

and co-author Daniel Feenberg argued the increase had produced disappointingly little revenue—just \$9 billion in 1993—while encouraging the rich to work less, deduct more and generally change their behavior to avoid paying more money to the government. In particular, couples with joint incomes of \$140,000 to \$180,000 were more inclined to seek larger mortgages, take more time off instead of working extra hours or otherwise reduce the amount of income they would have to report as taxable, Prof. Feldstein says.

Even now, with the Treasury flush, Prof. Feldstein contends that the tax increase has proved to be an unjustified drain on the U.S. economy. The unexpected revenue surge could be due in part to the spectacular performance of the stock market—and executives' stock options—in recent years, he says. Besides, he adds, the budget situation would have been even better without the tax boost.

That what-if question is a thorny one. Hard data aren't yet available to show whether in fact the tax increase led high-income Americans to reduce their taxable income in 1995 and 1996.

But present and former Treasury officials say the recent revenue flood has tilted the debate against Prof. Feldstein and indicates that the tax boost is probably raising large sums from the wealthy.

"The basic fact is that people looked at the 1993 budget agreement and said there'd be a recession, the deficit would go way up and that tax collections would go way down," says Mr. Summers. "What has happened is there has been a boom, the deficit has gone way down and tax collections have gone way up."

FISCAL YEAR 1998 BUDGET RESOLUTION

Mr. McCAIN. Mr. President, today I voted with the majority of my colleagues in supporting the bipartisan budget agreement embodied in the Fiscal Year 1998 Budget Resolution. While I have serious concerns about several aspects of this agreement, I am hopeful that time will prove me wrong and the American people will actually reap the benefits of permanent tax relief and deficit reduction that are promised in this agreement.

First, I want to thank my colleague, Senator DOMENICI, for his hard work and excellent management of this difficult bill. In particular, I am grateful for his cooperation and support for my amendment regarding concerns about overly optimistic estimates of revenue from the future auction of broadcast spectrum. I am committed to enacting legislation to mandate these auctions over the next 5 years, but I am very concerned that this budget assumes much greater revenues from spectrum sales than can reasonably be anticipated at this time.

Both Senator DOMENICI and I agree that spectrum auctions will raise a considerable amount of revenue for the Treasury. However, we also share the common concern that auctions depend on supply and demand, and therefore, the revenue received will undoubtedly fluctuate from today's estimates.

The amendment that Senator HOLLINGS and I offered simply states, that if the revenue from future sales falls

short of the estimates in the resolution, deficit reduction targets will not be met. In that event, my amendment would require the Senate to find other savings or revenue to ensure that we stay on track in eliminating annual budget deficits by 2002. Senator DOMENICI's support for this amendment was critical to its adoption by a vote of 84 to 15. I am counting on him to work with Senator HOLLINGS and me to identify spending cuts in the event spectrum sales fall short of the revenue estimates in the resolution.

Mr. President, I have listened carefully to my colleagues who have discussed problems with the economic estimates underlying this plan. I, too, was disturbed when the Congressional Budget Office released a new estimate of future tax revenue just hours before the President and the Congressional negotiators on this balanced budget deal announced a final deal. While time may validate CBO's more optimistic estimates, the sudden announcement of an additional \$225 billion in taxes was disconcerting, to say the least. While our economy's performance in recent months could very well justify a near-term revenue increase, I am concerned that the high rates of economic growth forecast into the next century might be too optimistic. More importantly, this tax windfall could hamper efforts in the near term to reduce both discretionary and mandatory Federal spending.

Mr. President, under the plan in this resolution, we will continue to carry an annual deficit for the next 4 years. Our Nation's burden of debt will increase to \$6.5 trillion by the year 2002. Annual appropriations spending will continue to increase under the plan in this resolution. I hope the Congress will resist the temptation to spend up to the limits in this resolution, and will instead work to advance the date when our budget is in balance and we begin to whittle away at the national debt.

The most important and promising aspect of this resolution is its promise of permanent tax relief for Americans. The resolution sets up a procedure for swift enactment of a bill to provide tax relief that will create jobs and provide the fuel for even greater economic growth in our Nation.

The \$500-per-child tax credit will give immediate and much-needed relief to middle- and low-income families. Capital gains and estate tax relief will spur investment in new enterprises and reinvestment in family and small businesses. Until this agreement, the President had been implacably opposed to these profamily and pro-small-business tax reforms. Early enactment of these tax relief measures should be the first order of business for the Congress under this agreement.

Mr. President, in the 15 years I have spent in the Congress, I have seen many plans and proposals to balance the budget. Yet, today, our Nation bears the financial burden of a \$5.3 tril-

lion debt. Yet, I voted for this plan because I remain hopeful that the Congress and the President are committed to both the letter and the spirit of the agreement reached just a few weeks ago. I look forward to working with my colleagues to enact the much-needed tax reform envisioned in this resolution and to ensure we carry out the terms of this agreement to achieve a balanced budget by the year 2002.

LOIS PALAGI

Mr. BAUCUS. Mr. President, I rise today to commend Mrs. Lois Palagi, a third grade teacher at West Elementary School in Butte. I want to recognize Lois because she has distinguished herself as one of the best and most beloved teachers in the community of Butte.

In Montana we pride ourselves on providing our children with a top notch education. And we do a great job. But that success doesn't happen by accident. All Montanans shoulder part of the responsibility. One key component of our success is Montana's dedicated and hard-working teachers.

Lois is a prime example of how teachers help our youth become some of the most competitive minds in the country. She has served her students for over 35 years. And in that time, she has taught her children the importance of discipline, respect, knowledge and wisdom. So many people have grown up under her watchful eyes to become responsible, hard-working adults because she led by example. And now she leaves behind a legacy of dedication, caring and love for teaching. She has brought great honor to her noble profession.

At the end of this school year, Lois will begin a new undertaking—retirement. She will be able to spend more time with her husband Larry, son Mark, and daughter-in-law Linda. And devote more of her time to her three grandchildren: Bob, Jessica, and little Andie Elizabeth. She will be dearly missed at West Elementary School. But I'm certain she will be heartily appreciated as she spends more time with her family.

Mr. President, it is impossible to count the number of lives that one person touches during his or her life. But I do know that in 35 years of teaching, that number is sure to be a mighty sum. I would just like to add my voice to all the others and say "Thank you, Lois."

And good luck in your retirement.

DISASTER ASSISTANCE APPROPRIATIONS

Mr. BYRD. Mr. President, I deeply regret that the other body has chosen to stand in recess for the Memorial Day break without having passed disaster assistance appropriations for the hundreds of thousands of victims of natural disasters in 33 states throughout the country. As all members are aware, yesterday afternoon the House

of Representatives, by a vote of 278-67, rejected an adjournment resolution. Immediately following that vote, according to press accounts, the distinguished chairman of the Appropriations Committee, Mr. LIVINGSTON, sought recognition for the purpose of attempting to bring up a clean disaster assistance supplemental appropriation bill intended to provide sufficient and necessary assistance for a number of programs to ensure that there will be no delay in getting assistance to the victims of these natural disasters. As I understand it, the total amount of that proposal was approximately \$1 billion. Had the House taken it up and passed this interim disaster assistance bill, I am certain the Senate could have done the same and the President had indicated that he would have signed it.

The larger disaster assistance supplemental bill that is in conference contains some very controversial and difficult issues which have nothing to do with providing the necessary funds for disaster victims, or with the nearly \$2 billion contained in the bill for aid to our men and women in uniform around the world—particularly Bosnia—engaged in peacekeeping operations, or with the \$750 million in funding for veterans compensation and pension. The conferees are in agreement, to a large extent, with the funding issues in the bill. But, these contentious, extraneous issues have slowed the progress of the conference despite the skillful and patient manner with which the distinguished chairman of the conference, Mr. LIVINGSTON, has conducted each meeting of the conferees. He has shown the ability to proceed as expeditiously as possible, while at the same time protecting all Members' rights to fully air their views on each matter before the conference. I have nothing but high praise for his leadership, as well as that of the distinguished ranking member, Mr. OBEY, or of our chairman, Senator STEVENS, as well as for all of the chairmen and ranking members of this conference who have worked many hours to resolve most of the differences in the bill. I would have preferred, as I am sure all of the conferees would have preferred, to be able to stand here today urging the Senate to adopt a completed conference agreement on H.R. 1469, the emergency disaster assistance supplemental appropriation bill.

Since, for the reasons I have stated, that was not possible, I express to the American people and particularly to the hundreds of thousands of disaster victims throughout the country, my deep regret that their elected representatives in Congress have chosen to recess for the Memorial Day holiday without having taken any action to address their desperate need for Federal assistance. At the same time, I urge them not to despair and pledge my efforts to do all that I can to work with the distinguished chairman of the committee, Mr. STEVENS, and the distinguished chairman and ranking member

of the House Appropriations Committee, Mr. LIVINGSTON, and Mr. OBEY, to complete final action on H.R. 1469 as quickly as is humanly possible when the conference next convenes, hopefully during the first week of June.

NATIONAL EMERGENCY MEDICAL SERVICES WEEK

Mr. BYRD. Mr. President, this week is National Emergency Medical Services Week. The people who work and volunteer in the emergency medical services field provide an invaluable service for all American citizens—they provide us with a safety net. This is necessary because regardless of how careful we try to be, we are all subject to the whims of fate. Common sense and practicality are often not enough to prevent accidents caused by the carelessness of ourselves or others. In these times of need, we rely on dedicated emergency medical services personnel. They take care of us when we cannot take care of ourselves.

I want to take this time to recognize the special disposition that a person must have to be an emergency medical service worker. These people all share common characteristics such as the desire to help, as well as the ability to feel empathy for, the people they assist. Of course, kindness and willingness to help alone are not enough. These workers must also possess the skills needed to do the job and to do it well. These skills can only be acquired through hard work and dedication. The working lives of emergency medical service workers are characterized by a lack of predictability in both content and scheduling. They have no routine to rely on. They truly must be ready for any thing at any time.

Although emergency medical service workers across the country have many things in common, they also face many different challenges and dangers every day. There are some who must fight traffic, some who fight long distances and bad roads, and some who are forced to face the fear and possibility of losing their lives in order to try and save ours. Despite all of the challenges and dangers faced by these dedicated workers, they continue to be efficient, to be dependable, and to be effective in saving lives day after day.

In a world which is fraught with peril, it comforts me to know that there are people that we can count on in our hour of need. And so, Mr. President, I am proud to recognize this week as National Emergency Medical Services week to acknowledge the important work and strong character of the dedicated emergency medical services personnel. We are fortunate to have this opportunity to show our appreciation for all of their tireless work on our behalf.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Thursday,

May 22, 1997, the Federal debt stood at \$5,344,819,275,286.24. (Five trillion, three hundred forty-four billion, eight hundred nineteen million, two hundred seventy-five thousand, seven hundred eighty-six dollars and twenty-four cents)

One year ago, May 22, 1996, the Federal debt stood at \$5,117,440,000,000. (Five trillion, one hundred seventeen billion, four hundred forty million)

Five years ago, May 22, 1992, the Federal debt stood at \$3,926,208,000,000. (Three trillion, nine hundred twenty-six billion, two hundred eight million)

Ten years ago, May 22, 1987, the Federal debt stood at \$2,289,817,000,000. (Two trillion, two hundred eighty-nine billion, eight hundred seventeen million)

Twenty-five years ago, May 22, 1972, the Federal debt stood at \$428,608,000,000 (Four hundred twenty-eight billion, six hundred eight million) which reflects a debt increase of nearly \$5 trillion—\$4,916,211,275,286.24 (Four trillion, nine hundred sixteen billion, two hundred eleven million, two hundred seventy-five thousand, two hundred eighty-six dollars and twenty-four cents) during the past 25 years.

HONORING ASTRONAUT JERRY LININGER

Mr. LEVIN. Mr. President, tomorrow we will welcome home a true American hero, Eastpointe, MI native, astronaut Jerry Lininger. Jerry is returning to Earth this weekend aboard the space shuttle *Atlantis* after a 5 month mission on the Russian space station, *Mir*.

I am sure that Jerry expected his 5 months in space to provide him with innumerable opportunities and challenges, but the challenges he and his crewmates faced were way beyond expectations. They had to fix antifreeze fume leaks which threatened the space station's air supply. The oxygen-generating systems malfunctioned, forcing the crew to activate three backup oxygen canisters each day to provide them with the oxygen they needed to breathe. And, Jerry and his Russian fellow scientists had to extinguish the worst fire ever aboard an orbiting human spacecraft, an ordeal which captured the attention of millions of people in the United States, Russia and around the world. It seemed from this earthly vantage point that the 10 plagues of space travel were being visited on *Mir*—leaks, lack of oxygen, humidity, fire, temperature, excess CO₂, loss of power, lack of supplies and replacement parts, claustrophobia, and separation from family. When the space shuttle *Atlantis* recently linked up with the *Mir* space station to deliver much needed repair parts and to pick him up, Jerry may have made the understatement of the year when he remarked to its crew members that it was "nice to see you."

While the drama played out in space, Jerry Lininger's professionalism came to the fore. He continued his work on