

REGARDING FLOOR PRIVILEGES  
FOR DISABLED PERSONS RE-  
QUIRING SUPPORTING SERVICES

Mr. LOTT. Mr. President, I have been working this morning with all Senators, including the distinguished Democratic leader, to resolve a matter that emerged yesterday with regard to permitting access to the Senate floor of guide dogs and other equipment needed by disabled individuals. The resolution I am about to offer will allow the Sergeant at Arms to work immediately with staffers who have the need for guide dogs to be able to access the floor on a case-by-case basis. The resolution also calls for the Committee on Rules and Administration to consider a formal change in the Senate rules to address the situation. A permanent resolution is expected to be brought out of the committee before the full Senate so that we can have a formal rule on how matters of this nature will be handled.

Again, I thank all Senators involved for their thoughtfulness in addressing the matter immediately. I think it is the right thing to do, and I am pleased that with today's action, assuming we can get this agreed to, the Senate will address an inequity that has been brought before us and we will remove roadblocks in the way of individuals helping us to serve the American people in the Senate.

The chairman of the Rules Committee has been involved in this discussion, the ranking member. I believe we have touched bases on both sides, and I believe this is an appropriate resolution to an immediate problem but also one that can be addressed by the appropriate committee so that the rules will be a little clearer as to how this type of situation will be addressed in the future.

Before I ask unanimous consent, I wonder; I see the Democratic leader, if he wanted to comment. Would the Senator like me to yield for comment before we get unanimous consent?

Mr. DASCHLE. Mr. President, I commend the majority leader for his expeditious handling of this matter. This has only recently been presented as a problem to the body, and I think the manner in which the majority leader is handling it represents sensitivity to the issue and a recognition for the need for some practical application of our current rules. And so I am very supportive of the effort that he and his colleagues are making in this regard, and I hope that we can see this matter resolved successfully today.

Mr. LOTT. Mr. President, I ask unanimous consent then that an individual with a disability who has or is granted the privilege of the Senate floor may bring those supporting services, including service dogs, wheelchairs, and interpreters, on the Senate floor, which the Senate Sergeant at Arms determines are necessary and appropriate to assist the disabled individual in discharging the official duties of his or her position until the Committee on

Rules and Administration has the opportunity to properly consider the matter.

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

Mr. LOTT. Mr. President, I now send a resolution the desk dealing with the same subject and ask that it be appropriately referred.

The PRESIDING OFFICER. The resolution will be received and appropriately referred.

Mr. LOTT. Mr. President, I yield the floor.

MORNING BUSINESS

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, it is my understanding there is to be a 1-hour morning business segment under the control of the minority leader; is that correct?

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 12:30 p.m. with Senators permitted to speak for 5 minutes each.

Mr. DORGAN. Mr. President, I ask unanimous consent we begin the 1 hour reserved for the minority leader.

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

Mr. DORGAN. Mr. President, I yield as much time as he may need to the Senator from Illinois, Mr. DURBIN.

The PRESIDING OFFICER. The Senator is recognized.

Mr. DURBIN. I thank the Senator.

BUDGET RESOLUTION DEADLINE

Mr. DURBIN. April 15, we all know that date; 40 percent of the American taxpayers file their returns within the last 48 hours as the closing day comes for filing personal income tax returns. This year, for about the third year in succession, I did my own tax return. I do not know how many of my colleagues in the Senate and House do that. But I think it is a good educational experience. Perhaps we should pass a law that every Member of Congress should complete their own income tax returns. It might urge us on to reform the system and make it simpler so that families across America will have a little easier time of it in paying their taxes and meeting their responsibility to this Nation.

When it comes to responsibility, there is also a responsibility in this Senate Chamber. April 15 is another deadline. April 15 is a deadline for passing a budget resolution. By this time we are required by law to have passed a budget resolution and started the appropriations process.

I have been on Capitol Hill, I guess this is my 15th year, and I do not think I have ever seen happen what has happened this year because now April 15 will come and go without even so much

as a real debate on a budget resolution. The President sent his version to Capitol Hill. I disagreed with some parts of it. But everyone had to concede that his approach to balancing the budget would in fact balance the budget. He met his obligation. He started the process. Of course, when it comes to Congress, that is not under the President's control, nor should it be. That is the control of the Republican leadership in the House and the Senate. The ball is on their side of the net. It is their time to put together a budget resolution and to spell out for the American people in very specific terms how can we reach a balanced budget.

Just a few weeks ago we spent 2 weeks, maybe 3, perhaps 4 weeks, in the Chamber here debating an amendment to the Constitution of the United States, an amendment which said Congress has no choice; it must balance the budget. I voted against it.

I did not think we needed to put into our Constitution an obligation which we all know we must accept. So many people on the other side, my friends on the Republican side, and a few Democrats stood up and said, "No, no, no, we need to have a constitutional imperative to force us to act." Little did I know that just a few weeks later they would prove themselves true. The Republican leadership has been unable or unwilling to come forward with their offering about balancing the budget.

The other night at the radio/TV correspondents' dinner the President had an interesting observation about how slow the pace is on Capitol Hill and, frankly, how boring it becomes as we go in, week in and week out, in the House and Senate, without addressing the real issues. The President said that the pace on Capitol Hill is so slow that C-SPAN, the television network which covers our hearings, has decided to play reruns from the previous Congress so people will keep up their interest on Capitol Hill.

It is an amusing observation. I do not believe it is necessarily true, but it does reflect on the fact that for some reason we cannot get started up here this year. For some reason, Republican leadership has been unable to come forward with their offering for a budget resolution. Why would that be? Why would a party that is so dedicated to a constitutional amendment to force a balanced budget have such a difficult time meeting its statutory obligation to produce that budget resolution on the floor?

The answer is fairly obvious: Because they have set up certain conditions for a balanced budget which they themselves cannot meet. They have suggested we should include tax cuts in any kind of balanced budget scenario. Coming out for tax cuts on April 15 may be the most popular thing a politician can do. But let's be very honest about it, as Senator Dole learned in the last campaign, just promising a tax cut is not enough. The American people have to understand it is attainable, it

is reasonable, it will not in fact blow up our efforts to balance the budget. I think that is the problem that the majority, the Republicans, face here—how to meet the obligation of satisfying all of their rhetoric about tax cuts and still meet their obligation to balance the budget. Unfortunately, it does not work.

They found 2 years ago when they were pushing a tax cut package even smaller than this one, they had reached such a crisis stage that we shut down the Government. We shut down the Government for the longest period of time in our Nation's history. That worries me, because I am afraid we may be on that same road again.

I have the Durbin plan for dealing with Government shutdowns. There are two parts to it. The first part is a piece of legislation which says, "No dessert until you clean your plate." Remember when Mom and Dad used to say that? I think we ought to say that when it comes to the business of Congress. Here is what I am driving at. I do not believe that we should consider the appropriation to keep Congress running on Capitol Hill until every other appropriation bill is passed. So, if there is going to be a Government shutdown of any agency, it will necessarily also shut down Congress. I think that will focus our attention on the fact that we cannot abide by a Government shutdown or impose on innocent Federal employees that sort of scenario.

Second, the last time there was a shutdown under the leadership of the 104th Congress, three of us, I believe, in the House of Representatives said as long as the Government is shutting down, we are not going to take a paycheck, and we did not. If every other Member of the House and Senate would hew to the same standard, I will guarantee you will never see another Government shutdown.

But, now, where are we? Where are the Republicans headed? What is their plan for balancing the budget? Will they stick with this massive tax cut package they cannot pay for? Will they turn around and try to cut Medicare again, as deeply as they did last time? Will they make cuts in educational programs like college student loans? Will they cut environmental protection efforts, like toxic waste cleanup? I hope they are not on that course. But I do hope they are on the course of meeting their statutory obligation to produce a budget resolution, as they were required to under the law, today, April 15, tax day.

Mrs. BOXER. Will the Senator yield?

Mr. DURBIN. I am happy to yield to my colleague from California.

Mrs. BOXER. I will be brief. But I just wanted to thank the Senator from Illinois for, in his very direct way, putting this issue before the American people. The Senator and I served on the Budget Committee in the House of Representatives for many years. And I serve here on the Budget Committee. I have never seen a situation like this

before. The Senator talked about the no budget no pay legislation. While he was fighting for that in the House, I was here in the Senate fighting for that as well; and some of us over here gave our pay to charity during that period.

I know that my colleagues on the other side of the aisle do not want to have another Government shutdown. As a matter of fact, some of them are going to introduce legislation to pass a permanent continuing resolution and avoid such a shutdown. Frankly, I am glad they are thinking along the lines of avoiding a shutdown. But that really begs the question of the day. That is the cowardly way out. If we cannot get our act together, we admit it now, we are introducing legislation to just keep the Government going at the old rate even though, by the way, things are changing and we need to react to what the people want. But they will continue it going to avoid the heat of a Government shutdown.

The fact is, where is the budget? Tonight, late at night, there will be a rush at mailboxes all across this country of people mailing in their tax returns. They have to get an extension if they do not meet the deadline. Where is this extension? I have yet to see a budget.

In my closing remarks to the Senator from Illinois, I say to him, does he remember anything quite like this? I know some deadlines have been missed in the past, but in my memory, that does go back a ways. At least we had a budget out there. We may not have dotted all the i's, crossed all the t's, and come to a conclusion by this time, but we always had that budget document out there.

Where we stand today is the President has a budget document out there. It balances by the year 2002, according to the Congressional Budget Office. The Republicans do not like that budget. Fair enough. That is why they are Republicans. They have different values. They do not want to see the increases in education. They do not want to see the increases for the environment. They want to give tax breaks to the very wealthy while the President is targeting those tax breaks to middle-class people who need help sending their kids to college, and so on. So that is fair game.

But now I want to see their budget. That is what they have to do. That is their responsibility. They keep saying they want a balanced budget amendment, as my friend said. That did not do anything to balance the budget. It was just a lot of rhetoric, and some of us said that at the time. Where is your plan? The fact is, without one Republican vote we have seen this deficit go down from \$290 billion to what is it now projected to be, \$91 billion? That is an extraordinary record of accomplishment.

So all we are saying here in our own way, it seems to me, and what the Senator is saying—and I would ask for his

comment—is we have never seen a situation where the majority party was so afraid to offer a budget; we have never seen a situation where they did not have the courage to lay down their priorities. I wonder if my friend agrees, if this is really an unprecedented situation?

Mr. DURBIN. I thank my colleague from California. She and I served together on the House Budget Committee, and I agree with her. In 15 years, I have never seen anything like this. For some reason, the Budget Committee is on vacation when it is supposed to be on the job. The statute says get moving by April 15, give us a budget resolution. We have an appropriations process to get started in the House, to move forward on in the Senate, and it cannot get started until we figure out what our priorities in spending are going to be. That is a very difficult thing to do with the high-flying rhetoric. The Republicans ran for the House and Senate saying, "Let us lead." And these steely-eyed, stypitic-hearted conservatives said, "We know how to balance a budget. Out of the way, bleeding-heart liberals. Give us a chance. We'll get rid of all this red ink. We'll get you on the straight and narrow."

Where is the budget? I don't see it. What do we have to do? As the Senator suggested earlier this morning, do we have to send out dogs to sniff out this budget? Where is it? Where on the floor? Is it in one of the committee meeting rooms on Capitol Hill? In one of the think tanks? Does the Heritage Foundation have a budget they want to send up here for us to take up? What are we waiting for? The American people met their obligation today. Some of them are sitting down right now saying, "Oh, my goodness, I have to finish this 1040 form. I have a legal responsibility to do it. My family is going to meet its legal responsibility." When is this Congress going to meet its legal responsibility to find and prepare a budget resolution which keeps up with the rhetoric which we have heard now time and again in this Chamber and across the Nation?

I thank the Senator for her leadership. I think the President has at least given us a starting document. Now, to my friends in the majority, on the Republican side, it is certainly your turn.

Mr. DORGAN. I wonder if the Senator will yield?

Mr. DURBIN. I will be happy to yield.

Mr. DORGAN. One of the reasons we do not have a budget brought to the Senate on time—and today is the date it is supposed to be here—is because, frankly, the proposal they would offer does not add up, and they know it. They are proposing very substantial tax cuts, the majority of which will go to the upper-income folks in this country, and you cannot balance the budget with the kind of tax cuts they propose, especially the kind of tax cuts that will go to upper-income folks.

This morning, on NPR, a Republican commentator said something. I would

like to read it to my friend from Illinois and my friend from California, because I think it is important. He is talking specifically about the capital gains tax cut, and the Citizens For Tax Justice provide a chart to show who gets what from the tax cuts offered by the majority party. The top 20 percent get nearly 80 percent of the tax cuts, the bottom 60 percent get about 8 percent of the tax cuts.

But here is what Kevin Phillips had to say this morning. He said:

It's time to put [this issue] on the table—the argument that because Congressmen and Senators want capital gains tax cuts as a payoff to their big contributors, that's a good reason to block it as a powerful beginning for reforming campaign finance.

This is a Republican, Kevin Phillips, who says this morning:

Think about it. The experts say that two-thirds of the benefit from the Senate Republican leadership's cap-gain cut proposal would go to the top 1% of Americans income-wise. That's exactly the same crowd that gives big [campaign] contributions. Anybody who believes that linkage is a coincidence probably believes in the tooth fairy, too.

It is not me speaking. This is Kevin Phillips, a Republic commentator. Let me continue.

Let me stipulate. The deficit-cutter case against the cap-gain cut is overwhelming, too, because it's such a huge boondoggle. Over the next ten years, the Senate's proposed reduction would cost the government some somewhere between 133 billion dollars and 237 billion dollars [in lost income]. The 133 billion dollar estimate comes from the conservative-run Joint Congressional Committee on Taxation and the 237 billion dollar estimate comes from the liberal-run Citizens For Tax Justice. The truth is probably somewhere in the middle, which would be about 185 billion dollars over ten years, which would have to be paid for—literally—with massive cuts in programs for ordinary Americans or with deficit spending.

Again, Kevin Phillips, a Republican commentator, says this morning on NPR:

Worse still, it's not a worthy outlay. It's just pork for fat-cat political donors. The rate reduction [from capital gains] obviously isn't needed to encourage more investment. The last six or eight years have seen enormous amounts of money invested under the present tax rate. And experts have scoffed at claims in which hired economists say the cuts are badly needed for capital formation. Even Herbert Stein, a former Republican Chairman of the President's Council of Economic Advisers, argues that only economic activity that could be counted on from a cap gains cut would be more activity by accountants and lawyers in converting other income into capital gains.

Again, Kevin Phillips continuing. He says:

Cutting the capital gains rate across the board, for every kind of quick-buck tax ploy, isn't policy, it's pandering. It isn't serious legislation, and Congress knows that; it's a payback to big contributors. Relief for small businessmen, like for homeowners, may justify giving every household a one or two hundred thousand dollar lifetime capital gains exemption. But tens of billions of dollars worth of cap gains cuts for the people who've just flooded the Republican and Democratic parties with hundreds of millions of dollars worth of record-level 1995-96

campaign contributions would be the political equivalent of bribery. Blocking that pork feast, by contrast, would send an important message: a message that reform of campaign finance is already underway.

Again, this is a Republican commentator. Incidentally, his last suggestion is one that I authored as a piece of legislation. I said, let us take, for every American—every American—let us give them an opportunity for a \$250,000 capital gains income, if they have held the asset for 10 years, to be taken with zero tax liability; a quarter of a million dollars during one's lifetime, zero tax liability if you hold the asset 10 years. But let's not go back to the full-blown capital gains approach, where you hold a share of stock for 6 months and 1 day and sell it and pay half the tax someone who works all day pays. It's the same old approach by those in this Congress, and there are plenty of them, who say: Let us have a tax system that deals with different groups in different ways. Let us decide that those who invest shall pay no tax and those who work shall pay a significant tax. In other words, let us have a tax on work but not a tax on investment.

What kind of sense does that make? Let us tax work but not tax investment? There are a lot of streams of income in this country. Guess who has most of the investment income? Most of the folks at the upper level, the same folks who are giving the campaign contributions.

That is why these plans that say, "Let's go ahead and tax work and we will exempt investment," and when they exempt the tax on investment, what they do is propose plans that give the bulk of the tax benefits to a very small group of upper income taxpayers, and the result of that is, of course, the budgets do not add up.

If the budget does not add up to a balanced budget, then you cannot meet the budget deadline of April 15 and bring a budget to the floor that completes what you said you were going to do, and that is balance the Federal budget. The only people in the Senate who have done what is necessary to take this country on a road to a balanced budget are those who, in 1993, stood up here in the face of opposition and in the face of criticism and said, "Count me in, this is a deficit reduction package. I am willing to vote for it and it is tough medicine because it cuts spending and does increase some revenue, but count me in, because I am for reducing the budget deficit."

I was one of those who voted for that. The easiest vote by far would have been to say, "I'm AWOL, I'm out of here, don't count on me for a vote. All I want to do is talk about balancing the budget, and when it is time to do something about it, I am gone."

I did not do that, nor did the majority of my colleagues. We passed that bill by one vote. We did not get one vote from the other side of the aisle. Those who talked the loudest about balancing the budget did not offer one

vote to reduce the budget deficit. It has been reduced well over 60 percent. Now we need to do the rest of the job.

Today is the day by which the budget is supposed to come to the Senate to do the rest of the job. Why is it not here? It is not here because the majority party cannot bring a budget to the floor of the Senate that adds up that reaches balance. Why can they not do that? Because they are proposing very large tax cuts that go, in most cases, to the largest income earners in this country.

The Washington Times had a piece the other day from which I want to read a couple of paragraphs:

Major donors told the national committee chairman, Jim Nicholson, they are fed up with the party's congressional leadership and the party can forget about more money from them unless the GOP lawmakers enact tax cuts.

Shorthand for that: Give us our tax breaks, and we will give you more money. This comes from something called "Eagles," corporate eagles who give \$20,000 a year and individual eagles who give \$15,000 a year. What they are saying is, "Give us our tax cuts, we'll give you some money. Withhold the tax cuts, we'll withhold the political contributions."

It is kind of an interesting and dismaying piece, it seems to me. But the fact is, a budget cannot be put together that proposes the kind of tax cuts the majority wants and, at the same time, shows that we are balancing the budget. That is the dilemma.

Job one in this country, in my judgment, is to balance the budget. I do not happen to think one side is all right and the other side is all wrong; they have no answers, we have all the answers. That is not the case at all. But we spent a month and a half in this Chamber talking about amending the Constitution of the United States to require a balanced budget. I pointed out then if the Constitution were altered 1 minute from now, 2 minutes from now there would be no difference in the Federal deficit, because changing the Constitution does not change the deficit. The only way you change the deficit and reach a balanced budget is the individual taxing-and-spending decisions. That is why asking the majority party who controls Congress and controls our agenda to bring a balanced budget to the floor today on April 15, which is the deadline in law for them to do so, is an important and right thing for them to do.

Mr. President, I yield to my colleague, Senator CONRAD, who has comments on this same subject. I yield him as much time as he may consume.

The PRESIDING OFFICER (Mr. ALLARD). The Senator from North Dakota.

Mr. CONRAD. Mr. President, today is an important day for Americans. April 15 is the deadline for all Americans to file and pay their individual taxes. I know that, I was signing my returns yesterday to make sure they were sent

off. I had to write a check—not as big a check as last year, I was glad for that, but, nonetheless, had to pay some additional tax in addition to what was withheld. All across America, people are engaged in that last moment of frantic scrambling to make sure they file their taxes.

Today is another deadline as well. Today is the deadline for the Congress of the United States to pass the budget for the year. And that gives rise to the question that I put on this chart: Where is the budget? We are not going to pass a budget for the next year here today. There is not even one before the U.S. Senate. But it is even worse than that, because the Budget Committee had a deadline of April 1, and we have not even considered a budget in the Budget Committee.

I am a member of the Budget Committee and have been a member for 10 years. There is no budget that the Republicans—who control the U.S. Senate and the U.S. House, and, as a result, they control the budget committees—have put before us. We have the budget from the President which they have criticized, but we have no budget from them. Mr. President, it is time for those on the other side of the aisle to come forward with their budget proposal.

What we have heard from them is endless proposals for tax cuts aimed at the wealthiest among us. We have heard the Speaker even assert that we can eliminate capital gains taxes and eliminate estate taxes and have a major tax cut for children, but he does not put forward a plan that shows us how this would all add up.

Where would the cuts be to not only eliminate the deficit, but to pay for the tax cuts? There is no plan. It is easy to talk about things we would all like to have if you do not ever have to make it add up. The difficult part of the budget process is to try to come up with a plan that will balance the budget. All of us know that requires spending cuts. Spending cuts are painful. We also know that there is a need for tax reduction in the country.

I have supported a plan. We had the centrist coalition last year, 10 Democrats, 10 Republicans, that worked together for hundreds of hours and put together a plan that was a consensus of our group on a bipartisan basis. We brought that plan to the floor of the Senate, and we received 46 votes, about evenly divided between Democrats and Republicans. Frankly, that is what it is going to take again this year. But when I hear our friends on the other side of the aisle assert that it is this side of the aisle that is responsible for budget deficits, I think we then have to talk about the record and talk about the facts.

Here is the record and here are the facts. If we look at the last three administrations and look at the record on the deficit, it is very clear who has performed and who has talked.

This is the record during the Reagan administration. He took office in 1981.

The unified deficit for that year was \$79 billion. It promptly shot up to over \$200 billion and largely stayed that way through the Reagan administration.

Then the Bush administration came into office and started with a unified deficit of \$153 billion. By the time the Bush administration was finished, they had a deficit of \$290 billion.

Then President Clinton came into office, and the first year, the unified deficit was \$255 billion, and each and every year, the deficit went down: \$203 billion the second year of the Clinton administration, \$164 billion the third year, and this chart shows \$116 billion, but it actually wound up somewhat better than that. The deficit came in at \$107 billion.

All of that occurred because we put in place a budget plan in 1993 to cut spending and, yes, raise revenue on the wealthiest among us. The wealthiest 1 percent of this country were asked to pay somewhat more, and we cut spending about \$250 billion over a 5-year period. Over 10 years, that deficit reduction package reduced the deficit \$2.5 trillion. That is an extraordinary record of deficit reduction. In fact, now we are told that the unified deficit this year, the year that will end on September 30, will come in at about \$91 billion. That will be 5 years in a row of deficit reduction.

I just think if we are going to have a serious debate here over who has done what, then we ought to look at the facts, and we ought to talk about who, in fact, did have the courage to stand up and vote for that 1993 budget package, which the other side said would crater the economy. They said it would increase the deficit. They said it would increase unemployment. They said it would reduce economic growth.

They were wrong on every single score. It reduced the deficit every single year. It reduced unemployment. We have had nearly 12 million jobs created in the United States since we put that plan in place, and we have had a large economic expansion in this country. That is the record. Those are the facts.

If we are going to finally achieve closure of this and actually balance the budget, then it is going to take both sides working together, because the Republicans control the Congress, the Democrats control the White House, and nothing is going to happen unless we work together.

Last year, those of us who participated in the centrist coalition that involved Democrats and Republicans on an equal basis found the effort one of the most rewarding we have engaged in while we have been privileged to be part of this body, because we did work together. Nobody was running out and holding press conferences attacking the other side. Nobody was trying to get over on the other side. There were no raised voices. There was calm reasoning to try to achieve a result that we all understood was important for our country.

Why is it important for the country? Mr. President, what is at stake here is

the economic future of the country. This chart shows our children's economic position in the year 2035 in terms of the gross national product of the United States. This is on a per person basis.

Very recently, the Congressional Budget Office issued a report and told us this: If we fail to act, the per capita size of our economy will be \$33,200 in the year 2035. But if we would balance the budget on a unified basis—and I do not consider a unified balance a true balancing of the budget, but at least it is a step in the right direction—then the per capita size of our economy would be \$40,900 in the year 2035. We would have much more income per person in this country if we moved toward balancing the budget. That is the message of this chart.

Why is that the case? It is the case because if we are not deficit spending, we are not eating into the societal savings account. The more savings you have, the more investment that is possible. The more investment you have, the stronger the economic growth. That is the key to the future of America's economy, and it is why it is critically important to actually balance the budget. It is not just some abstract idea. It is critically important to the economic future and health of America.

Mr. President, we hear some on the other side saying they are going to cut this tax, that tax, we are going to cut all taxes. On our side, we say we ought to have targeted tax relief. Middle-class families need tax relief. We are in favor of that. When we start talking about reducing taxes that primarily are paid by the wealthiest among us, it really does not make sense to do that and jeopardize balancing the budget. Why not? Because the biggest help that we can be to this economy is to balance that budget.

Let me just indicate that when people start talking about what will help promote growth in this economy, they look closely at the benefits of balancing the budget. Balancing the unified budget is expected to reduce interest rates by about 1 percent. In an economy with \$14.5 trillion in non-financial sector debt, a 1-percent reduction in interest rates means an \$145 billion boost to the economy in 1 year. That dwarfs any of the tax cuts that are being talked about in terms of providing a lift to the economy.

So the truth of the matter is the best tax cut that we can give, the best tax cut, the most effective tax cut, is one that leads to a balanced budget. The only way we do that, obviously, is to cut spending that has contributed to the budget deficit, and have a revenue stream that balances with the spending. That is how you balance a budget. It is not just spending. It is the combination of spending and revenue that has to be in balance.

So those who talk about massive tax cuts will have to come down here at some point with a plan that shows how

it adds up. They have not done it. They did not do it by April 1 in the Budget Committee which was their responsibility. They have not done it by today, which is by law their responsibility. So we are waiting. We are asking the question, where is the budget? When they come with a budget plan, it needs to add up. That is in the long-term interests of the United States.

Mr. President, I will yield the floor.

Mr. DORGAN. Mr. President, let me ask the Senator from North Dakota a question. Senator CONRAD is on the Senate Budget Committee and, as he indicated, the legal date for the completion of work on a budget by Congress is April 15. In fact, a couple of years ago, we heard some folks here on the floor of the Senate and in the House say, "The President is irrelevant. We control the Congress. We will write a budget and we will ram this thing home. It does not matter what the President thinks."

Now we hear the story, "What the President thinks matters to us. We will not do a budget unless the President comes to the table." The President submitted a budget, but my understanding is that the Budget Committee in both the House and Senate have not moved forward to say, "Here is what we in Congress think ought to comprise a budget."

Again, my notion is that it was not done because there is not any way to add this up. If you want to give giant tax reductions, most of which will go to the upper income folks, and say that is what we promised, but we also promised a balanced budget, the best way to avoid the conflict of a budget that does not add up is to not submit one, do not show your hand.

Is that what is happening in the Budget Committee?

Mr. CONRAD. I am afraid it is. The law says: "Before April 15 of each year, the Congress shall complete action on a concurrent resolution on the budget for the fiscal year beginning on October 1."

We are not just supposed to have completed the budget in this Chamber. The entire Congress is to have completed the budget plan by today. We have not even started. We have not even started in the Senate Budget Committee to consider a plan. I fear the reason is that our colleagues on the other side and all over America in the last campaign promised they would cut this tax, that tax, and every tax, and when they came back here to try to see how it would add up, they find, wait a minute, it does not add up. In fact, the only way you can get it to add up is to have cuts that are even deeper than the ones they proposed last year in Medicare, education, and environmental protection.

So our friends on the other side have a real problem. The problem is their rhetoric does not match reality. The problem is they do not have a plan that adds up. It does not balance.

As I said in my statement, what is critically important is that we work

together to get a plan that does balance. That will be the best thing we can do for American taxpayers and the American economy. It will mean greater economic growth. It will mean a stronger economy. As I indicated, a 1-percent reduction in interest rates, which is what the economists tell us we will get if we balance the budget, will save those who have debt—corporations, individuals, families—\$145 billion in a year. That will provide more lift to the economy. That is the best lift we can give this economy of anything that we could do.

We favor targeted tax relief to middle-income folks that, in fact, are under a lot of economic pressure. That makes sense. Some of these tax schemes the people have floated that give the overwhelming weight of the tax reduction to the wealthiest among us, and then do not permit you to have a plan that adds up, does not make any sense. It is not the right course for the country. I think that is why they really have not come up with a plan. They have not begun to come up with a plan because most of those who have tried to get these numbers to add up know that they do not.

Mr. DORGAN. I ask the Senator, did the Senator hear my reading of the Washington Times story in which the Eagles from the Republican Party said to the party chairman, look, we are not going to contribute more money if you do not give us some of these tax breaks. We are tired of contributing money and getting nothing for it. That is not quite the way they said it, but it is how it reads.

It reminds me of the movie "Jerry McGuire," toward the end of the movie the fellow is knocked out of the end zone, laying there holding the football, and gets up and rushes around the stadium. If you remember his chant during the entire movie "Show me the money, show me the money." That is what that message was in the Washington Times report from the Eagles, "Show us the money."

The dilemma here is you cannot cut \$500 billion or \$550 billion in taxes and promise everything to everybody and then come to the floor of the Senate and say, "By the way, here is our plan to balance the budget." Cut your revenue by half a trillion dollars and then balance the budget? No, what you do is create a giant hole and increase the Federal deficit.

We had a fellow named Laffer who constructed the Laffer curve, used in the early 1980's. It turns out to be a "laugher." He said, "You can cut the taxes, especially for those at the top, because we believe in trickle down, where you pour in at the top and it all trickles down to help everybody else." Some of us believe in the "percolate up," give something to the bottom and it percolates up. Nonetheless, the Laffer curve would have substantial cuts, and somehow you balance the budget.

What happened was the largest deficits in the history of this country. Dou-

ble the defense budget—that was the Reagan recipe, double the defense budget—cut taxes, and you end up with very large deficits. That does not come from me. That comes from David Stockman, who did it, who wrote a book afterward and said what a terrible thing to have done, and then we bear the results of that.

But those of us who in 1993 cast tough votes for a plan that said do what is necessary to march down the road to really balance the budget, we have taken tough steps to do this. We have marched in the right direction, but we are not there. We get there when we have balanced the budget. Senator CONRAD is talking about the requirement to do that.

I personally would like to see us essentially say, balance the budget first, and then talk about the Tax Code. There is plenty wrong in the Tax Code to the extent the upper income folks do not pay what they should or to the extent \$30 billion that corporations ought to be paying, they are not. That means working people are paying higher taxes than they should. We ought to relieve them of that burden.

What I would like to do is balance the budget and then turn to the Tax Code and make the right decisions about the Tax Code. The right decision is not to say those who invest shall be tax-exempt and those who work shall be taxed. In effect, saying as they do every day, tax work and exempt investors. Gee, that sounds pretty good for those folks, because guess who supports them? The investors. They are saying exempt the folks who support us, and tax all the working folks. What about exempting workers? Capital gains cut—what about a workers' gains cut? Is there not a workers' gain when you have a circumstance where you have an increase in productivity but you have inflation that devalues some of their earnings? What about a workers' gains cut? Why is it always capital? They say no, tax work and exempt investors. What a wrongheaded approach. Yes, help investors, but you do not help investors by saying, "By the way, you are a privileged group of people. You get to be tax-exempt," because they are so intending to do that in such a significant way there is not any way to add this up.

There is only one arithmetic book, and you start when you are young. Adding is simple. One plus one equals two, two plus two equals four, and I can go further than that because I went to a pretty good school, but it does not add up.

Today is April 15. The budget is supposed to be here by law. Tonight, every newscast will show there is a traffic jam at the post office because people are pushing to file their return for April 15, but the deadline to bring a budget to this floor of the Senate is not going to be met.

Guess what? The folks that run this place will be sleeping at midnight. They will not be in the post office or

driving around looking for a mail drop. They will be sleeping. Why? Because their plan does not add up.

Mr. CONRAD. Maybe they ought to have to file for an extension.

Mr. DORGAN. Maybe we should ask before the 12 o'clock postmark is necessary, maybe at least they ought to file for an extension today.

Mr. CONRAD. If I could just add, I think one of the things that gets lost is why balancing the budget has so much merit. If we balance the budget and the economists are correct that that would reduce interest rates by 1 percent, that would mean on a typical mortgage, a savings of \$900 a year. Over 5 years it would be over \$4,500 in savings for a homeowner. On a car loan, that would be savings of \$400, and approximately \$1,000 a year in savings to the typical North Dakota farmer because of interest savings.

I think we have to keep our eye on the ball here. The first and most important step we can take is to balance this budget. That will reduce interest expenses on nonfinancial sector debt by \$145 billion. That will provide enormous lift to this economy. That is really the single best thing we could do for the country.

I yield the floor.

Mr. DORGAN. Mr. President, how much time is remaining?

The PRESIDING OFFICER. The time controlled by the minority will expire at 11:30, so you have 2 or 3 minutes. You can extend that by unanimous-consent request.

Mr. DORGAN. I had asked unanimous consent at 10:45 when we began to begin the hour allotted to the majority leader, and that was my intention in the unanimous-consent request.

The PRESIDING OFFICER. The Senator is correct. The Chair apologizes.

Mr. DORGAN. I yield the remaining time to the Senator from South Carolina, Senator HOLLINGS.

#### TRUTH IN BUDGETING

Mr. HOLLINGS. Mr. President, I rise this morning to discuss truth in budgeting. Let me emphasize "truth in budgeting." We do not appreciate, Mr. President, the reality. The reality is that we are giving billions and billions more in Government than we are willing to pay for.

In fact, Mr. President, from the year 1945 when President Truman was in office until 1980, when President Reagan came in, the deficits were an average of \$20 billion. Whereas for the last 16 years, the average has been \$277 billion. So for the last 16 years everybody is running around and pointing fingers as to the blame, while we have been giving \$277 billion more in Government than we are willing to pay for.

Now, a couple of years ago, my distinguished colleagues on the other side of the aisle kept saying, "If you want to change the Congress you have to change the Congressman. If you want to change the Senate, you have to

change the Senator," and the American people said "fine, that is what we will do." But instead of getting change, instead of getting a proposed budget where we pay up here for the Government we are giving, we get into this big folderol about leadership and everything else.

Under the Constitution, the Congress legislates, the President executes. It is our responsibility to legislate. In fact, the concurrent resolution for a budget is not even signed by the President. Yet, this weekend I had to listen to the distinguished chairman of the Budget Committee on the House side, Mr. KASICH, say, "If the President could only show leadership and step up to the plate." They have all the jargon and litany—"if he can only show some responsibility," and "if he only had the courage." Well, he has put up a budget. He maintains that his budget is balanced by the year 2002. There is a serious question about that, obviously. But at least he put up a budget. Now, from January to June, we are still hearing the chairmen of the Budget Committees on both sides of the Capitol asking for leadership and courage and everything else, when that is what they asked the American people for and received. We have a Republican Congress; where is the Republican budget? It is just totally out of whole cloth around here; we can't get the truth about where we are.

Now, going right to the point about their being derelict as to their responsibility. All of us have been derelict as to the reality of the deficit. All you need do is the simple arithmetic to find out how much the debt increases each year and to determine your deficit, not this unified Mickey Mouse thing which uses borrowed funds. The unified deficit is the one that was used all of last year during the campaign, and it was used the day before yesterday on the Sunday morning talk shows. David Broder used it in his column, and all the responsible writers use it. The number they use is \$107 billion. Totally false. Totally false.

To get the actual deficit, you just subtract the increase from one year to the next, and you can find that the actual deficit was \$261 billion. How do they get to the \$107 billion? Well, Mr. President, they borrow \$154 billion. You borrow \$154 billion from Social Security, from Medicare, from the civil service retirement, from military retirement, and you go right on down the list until you get to \$107 billion. Why not borrow that \$107 billion and say the budget is balanced?

What kind of gamesmanship are we playing? When are we going to get the truth out of the free press in America and quit quoting a silly figure that doesn't reflect the reality. The reality, Mr. President, is when that deficit grows to \$261 billion this year, and you add that amount to the debt and the existing interest costs, this conduct, along with Mr. Greenspan's, causes your interest costs to go through the

roof. In fact, right now, interest costs are estimated at \$360 billion for 1997. That was the CBO figure before the increase in interest rates. So the figure is now around \$1 billion a day—\$365 billion, or even more.

Mr. President, today is April 15. Today, everyone is required to pay their income tax. I just got this table from CBO which says the total amount paid in individual income tax is estimated to be \$676 billion. We are already 6½ months into our fiscal year. Therefore, when I say a billion dollars a day in interest costs, what I am saying is that the people of America worked from October of last year up until today, income tax day, April 15, for what? To pay for the wasteful interest costs in Government, and this charade that continues. Half of our Nation's income taxes go to pay for interest costs on the national debt. Even if we get a little bit of savings from the CPI, a little bit from Medicare, we are still way off. I will be joining with the Blue Dogs; we are working out the figures right now for a budget freeze—no increase in taxes, no cut in taxes, no back-end loading. And even then, without the borrowings, it is going to take you 5 more years, until 2007 rather than 2002, for a true balanced budget.

The American people should understand that we are playing a game up here to buy the vote, so we can all get reelected again next year. We have been doing that for the past 16 years with this silly Reaganomics and the litany of growth, growth. One fellow, Stevie Forbes, wrote "hope, growth, and opportunity." You turn on all the programs, and the discussions are all about inheritance taxes and the capital gains tax. "Just do away with the IRS and the income tax," they say. We are talking out of whole cloth. We act like that is reality. We cannot afford tax cuts. Look at the figures. The domestic budget is \$266 billion. The defense budget is \$267 billion. Look on page 36 of your budget book. Entitlement spending is \$859 billion. That comes, Mr. President, to \$1.382 trillion. Then you add interest costs of \$360 billion, and that is \$1.742 trillion. To get down to CBO's projected revenues of \$1.632 trillion, we have to cut \$110 billion.

Now, that's the job that we have at hand—not capital gains, not inheritance taxes, not getting rid of the IRS and income taxes. Yes, taxes are too much. Why are they too much? Because of the interest costs on the national debt. If you go back to 1980, it was \$74.8 billion. We have literally added just about \$300 billion in interest costs on the national debt that must be paid up first. It is just like taxes. You might call them an increase in taxes each day of \$1 billion. We are running around here cutting taxes while we are increasing their taxes \$1 billion a day. But if you had that \$300 billion, Mr. President, we could balance the budget, we could get improve technology, we could pave the highways, repair the bridges, give more student loans, and