or the head person at Social Security. Then there are two outside citizens.

Now, what they have said is this fund is going bankrupt 1 year earlier than we thought. I know no one wants to hear that. No one wants to really face up to the reality, but they have said we were wrong even last year; it is going to become insolvent even sooner, so they now say it will be insolvent in 5 years.

That means it is already annually spending out more than it is taking in, and but for a surplus, there would not be enough money to pay the bills. Then they say that 5 years out there will not be any surplus at all and the money coming in will be tremendously deficient in terms of paying the bills.

Now, I do not believe it is asking too much and I do not think senior citizens would think that it is asking too much for us to fix that. Should we wait another year and then we only have 4 years to fix it? Should we wait 4 years and wake up in the morning and say, seniors, it is right around the corner; there is not going to be enough money to pay the hospital bills? Or should we fix it now? Actually, these trustees recommend that we do this at the earliest possible time, and they recommend that we do this by further controlling costs.

Mr. President, I want to update the Senate on the status of the Medicare trust funds. Yesterday, we received the annual reports from the Medicare trustees.

The new report tells us that the hospital insurance (part A) trust fund will go bankrupt early in the year 2001. Last year's report predicted bankruptcy in 2002, so we've lost 1 year there. In addition, the President's veto of last year's Medicare reform plan means we have lost another year. We are now 2 years worse off than we were 1 year ago today.

The report tells us that Medicare spending is 2.7 percent of the economy right now. If we don't do anything to slow the growth of Medicare spending, that will more than double, to almost 6 percent of the economy in the year 2020.

The report confirms that the trust fund ran a small deficit for the first time last year. The report tells us that if we don't do anything, in the year 2005 the cash coming into the hospital insurance trust fund will be \$130 billion less than the cash we need to pay hospital benefits.

Let's talk about the plan we're proposing in Congress. Our plan would spend \$1.48 trillion on Medicare over the next 6 years. Yes, it would slow the growth of Medicare spending, from about 10 percent per year, to 6.2 percent per year. That's still more than twice the rate of inflation, a goal the President endorsed 3 years ago.

The President says that our short-term goal should be to keep the part A

trust fund solvent for 10 years. Our plan does that; his does not. His keeps the trust fund solvent for only 1 year, and plays a shell game with \$55 billion of home health spending.

I can summarize the budgetary goals of our Medicare reform plan in two quick points, Mr. President. For Medicare part A, we will meet the goal of keeping the part A trust fund solvent for more than a decade without any shell games.

And for Medicare part B, we will achieve the same level of savings as contained in the President's budget.

Keeping the part A trust fund solvent requires making hard choices, Mr. President. Our plan saves money first by restructuring the system to provide seniors with more choices. Today we have a Medicare Program which is modeled after a state-of-the-art health insurance plan from the mid-1960's.

It is time to bring Medicare into the 1990's, and to prepare it for the next century. Over the past 10 years, workers in the private sector have seen their health insurance coverage change. More of them are choosing to move into managed care, and more of that care is being delivered through networks of providers which can care for the entire patient.

Many workers in the private sector and Government employees have health care choices, choices which many Medicare beneficiaries do not have today. I believe that by offering seniors a wide range of options, and by making private firms compete for the business of seniors, we can better meet the beneficiaries' needs, and we can save money as well.

The trustees' report tells us that Medicare spending per beneficiary grew about 10 percent over the last year. We simply cannot sustain a program in which each year we spend 10 percent more for each person. We need to restructure the Medicare Program so that beneficiaries can make intelligent decisions about how they can best receive medical care.

Our plan would also make some needed changes in the way we pay providers. Most hospitals are paid by the prospective payment system. A hospital is paid a specific amount for a certain medical condition. This fixed, up-front payment encourages the hospital to deliver care efficiently. While the prospective payment system has not done enough to control hospital spending, it was definitely a step in the right direction.

Our Medicare reform plan would reform how Medicare pays for home health services, and for services delivered in skilled nursing facilities. These are the fastest growing components of Medicare spending today, and we need to restructure the way we pay these facilities to help control costs.

Our Medicare reform plan would also reduce the rate of growth in payments to providers. This is nothing new, Mr. President, and if we are to control costs in the short run, we must do it.

But to those who claim that we are going to actually cut payments to providers below today's level, I say you are absolutely wrong. Even after reform, payments to hospitals and physicians will go up.

The providers, Mr. President, should be among the strongest supporters of our reform plan, because they will ultimately benefit from a system that delivers and allocates health care more efficiently. As more Medicare beneficiaries participate in privately offered Medicare plus plans, we can get the Government out of the relationship between a patient and his or her doctor. We can allow doctors to practice the best kind of medicine they know, and we can allow a patient and a doctor to cooperate in making smart and economical decisions about the amount and type of care that a beneficiary needs.

Our Medicare reform plan would enact real reforms to control Medicare program costs so that we can keep the Medicare trust fund solvent for 10 years. Once we have done that, we can then begin to address the longer-term financial problems that will result from the retirement of the baby boom generation.

That is in direct contrast to how the President's budget proposes to deal with Medicare. The President's budget contains a Medicare shell game which just moves money around from one pot to another. The President's Medicare shell game would mislead Medicare beneficiaries, hard-working families paying taxes, and the Congress about the health of the part A trust fund.

And the President's Medicare shell game would place \$55 billion more pressure on income taxes. It makes you wonder if this is really just a back-door way to increase taxes, Mr. President.

The President's plan would take \$55 billion of home health spending, which is currently paid out of Medicare part A, and would say that it is no longer going to be paid from the Medicare part A trust fund. He would transfer responsibility for that spending from Medicare part A to Medicare part B.

Why would you do that? For one simple reason: it makes the part A trust fund look better. Since you're no longer spending that \$55 billion from the part A trust fund, that trust fund goes bankrupt more slowly, and it appears healthier. But you haven't really done anything to address the problem, because the spending still exists in Medicare part B.

By playing this shell game with home health spending, the President claims to keep the trust fund solvent, when really all he has done is shift the problem from one part of Medicare to the other. That would be bad enough, if that's all there were. But unfortunately there is more.

Medicare part B is paid for from two sources. Premiums paid by beneficiaries cover 25 percent of the costs, and income taxes from hard-working

American families pay the other 75 percent. Every \$1 paid by a Medicare beneficiary for doctor's services through Medicare part B is subsidized by \$3 from working taxpayers.

We know that the President's Medicare shell game transfers \$55 billion of home health spending from Medicare part A to Medicare part B. So it would make sense that, if you did that, beneficiary premiums would go up to pay for 25 percent of those costs.

But they do not. The President's shell game transfers the \$55 billion of spending from part A to part B and makes the part A trust fund look healthier, but he exempts the transferred spending from the calculation of the premium.

So who do you think pays for it? Where does the \$55 billion come from to pay for the transferred home health spending? Under current law and under our reform plan, it comes from the payroll taxes that pay for part A benefits, and are needed to keep the part A trust fund solvent.

But if the \$55 billion is now paid from part B, but the premiums paid by beneficiaries are not going to pay for any of it, then the entire \$55 billion cost will be borne by hard-working, taxpaying American families. Rather than subsidize three-fourths of this spending, as they do for all other part B services, the President would make working taxpayers subsidize the whole thing.

Let me summarize the shell game, Mr. President:

First, transfer \$55 billion of home health spending from part A to part B;

Second, this makes the part A trust fund look healthier, when actually nothing has changed;

Third, exempt the \$55 billion from the calculation of the part B premium;

Fourth, and therefore make working taxpayers pick up the entire \$55 billion cost.

I wonder if there are plans to extend this shell game in the future, Mr. President. If he wanted to, each year the President could propose to transfer some more spending from Medicare part A to Medicare part B. He could exempt it from the premiums, and each year he could claim to save Medicare. But in reality all he would be doing is misleading the American people and Medicare beneficiaries, allowing Medicare to go bankrupt, and raising taxes on hard working American families. I sincerely hope that this is not the President's goal.

Now, Mr. President, I am going to insert a statement in the RECORD because of the lack of time that explains in detail the proposal that the Republicans have submitted this year. This proposal, which is working its way through the Congress, would save the trust fund for 10 years.

I want to spend a little bit of time talking about what the President of the United States does not do. It has been very difficult. It seems like nobody wants to write about what the President is proposing, but I believe we

ought to tell the public what he is proposing and let them pass judgment upon whether he has a bona fide, legitimate 10-year fix of Medicare. The proposal that our committees will work on, everybody agrees, will make the trust fund solvent for 10 years. But now let me suggest how the President goes about solving this problem. I wish I was a better wordsmith because what he has done just cries out for some simple few words to explain it that everybody would understand. But I am not very good at that. The closest I can come to it is a flimflam, a hoax, a charade. So let me try to tell you what I mean.

The trust fund has money coming into it from all the workers of America. All the hard-working people getting paychecks, they will see a little piece of it taken out, and it goes in this trust fund to pay for hospital and home health care for senior citizens. It is a lot of money. The problem is the costs in that fund have grown 10 percent a year and the taxes going in are not growing at 10 percent a year.

Some say we can cover seniors and modernize this system, and instead of growing at 10 percent a year, maybe we can cover it at a growth of 7 percent a year. Some say the providers that are charging for this care have to charge in a different way and we have to prevent fraud and we have to make sure that we are not being overcharged as we attempt to take care of seniors for their hospital care.

The most interesting thing about this is that out of that fund currently, we also pay for home health care for seniors. It does not matter to the Senator from New Mexico how one explains how that happened to come about. The truth of the matter is, when these trustees were referring to reducing the costs, they were referring to reducing the costs of what we are paying for out of that trust fund.

One of the big-ticket items that we have committed to pay for out of this trust fund for our seniors is home health care. It just happens that home health care is growing rapidly. As a matter of fact, if you looked in that trust fund and zeroed in and said, "What are we paying for," and you asked, "What is it costing," the fastest growing one is home health care for seniors. It is growing at 19 percent a year.

The trustees recommended that we try to reduce the costs of this program. Listen carefully. Here is how the President did it. He said, let us not pay for home health care from the trust fund. Let us take the spending out of the trust fund. It is a small item, \$55 billion over the next 6 years. Let us just take it out of there and not pay for it out of the trust fund anymore.

That is marvelous. If you can do that with immunity and if you can do that without charging somebody for the \$55 billion, you have a marvelous budget. We just got rid of \$55 billion worth of debt that that trust fund is obligated

to pay for our seniors, and we say we are not going to pay it anymore.

Obviously, if you do that you have already made the trust fund solvent for a little bit longer. You took away \$55 billion of its obligation. And what does the President do with it? He says we are going to pay for that from general revenues, paid by the working taxpayers of America.

How do you like that? All of a sudden, whack, just like that, we transferred \$55 billion from the trust fund to all the hard-working people of the country. Mr. President, \$55 billion of their taxes are going to go to pay that. And all of a sudden, the trust fund got a little more solvent.

The trust fund may be getting solvent, but the taxpayer is going broke. The youngsters in America, with children, trying to raise a family, they could not have even dreamt of such a marvelous gift from the President. Suppose they woke up one morning and he said, "I have taken \$55 billion out of that trust fund, and you pay for it. But I have made the trust fund solvent because I just got rid of \$55 billion worth of things it has been paying for."

Frankly, if that is how you want to fix the trust fund, why do we not go over and ask those who are taking care of the trust fund and paying the bills, why do we not say, "Why do you not give us another whole bunch of bills we are paying for seniors out of the trust fund? Why do you not find another \$50 billion and let us not pay them anymore out of the trust fund. Let us take those responsibilities out and say we are going to pay for them, we are just not going to pay for them out of the trust fund?"

Then who is going to pay for them? Certainly we are not saying nobody is going to pay for them. Certainly we are not saying we are going to take them away from the seniors. We are just saying the taxpayer will pay. We are just saying let those hard-working people pay. They do not know it, but we just put another tax on them.

Frankly, if I sound a bit let down, if I sound a bit frustrated, I am both. I am really let down.

I ask for an additional 5 minutes, Mr. President.

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

Mr. DOMENICI. If I appear a little let down, I am. If I appear a little bit kind of chagrined, I am. Because we set about to do precisely what the trustees said. We tried to reduce the costs to the trust fund of providing this care. We wanted to make the system modern, give seniors options instead of the 30-year-old program, one program for all seniors. We thought we could save them money if we gave them options. We thought they might get more coverage if we gave them options. We worked very hard on how can we change the way we keep the system from getting defrauded. We worked very hard at how we pay and make sure we are getting our money's worth for all these hospital bills.

Isn't it something, after you have worked like that, you have gone across the country and told the people you are doing it, along comes the President and, overnight, in the budget, says, "I just found a way to save \$55 billion. Just take it out of there and let somebody else pay for it."

I do not understand why people are not asking the administration, and those who represent the administration: How can you do this? Who is going to pay the \$55 billion that you just relieved the trust fund of? Who is going to pay it? Is it manna from heaven, going to fall down somewhere and nobody is going to have to pay it, or are we going to find a way not to provide it to seniors?

So I thought it was very important to explain this, one day after the issuance of the latest report—and, senior citizens, with each year the report is getting worse. It is not going to get better. We have to try to fix this program. I do not believe anybody really thinks that fixing it means letting us transfer the costs of it to working men and women who already are paying too much taxes. We do not exempt them. We did not find a way to exempt the way their tax is. They are going to pay for it.

I venture to say, in closing, if somebody were to offer a bill to the U.S. Senate that said, "Let us put a \$55 billion tax on Americans' general income tax and let us transfer that to the trust fund to pay for hospital care for seniors," I venture a guess that it would not get 15 votes. For everyone knows you cannot take every trust fund that is around, and when it is not quite able to do its job, just go out and say put an income tax on the public to pay for it. This was a trust fund. We told the working people you will pay a fixed amount, put it in there, and it will take care of this. And we have not yet even attempted a reasonable effort to reduce the costs and supply seniors with adequate hospitalization.

We are just coming to grips with the problem, and along comes an opportunity to do it together and do it right with the President and the Congress working together, and the President finds a way to get rid of the problem, about half the problem, by deciding to move \$55 billion worth of costs out of the trust fund and saying, "We'll pay for it another way."

I do not like to just always paint the side of the picture the Senator from New Mexico sees. There will be some who will say it is pretty logical that we should take out home health care. Maybe it should not be in there. But the truth of the matter is, when you do it this way, you have perpetrated on the public a vicious misrepresentation, for you are telling them you made it \$55 billion more solvent, and you are not telling them how it is going to be paid for, on whose shoulders is the cost going to fall as this \$55 billion has to come out of the general coffers of America.

I am quite sure that the President might say, "I don't intend it that way," but I ask, how do we intend to pay for it otherwise? It could be that since we are moving that down into another provision of health care for seniors, maybe the President is going to propose that we raise the costs of that program to seniors. They pay 25 percent of that. The taxpayers pay 75 percent of that. That is for the insurance policies for everything but hospitalization. Perhaps the President will come along here and say, "We've got to make sure the seniors bear a portion of that cost."

I do not find that anywhere in the budget. So I am assuming it comes out of the general tax coffers of the country to pay for making the trust fund solvent.

Again, in summary, if it is the intention of the Congress and the President to make the trust fund solvent, not by reducing costs but by paying for a big portion of it out of general taxes, maybe we ought to tell everybody that. Maybe we ought to say that is how we are going to provide for this hospitalization. I do not believe anybody thinks that. I do not believe anybody thinks you are going to make that fund solvent by taking 4, 5, 6 percent of the general taxes that Americans are paying and put it in there. Pretty soon there will be no tax dollars for anything else.

So I thought it was very important that we get the message out. I had hoped I could have gotten it out yesterday. It would have been more in rhythm and in sequence with the issuance of the report, but we had other important things to speak of, so I came today to do it.

Mr. CRAIG. Will the Senator from New Mexico yield?

Mr. DOMENICI. I will be glad to yield.

Mr. CRAIG. I want to thank the Senator from New Mexico for his statement, and it is timely. It is important the record show that.

Yesterday, we heard from the trustees, the actuarial study of the state of the trust fund of Medicare. This Senator happens to be holding town meetings across Idaho on Medicare. I can tell the Senator from New Mexico, there is one question always asked. In your package, and I am using the comparative between what you did, what Senator ROTH worked in producing, what the Senate finally voted on to reform Medicare a year ago, and I compare it with what the President had offered, and they say to me, "Well, now, home health care, that's a very important part of keeping costs down. Why is the President doing what he's doing?"

I try to explain it to them. They say, "Well, then doesn't that mean it just gets funded out of the general fund?"

I say, "With no other form of taxation or revenue source"—as the Senator from New Mexico just pointed out—"you are absolutely right."

They say, "Well, that takes it out of the character of the kind of health care this country needs."

We ought to be moving people toward home care. It is the least expensive way, or it is a less expensive way, certainly, and it clearly offers that senior who needs this kind of health care the sanctuary of the home. We ought to be driving toward that.

The Senator from New Mexico, I think, has made a very important statement in that area. Let me thank him for doing so. I do not want to have to deal with this issue again this year, but if we do, I do not want the President sitting down there saying, "We're slashing it," when there is less than a half a percentage point difference in what we are doing.

I think the thing that is most interesting for those attending my town meetings—we use the charts and the graphs; we show the President's plan and our plan—they say, "Where's the difference?"

I say, "We offer more options, and those options help bring costs down."

They say, "We see that, Senator, but we thought you were destroying the program."

I say, "Well, when the facts are on the table, no one—no one—in this Senate will ever do that. But we are on the board of directors, if you will, of Medicare and we have to make the necessary corrections to get it done."

I think your points today are valuable, very important to the whole of the message, and I thank you for bringing it to the floor of the Senate.

Mr. DOMENICI. I thank the Senator. Mr. President, I yield myself 1 additional minute.

The PRESIDING OFFICER (Mr. COVERDELL). The Senator from New Mexico.

Mr. DOMENICI. Mr. President, there is another aspect which I have not spoken about, and I will take a minute to discuss it. It is entirely possible that when you take expenditures out of the trust fund that were obligated to be paid by that trust fund, that you might be diminishing the quality of what you are giving seniors, for if the obligation is in the trust fund, it is a pure trust responsibility to pay for those kinds of things for seniors. If you take it out and say it is going to be paid for out of the general fund, it may be that down the line, we will turn it into welfare or we will pay less for it because we will be saying, "It's not in the trust fund; it's something we can control by just turning the money off or on."

I have not said that other than today, but I do believe it is subject to a serious question: Do you diminish the expectation rights of seniors to home health care if you take it out of the trust fund and put it in another place under another fund which may not be quite as secure in terms of the commitment?

I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. DOMENICI. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. SIMON. Mr. President, I want to speak just briefly on two subjects.

TRIBUTE TO DANIEL E. MOSS

Mr. SIMON. Mr. President, I served for 10 years over in the House. Handling the garage entrance there has been a police officer, D.E. Moss. I learned today he is retiring today. I am probably like most of my colleagues. We just do not thank people around here enough. Here is an officer who is great to us who serve in Congress. More importantly, he has been great to the public. He has just made a great impression for the U.S. Government and has served our people well.

I think of him. I think of Ed Litton who is down in the Dirksen Building, an officer who works there at the subway. But it is true of the people who record what we have to say, whether it has merit or not, the people who sit at the front desks, the pages, the people who work the doors, all the people who really make this place function so well.

D.E. Moss' retirement is a good occasion to remember that we are in debt to a great many people.

Mr. CRAIG. Would the Senator from Illinois allow me just a few comments in that regard?

Mr. SIMON. I would be pleased to yield to my colleague.

TRIBUTE TO SENATOR PAUL SIMON

Mr. CRAIG. While I do not want to speak of Mr. Moss—and I am pleased you recognized him—I want to speak about you for just a moment, and to thank you for the relationship you and I have had on the issue of the balanced budget amendment to the Constitution. We were not successful a few moments ago on another very important vote.

But I must say, in all fairness—and I want the Record to show this—that over the years that you and I have worked side by side on this issue, I think most of the public watching would have said, "Isn't that interesting. Here is a liberal and a conservative."

We took the politics out of this. It was a bipartisan effort, a strong one, on the part of the Senator from Illinois and this Senator. Out of that relationship and our commitment for fiscal responsibility, I have developed a very fond respect for you and all of the work you do. While you and I disagree on a lot of issues, we have worked together very, very well.

Let me thank you publicly, and for the Record, for the tremendous effort you put forth and the contribution you have made toward bringing a balanced budget amendment to the Constitution to the American people. A very special thanks to the senior Senator from Illinois.

Mr. SIMON. I thank my colleague from Idaho, and my thanks to Senator COVERDELL from Georgia. I knew Senator CRAIG when he was Congressman CRAIG. We said hello, but that was just about it. But I had a chance to work with Senator CRAIG here and came to have great respect for him. I am grateful to all those who were helpful to us: Senator HATCH, Senator THURMOND, Senator HEFLIN, Senator BRYAN, others in both political parties.

A balanced budget constitutional amendment, one of these days, has to pass. The question is, how much we are going to hurt our Nation before we pass it. There is just no question, if we had passed it back when John F. Kennedy complained about spending \$9 billion on interest—today we are spending \$344 billion on gross interest—what a much better country we would have. We cannot wait another 5 or 10 years. We are going to have chaos.

THE GROWTH OF LEGALIZED GAMBLING

Mr. SIMON. Mr. President, I will speak just briefly on another subject. That is, Senator LUGAR and I and Senator WARNER and a total of 25 of us on both sides have introduced a bill to say, let us have a study of the growth of legalized gambling in our country.

This is not the most Earth-shaking thing, but the fastest growing industry in our country is legalized gambling. And there are problems with that. It is the only form of addiction that Government promotes. We would be shocked if we saw a sign saying, "Smoke Marlboro cigarettes. You know, they're fun to smoke" or "Drink more whiskey. You'll really have a good time," because both of those provide revenue for Government. But we do not seem to be shocked when there are billboards, like on the south side of Chicago, saying, "The Illinois lottery—this is your way out." This is the impoverished area of Chicago. That is not the way out for people. It is education. It is hard work. It is the kind of things that we know have to be done.

So Senator LUGAR, Senator WARNER, and I introduced this legislation. To the credit of Senator STEVENS and his committee, it was reported out by voice vote. Now we want to move it through the Senate. The House has already passed a bill. We have to work the two out.

My hope is that we could get this done quickly. I spoke last week to Senator DOLE. I would love to see, before BOB DOLE leaves, the Senate have us pass this legislation.

The New York Times 3 days ago had an editorial urging the Senate to pass this legislation.

The Christian Science Monitor has an editorial. The last paragraph reads:

It's time society knew the real costs of gambling. The Senate should pass the measure without delay.

I hope we do this. I have no illusions. We are not going to stop legalized gambling in this country. We are not going to close Las Vegas or Atlantic city. But I think we should be looking at the possibility of steps to limit the growth. For example, you can now or shortly will be able to, on the Internet, gamble by computer using your American Express or Visa or some card. We do not know where that is going to lead. I think a commission ought to be looking into this.

There are people who get addicted. I got into this because my mother is a member of a Lutheran Church in Collinsville, IL. And a substitute teacher at a Lutheran school of that church, unknown to her family, got addicted to gambling. They thought the money was going for rent and paying the bills and so forth. One day they came home and there was a note saying you could find her in the shopping mall parking lot. She had committed suicide. She went to a riverboat casino and got addicted. And you know, these stories multiply.

Mr. President, I ask unanimous consent to have printed in the RECORD these two editorials.

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

[From the New York Times, June 3, 1996]

GAMBLING IN THE SENATE

Despite intense opposition from the gambling industry, the Senate Governmental Affairs Committee has approved a worthwhile measure to create a national commission to review the social and economic impact of casinos and state-run lotteries. Chances are good that it would win easy approval by the Senate, much as a similar bill unanimously passed the House in March. But there remains a danger that Senate Republican leaders may try to kill the measure quietly by failing to allow time for a vote on the Senate calendar.

The bill approved by the Senate committee is a somewhat watered down version of the House plan, which was proposed by Representative Frank Wolf, a Virginia Republican. But it is a marked improvement over the revision proposed earlier by Ted Stevens of Alaska, the committee chairman. The compromise fashioned by Mr. Stevens and the bill's sponsors—Richard Lugar, Republican of Indiana, and Paul Simon, Democrat of Illinois—grants the commission adequate subpoena power and a sufficiently broad mandate to examine gambling's consequences in communities around the country.

As various forms of gambling have spread across the nation, there has been little effort to examine the economic and social impact. State and local political leaders faced with deciding whether to approve gambling in their area, or expand its presence, often have little hard information available to assess the advantages and disadvantages to their communities.

Bob Dole, now in his final days as Senate majority leader, has indicated support for a Federal commission, despite heavy financial support for his Presidential campaign from