

minds of our leaders in Washington. There is no better way to guarantee the citizens of North Dakota the bright future they deserve than to pass the Balanced Budget Amendment.

Sincerely,

EDWARD T. SCHAFER,  
Governor.

STATE OF OKLAHOMA,  
OFFICE OF THE GOVERNOR,  
Oklahoma City, OK, June 4, 1996.

Hon. BILL CLINTON,  
The White House.

DEAR MR. PRESIDENT: On Friday, May 31, at 4:59 p.m., the Legislature of the State of Oklahoma adjourned its 1996 session. Not once during that four-month session was there a moment of discussion about deficit spending. Not one penny was appropriated to pay interest on a state debt. No bill was passed that spent a cent in excess of actual state revenues—all because the Constitution of Oklahoma contains an amendment that requires a balanced budget.

The Balanced Budget Amendment to the United States Constitution will be considered in the Senate this week. I urge you to follow the examples of 49 of our 50 states—including Oklahoma and Arkansas—and support this effort to import common sense from the states to Washington.

Sincerely,

FRANK KEATING,  
Governor.

STATE OF SOUTH CAROLINA,  
OFFICE OF THE GOVERNOR,  
Columbia, SC, June 5, 1996.

The PRESIDENT,  
The White House, Washington, DC.

DEAR MR. PRESIDENT: As the Senate prepares to reconsider the Balanced Budget Amendment, I write to express my strong support of this important legislation. The time has come for the federal government to abide by the same rules of fiscal responsibility that every family, business, and state government must follow.

The federal deficit imposes debilitating costs on both current and future generations. We must start setting priorities and make difficult decisions now for the sake of our children and our children's children. The longer that we avoid our responsibility to the American people, the more we put the prosperity of future generations at risk.

A balanced budget will result in lower interest rates, which will allow working families to keep more of their hard-earned money. With lower interest rates, more families will have the opportunity to own their own home, and businesses will be able to afford the capital investment to grow jobs.

Unfortunately, despite promises made in Washington, a balanced budget has not become law in decades. In fact, your veto of the first balanced budget in 26 years makes it imperative that the Congress pass a constitutional amendment to balance the federal budget. Your support for this amendment would give the citizens of South Carolina and across the nation the opportunity to vote on the nation's fiscal integrity and the future of our country. Only a constitutional amendment will provide the ironclad discipline needed to restore fiscal responsibility.

You have historically been in favor of a balanced budget, as evidenced by your recent budget proposal, and as a former governor, you had to balance your own state books every year. By expressing your public support for the Balanced Budget Amendment, you would prove your convictions to the American public, over eighty percent of whom strongly support such an amendment.

I respectfully ask you to urge the Senate to pass the Balanced Budget Amendment and

put America on the path of prosperity and growth for generations to come.

Sincerely,

DAVID M. BEASLEY,  
Governor.

COMMONWEALTH OF VIRGINIA,  
OFFICE OF THE GOVERNOR,  
Richmond, VA, June 4, 1996.

Hon. WILLIAM J. CLINTON,  
The White House, Washington, DC.

DEAR MR. PRESIDENT: The United States Senate is preparing to consider again the Balanced Budget Amendment to the U.S. Constitution. Often in the past, you have voiced your commitment to balancing the federal budget, and I sincerely hope that you will couple your words with actions and publicly and energetically encourage the Senate to approve the Balanced Budget Amendment now.

As an original sponsor of the Kyl-Allen Balanced Budget Amendment in the United States House of Representatives, I was most disappointed last year when the Senate failed by one vote to send this constitutional amendment to the States for ratification. The Balanced Budget Amendment is not a unique or unproven concept. As a former governor, you are no doubt aware that virtually every State operates under the discipline of a balanced budget requirement. The fact is, it works. With our requirement for a balanced budget, Virginia is one of only four States with a AAA Bond Rating for our careful and limited use of debt.

The people of the United States recognize that passage of the Balanced Budget Amendment is an essential discipline for getting the federal government on the path toward fiscal responsibility. It is also important to improving the quality of life for working families in Virginia and across America.

A family's cost of living is greatly affected by interest rates. The lower interest rates would accompany a balanced budget. Working Americans deserve to be able to keep more of their hard-earned money and put it to work for their families. As borrowing costs drop, housing becomes more affordable as well. A 2% drop in interest rates would save the average homeowner between \$1,600 and \$1,800 per year in mortgage payments. More affordable housing means more home ownership which is the American Dream. And a healthy housing industry increases job opportunities for electricians, plumbers, carpenters, excavators, forestry products, appliance manufacturers, Realtors, and many more that are associated with the housing industry.

Our government should be helping, not hindering, more individuals and families to realize the American dream of homeownership. We can begin to do so by making the balanced budget the law of the land in Washington, as it is in our States. Please put the force of your office behind a balanced budget for America—let us in Virginia vote on this important Amendment.

With kind personal regards, I remain,

Sincerely,

GEORGE ALLEN,  
Governor.

STATE OF WYOMING,  
OFFICE OF THE GOVERNOR,  
Cheyenne, WY, June 5, 1996.

Hon. WILLIAM J. CLINTON,  
President of the United States,  
Washington, DC.

DEAR MR. PRESIDENT: Next week the 104th Congress will have its final opportunity this year to pass a Balanced Budget Amendment. Once allowed to become law, this Amendment will truly change the way our country does business.

It is time for our elected officials in Washington to exercise the same degree of fiscal

responsibility that state governments have adopted. I am concerned that if Washington continues with the current financial practices, future generations will have a financial burden beyond repair. History has made it all too clear that we will not balance the federal budget unless required by the constitution.

The United States spends 11 times more money to pay for interest accrued on the national debt than we do on education, and twice as much on interest than on all of our entitlement programs. In 1993 the state of Wyoming recognized a need for the Governor to submit the budget under estimated revenues. It is important to realize the need for a balanced budget, and to make the sacrifices necessary to achieve that goal. Now is the time for action!

In Wyoming, our constitution requires a balanced budget each biennium. The people of Wyoming cannot understand why such a requirement at the federal level is even questioned. Your support for the Balanced Budget Amendment would do much to bring accountability back to the federal government. I trust we in Wyoming can count on your support.

I can not stress enough the importance of passing the Balanced Budget Amendment. In order to achieve the balanced budget that you have proposed, the people of the United States deserve the discipline of a constitutional amendment. I urge you to contact members of your party in the Senate, and request that they vote for the Balanced Budget Amendment!

Sincerely,

JIM GERINGER,  
Governor.

## MEDICARE

Mr. COVERDELL. Mr. President, the whole Nation is waking to yet another trustees' report that should paint a very bright, vivid red light to every American. We have gone past the yellow light. I would like to share with the Senate just a few facts that have recently been published by the Coalition To Save Medicare.

Fact: Medicare's hospital fund will be broke in less than 5 years.

Fact: Because Medicare reform was not enacted last year, \$133 billion more in savings is needed to meet the trustees' own minimum requirements.

In other words, when the President of the United States vetoed the attempt to keep Medicare solvent, to make it solvent for almost 20 years, to improve the options that seniors would have, to increase the investment in it 70 to 80 percent, the net effect is in 1 year we have made the job of solving and saving Medicare \$133 billion more difficult.

Fact: Each day, Medicare is spending \$25 million more than it takes in.

Fact: Without reform, a working American's annual payroll taxes will have to increase between \$1,880 and \$3,185 immediately to assure the long-term health of Medicare.

Fact: Maintaining the current system as it is for the long term without reform or tax increases will require immediately increasing the annual hospital deductible a senior pays to between \$5,380 and \$6,540.

Fact: Without reform, a working American's annual payroll taxes must

immediately increase to between \$1,229 and \$1,564 just to ensure that Medicare survives 25 years.

Mr. President, as I have told Georgians and Americans all across the country, the era of passing these problems on to another generation is over. It is absolutely over. Within a decade, Social Security, Medicare, Medicaid, Federal retirement and the interest only on our debt will consume 100 percent of the U.S. Treasury. It does not take a rocket scientist or a brilliant economist from one of our major universities to understand that that will wreak havoc on every family and every business. It will destabilize the world's greatest democracy.

This problem is going to get worked out. We are either going to take charge of it and lead our way out of it or we are going to stumble into it, and world markets and the economy will come crashing down on our heads.

I am reading from the Washington Times, Wednesday, June 5, 1996. It opens by saying:

The Clinton administration today is expected to confirm that Medicare will go bankrupt by 2001, but prospects for resolving the problem this year look dim.

So, as we approach this train wreck, we continue to turn away from it and we run the risk of destabilizing the lives of millions of Americans. But the more important thing that I read in this article is the following. It reads, "Democrats said they are not that concerned that Medicare will go broke," that is interesting, "because Congress has always acted at the last minute to avert a disaster."

The last minute part is correct. But the averting of a disaster is not. We have been moving with each succeeding year towards an ultimate disaster which has been called to our attention, once again, by the trustees. It says:

"I think Congress would default on Treasury bonds first," said Rep. Pete Stark, California Democrat.

It is interesting. Mr. Stark is the ranking member on the subcommittee on Ways and Means that deals with entitlements. This is a most interesting statement that he makes on this dilemma. He says:

Mr. Stark acknowledged the \$90 billion Democratic plan does not go far enough to reform the system, even in the near-term, and does not even begin to address what all sides say is a massive insolvency problem in 2010, when the Baby Boom generation starts to retire.

He goes on to say, and this is the key:

To fix the longer-term problem, Mr. Stark said, Democrats probably would resort either to a government takeover of the hospital and health-insurance payment system or raising payroll taxes.

I hope everybody across our land has a chance to hear that solution. This is the solution he is offering up that produced the 104th Congress. This was the idea that the administration and the President and the First Lady took all across the country and said, look, the

way to solve this problem is to have the Government take over medicine, have the Government take over another 17 percent of the American economy. And Americans said, "No way." They were so offended by this idea that they turned the majority of the Congress over.

But the idea has not left, and I believe that this statement by Representative Stark means that we are going to enter into, through the issue of Medicare, the whole question of our plan to modernize it, to create new options, to keep it in the private sector, to make it competitive, versus their plan, which is the old standard status quo, let the Government take it over and increase the economic burden on the American family and the American worker.

Mr. President, an average family in the State of Georgia today makes \$45,000 a year. By the time the Federal Government gets through going through their checking account, and the State government, and FICA for Social Security and Medicare, and their cost of regulatory reform, and their share of the higher interest rates because of the national debt, they end up with 49 percent of their wages to run their families' business. The suggestion that Mr. Stark is coming forward with is: That is not enough. Let us take another 10 or 20 percent out of their checking accounts.

What America needs is for Washington to return these resources to the checking accounts of the average American family and to reject the administration and Mr. Stark's everlasting plea for more government and bigger government and more taxes and higher taxes.

I think Mr. Stark, knowingly or unknowingly, wittingly or unwittingly, has drawn an enormous benchmark for us to debate over the balance of this year and the balance of this Congress as we talk about Medicare and talk about life in the American family and community in this great United States of America.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

#### MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. McCathran, one of his secretaries.

#### EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(the nominations received today are printed at the end of the Senate proceedings.)

#### MEASURES REFERRED

The following bill, previously received from the House of Representatives for the concurrence of the Senate, was read the first and second times by unanimous consent and referred as indicated.

H.R. 3448. An act to provide tax relief for small businesses, to protect jobs, to create opportunities, to increase the take home pay of workers, to amend the Portal-to-Portal Act of 1947 relating to the payment of wages to employees who use employer owned vehicles, and to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate and to prevent job loss by providing flexibility to employers in complying with minimum wage and overtime requirements under that Act; to the Committee on Finance.

The following bill was reported by the Committee on Armed Services, with amendments, and referred to the Committee on Governmental Affairs for a 30-day period provided in section 3(b) of Senate Resolution 400, 94th Congress, except that if the committee fails to report the bill within the 30-day limit, the Committee shall be automatically discharged from further consideration of the bill in accordance with that section:

S. 1718. A bill to authorize appropriations for fiscal year 1997 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and for the Central Intelligence Agency Retirement and Disability System, and for other purposes.

#### EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2886. A communication from the Under Secretary of Defense, transmitting, pursuant to law, the report of a violation of the Antideficiency Act, case number 95-13; to the Committee on Appropriations.

EC-2887. A communication from the Secretary of Labor, transmitting, pursuant to law, the report entitled "Effects of the Immigration Reform and Control Act: Characteristics and Labor Market Behavior of the Legalized Population Five Years Following Legalization"; to the Committee on the Judiciary.

EC-2888. A communication from the Assistant Attorney General, transmitting, a draft of proposed legislation to strengthen federal child protection laws; to the Committee on the Judiciary.

EC-2889. A communication from the Assistant Attorney General, transmitting, a draft of proposed legislation entitled "The Anti-Gang and Youth Violence Control Act of 1996"; to the Committee on the Judiciary.

EC-2890. A communication from the Secretary of Health and Human Services, transmitting, a draft of proposed legislation entitled "The Runaway and Homeless Youth Amendments of 1996"; to the Committee on the Judiciary.