

were injured. Later that day, the Israeli Cabinet voted to break off all contact with the Palestinian Authority, jeopardizing hopes that had soared just days ago when Israelis and Palestinians had agreed to resume peace talks for the first time since March.

I have always been a strong supporter of the peace process, and there is no doubt in anyone's mind that this is a complicated issue and peace will only be secured after prolonged negotiations and compromises on both sides. No one expects it to be easy.

However, the first step simply must be to end the violence. Terrorist acts such as yesterday's bombing simply cannot be tolerated. There is no reason, no excuse, no possible justification for killing innocent civilians shopping in a street market. It is an act of terrorism, nothing more, nothing less.

Peace cannot be secured until the citizens of the Middle East are certain that they are safe. They will not feel safe until they trust each other, and they will not trust each other until their actions match their words and deeds. Yasser Arafat said he condemns these terrorists. He said it is an act against the peace process. Yet, it is more than likely that a known terrorist group detonated those bombs in the market. These terrorist groups have never had to account for their violent deeds.

The Palestinian Authority must match its words of condemnation with acts. It must take tangible steps to increase security activity and security cooperation. It must be committed to bringing those who are responsible for this unconscionable act of terrorism to justice. Only when it is clear that these acts of terrorism will no longer be tolerated will they cease. Only when they cease can we take another step down that very long road to peace.

I extend my condolences to the families of those who were killed. It is my sincere hope it is the last time that the people of Israel and the people of Palestine will endure the suffering and fear that terrorist acts bring.

I yield back the remainder of my time.

Ms. MOSELEY-BRAUN addressed the Chair.

The PRESIDING OFFICER (Mr. SESSIONS). The Senator from Illinois.

RESULTS OF BALANCING THE BUDGET

Ms. MOSELEY-BRAUN. Mr. President, for the first time since 1969, Congress has balanced the budget. This is not just a victory for Congress. This is a victory for the American people.

I am reminded of a term that is used in science known as "vector addition." Simply stated, it says that you subtract forces working against one another and you add forces working with one another.

While I am not here to talk about science or math, my point is that we diminish our collective energy when we

work against each other, but we expand our ability to help everyone when we work together. When we set aside our differences, we are stronger as a Nation and stronger as a people. By working together we move forward, and that means that everybody wins.

Mr. President, the American people are winners today because of the spirit of cooperation that went into the tax relief and spending reduction bills, a credit to the leadership of President Clinton, the leadership of the chairman and ranking member of the Finance Committee, Senator ROTH and Senator MOYNIHAN, and the leadership of the Budget Committee chairman, Senator DOMENICI, and the ranking Democrat, Senator LAUTENBERG.

Mr. President, this is people-oriented legislation, and I am pleased to be able to say that it is bipartisan legislation that invests in our children and in their futures. It achieves fiscal responsibility while at the same time it is socially fair. It improves health for children and health care for the elderly. It takes at least a small step toward rebuilding our Nation's crumbling schools and a much larger step toward expanding opportunities for our children to attend college.

Most importantly of all, we are providing real tax relief for American families. For the first years of the new century we will see in this country a balanced budget again for the first time in a generation.

This legislative victory did not come without sacrifice. The foundation for today's achievement was had in 1993 when Congress, by the narrowest of margins, enacted the highly successful 1993 deficit reduction legislation that has already brought down the Federal deficit from over \$280 billion to about \$65 billion, or perhaps even lower, this year. Critics argued at the time that the bill would plunge our country into a recession, that it would stoke inflation, and that it would throw hundreds of thousands of people out of work. A few of our senatorial colleagues who supported the bill later lost their elections because of that support. Those Members of Congress chose statesmanship over politics, and today I think it is important to pay tribute to their foresight.

The legislation that we passed this afternoon builds on what we achieved in 1993. It nonetheless represents an enormous accomplishment, one in which every American can take justifiable pride. The United States is once again leading the way to get its fiscal house in order while investing in families, children and in students and in economic growth. By contrast, in Europe, deficits in many countries as a percentage of their gross domestic product are triple what ours is—and even higher—and they have no solution in sight. Again, I believe that we have shown the way to achieve fiscal responsibility and social fairness to the world.

As a Member of the Senate Finance Committee, I am pleased that this bill

reflects a number of my own particular priorities. First, it helps young college graduates to repay their student loans by making the interest deductible once again. We all know how rapidly college costs have increased and are increasing and how many students start out their working careers with huge debts, huge student loan debts. The proposal that Senator GRASSLEY and I worked together on will make a real difference to graduates as they begin to start their careers to begin their families. They will be able to deduct the interest on those loans. And given sometimes that those loans can be as high as \$80,000 and \$90,000, this should be a benefit to young people who want to pursue education.

Second, the bill contains a version of the proposal that I offered in the Senate that will help to create new economic activity and new jobs at thousands of abandoned commercial and industrial sites around the world.

There are all too many brownfields sites in our communities, property that had formerly been used by business but which has become environmentally contaminated or polluted and then abandoned. By allowing those individuals who want to clean up these polluted areas and use them for new businesses, by allowing them to expense the costs of their environmental cleanup rather than having to capitalize those costs over a period of years, it will create a brand new incentive to bring this property back into the economic mainstream, to create jobs, to clean up the environment, and to restore and reclaim parts of our communities all over this country.

Third, this bill will begin to address a problem that I have spoken about on the Senate floor many times, the crumbling schools around America. Since I have come to the Senate, I have worked to forge a new Federal and State and local partnership to rebuild our Nation's crumbling schools. We cannot lift our kids up if our schools are falling down, and I am pleased that this bill has taken the first step in that direction by creating a new category of no-interest bonds for communities to use to rehabilitate their schools. High poverty districts will be able to issue \$800,000 in bonds to repair their schools, to pay for new teacher training, new equipment purchases and other expenses needed for revitalization of educational facilities.

I think that is an important step in the right direction. It does not begin to do all that we need to do, but it is a step.

The bill also increases the small issuer arbitrage rebate exemption for certain school facilities funds which provide some small rural schools with relief from the burdensome administrative requirements associated with the issuance of tax-free bonds. And so everybody wins under this approach to rebuilding the schools. Although these proposals, frankly, are dwarfed by the \$112 billion in school construction need

that the General Accounting Office has documented for us, I think these two provisions send a message that Congress believes there is a Federal role for rebuilding our Nation's schools and for cooperating and supporting State and local governments in their efforts. This is not about interfering with local control in any way. We just want to begin to engage as a national community to provide support for States and local governments to do what they deem appropriate in terms of giving our young people the educational facilities they need in which to learn.

I believe it is inexcusable that in our country, the wealthiest nation in the world, every day 14 million children go to schools with broken windows, leaking pipes and overcrowded rooms, and I appreciate the leadership that is being demonstrated in this area.

I look forward to continue with Congressman RANGEL on the House side, who made this one of his top priorities. I look forward to working with him and my other colleagues to create a true partnership among the Federal, State, and local governments, again, to get our school facilities in shape, to bring them up to code and to give our young people the kinds of facilities that they deserve for a 21st century education.

I want to take particular note, also, of the changes that were made to the proposal for the \$500-per-child tax credit. This portion of the bill provides real help to hard-working American families, and I am particularly pleased that millions of families with incomes as low as \$18,000 a year, families who pay thousands of dollars in payroll taxes but who have little or no income tax liability, they will now be able to take advantage of the \$500-per-child tax credit. Those low-income families are doing exactly what everyone says they should do. They are working hard and they are paying taxes. They deserve this tax relief, and I am very pleased that, at the insistence of President Clinton, they will receive it as part of the compromise achieved in this bipartisan legislation.

In addition, this bill takes many other steps to expand opportunity and economic growth. The Hope Scholarship will provide families with a tuition tax credit to help families carry the burdens of college costs. After the first 2 years of college, a tax credit of 20 percent of college tuition costs up to \$10,000 annually will be available to students and their families. Moreover, employers' ability to deduct the employees' college tuition will be preserved in this legislation. That is an important kind of incentive, I think, to keep for our country.

Lastly, students will not be forced to pay taxes on the scholarships and fellowships they receive for their hard work. I, again, believe these are positive steps in the right direction.

The bill further ensures that children will no longer have to go without adequate health care. The bill contains the

single largest investment in health care for children since the passage of Medicaid in 1965. It invests an unprecedented \$24 billion to provide meaningful health coverage for almost half of the Nation's uninsured children.

At the same time, the bill also protects something called EPSDT. That stands for Early Periodic Screening Diagnostic and Testing, which is very important in terms of the quality of service provided for children, eye and ear examinations and the like. It preserves a basic level of benefits and services for children under Medicaid, the Medicaid Program, and gives States the additional flexibility at the same time to assure that those children are covered with health insurance for the entire year, as opposed to the trend that we see now in which they come on and go off of the Medicaid Program. So children will have more insurance because of this bill that we passed this afternoon than they have ever enjoyed in this country before. I think that is important.

Turning to the Medicare Program for seniors, I, like many other Members, had reservations, frankly, about the bill that we initially passed out of the Senate. I was one of the two members of the Senate Finance Committee who did not vote for the means testing or the age changes or the copayments on Medicare, simply because we had not looked at the issues enough, and because I think those changes simply shifted the program costs to beneficiaries rather than truly protecting Medicare. More important, rather than allowing us to bring more people into health coverage, it was pushing people out of the health care system.

I am pleased we have not rushed to judgment in terms of changing Medicare, because, again, we should be moving in the direction of providing universal coverage and coverage for seniors that is comprehensive instead of cutting away arbitrarily and making arbitrary changes. So the commission in this bill will allow us to take up the debate of what changes should be made over the long haul to preserve the long-term solvency of Medicare so we can pass on to the next generation of Americans at least as much, in terms of health coverage, as we in our time inherited from the last generation of decisionmakers. I think that is our obligation here.

I am pleased, also, that this legislation no longer includes the provisions to charge income-related part B premiums, increase the Medicaid eligibility age, nor charge seniors who prefer a home setting as opposed to institutionalization a \$5-per-visit home health care copayment. These are vitally important improvements on the legislation. While many Members on both sides of the aisle disagree, I believe, again, we need to take this up, to have a public debate about what changes are appropriate before we rush to judgment in regards to that.

The conference agreement also makes major improvements in the

Medicare managed care payment rate changes. While I continue to believe that moving to a 50-percent national/50-percent local payment rate blend moves too far away from recognizing local cost differentials, guaranteeing a minimum payment update is a marked improvement over the original provisions as they even came out of our committee. So, again, the conference agreement strikes a more equitable balance between encouraging managed care growth in rural areas and underserved areas and not undermining the existing managed care enrollment.

The legislation also retains a number of important aspects from the original Senate bill, including prevention services, if you will, coverage of diabetes self-management training, colorectal cancer screening, mammography screens without the deductible requirement. We had to fight and raise the point that the deductible on mammograms was absolutely inappropriate, so the investment in mammograms without deductibles will benefit an additional 2 million women.

Again, a recent study in the New England Journal of Medicine shows that a copayment causes a threefold dropoff in the number of women getting mammograms. So, providing this screening without deductible is vitally important to the health of American women.

My praise for this legislation does not mean that I do not continue to have some major concerns about certain aspects of the bill. There are several non-worker-friendly provisions that I believe move completely in the wrong direction. One of those provisions has to do with overruling of the court decision in the Pennington case, which came out of my State of Illinois. Despite our success in stripping the preemption from the original Senate bill, the conferees have decided to restore it. I think that is unfortunate. But it is an issue that was folded in this legislation, and, again, the benefits of the bill weighed against these changes are something we will have to take up separately. So, while we did not Byrd-rule the issue on Pennington at this time, I understand there is legislation that I strongly will support in regards to that issue of unemployment compensation and security.

The agreement also punts on the long-term Medicare solvency issue. Again, the commission will have to take up that issue. I look forward to their deliberation.

One last thing having to do with my State specifically, and those parts of the country that we like to call the heartland. We were very interested in the ethanol tax credit. Ethanol has an important place in our energy future in this country. I believe we should be aggressively moving to promote its use. This legislation kind of keeps the ethanol tax treatment the same way that it is currently, instead of extending it into the future in ways that I thought would have been more appropriate.

There were a number of us—in fact, 70 Members of the Senate voted for the more extensive treatment and support for ethanol. Again, that came out in the conference and that is regrettable. But we will continue to fight this fight on behalf of ethanol. I have every expectation and confidence that we will be successful in the long run.

There are a lot of other provisions such as capital gains and estate tax provisions that I have not taken the time to discuss here today. I will not take the additional time to do so now. Instead, I just want to make it clear that I strongly supported the overall bill and the bipartisan approach that made it possible. It was that cooperation, that coming together, that building on our strength with the view and the interests of all the American people, that allowed us to have this victory today.

We did the right thing for America's children. We did the right thing for America's students, our families, and we are doing the right thing for the next generation of Americans. Achieving fiscal responsibility and social fairness simultaneously is something that many thought could not happen. We have done it with this legislation that we passed, and I think every Member of this body who voted for it has reason to be proud of the work of this Congress.

I yield the floor.

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

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

THANKS AND APPRECIATION TO DAN DUKES AND CELESTE EMBREY

Mr. LOTT. Mr. President, I would like to take a moment to recognize two young people who served on my staff through all the long hours and difficult days of the last year.

After I was elected majority leader, the next morning at 9 o'clock, I was in the majority leader's office, but I only had about a third or half of the staff that I needed. I had some interns from my State of Mississippi, some college students, who had been working with me just through the summer. I asked them to stay and help us, and they have been with me the last year.

They filled positions that are very vital. They did a great job.

Dan Dukes of Como, MS, has been like my alter ego. He has been with me throughout the day and, on occasions, when I had to go downtown, he has just done a fantastic job.

He has been my personal assistant, shepherding my appointments, finding my lost notebooks, and keeping up with my headlong dashes from meeting to meeting.

Dan has had the patience of a saint and the attention to detail of a seasoned Hill staffer. It is an understatement to say that I will miss him as he returns home to finish his studies at the University of the South in Sewanee, TN.

This is one of those occasions when we say goodbye to a young man with every expectation that we will be seeing him often—and hearing about him too. I have the same feeling about him as I once had about a youngster on my staff by the name of Chip Pickering, who now represents the Third District of our State.

I want to express to him publicly my appreciation for filling in the way he did and doing a great job.

I also want to recognize Celeste Embrey of Southaven, MS, who has been one of the two receptionists in my front office who answered the thousands of calls that have come in, some of them not always very complimentary. She has done it with just charm and grace. In fact, she does just a great job that the President of pro tempore, the Senator from South Carolina, comes by to check on her several times each week to make sure she is doing all right. She appreciates that, and I appreciate that.

Even my colleagues who do not know her by name know well her unfailing smile, her enthusiastic greeting, her ability to make everyone feel at home.

If you have enjoyed the atmosphere of true southern hospitality in my office, you have Celeste to thank. But you cannot fully appreciate what she has done for us until you overhear her conversations with callers—whether from Mississippi or around the country.

She has always dealt with their questions and handled their complaints with a concern and patience that go well beyond the call of duty.

Celeste is off to graduate school, and though there will soon be another person at her desk in my outer office, there will still be a void in our staff. I will have to get her new phone number so that any of us who miss the brightness of her welcome and the cheer of her voice can keep in close touch.

Dan and Celeste are the kind of young people who keep up our faith in the rising generation. I am proud of them. I hope they will always be proud to have been part of the Lott team.

I want to say to these two very fine young people, I really appreciate their work. I am proud of them, and I wish them Godspeed in whatever they do in the years to come.

NOMINATIONS TO REMAIN IN STATUS QUO

Mr. LOTT. Mr. President, as in executive session, I ask unanimous consent that all nominations received by the Senate during the 105th Congress, first session, remain in status quo, notwithstanding the August-September adjournment of the Senate and the provi-

sions of rule XXXIII, paragraph 6 of the Standing Rules of the Senate.

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

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nominations on the Executive Calendar.

Mr. President, I withdraw that unanimous consent request at this time and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

TRIBUTE TO DAVE NAKDIMEN

Mr. McCONNELL. Mr. President, I rise today to pay tribute to Mr. Dave Nakdimen, an outstanding newsman, who retired after a wonderful career in television news.

Dave served the Louisville area for 36 years on WAVE television news.

Dave was born in London, KY, and became interested in journalism by listening to the radio at an early age. After years of listening to political news and election-night returns, Dave decided to study journalism at the University of Kentucky. After graduation in 1955, he took a job as a sports writer with the Lexington Leader. While working in Lexington, he met his future wife, Wanda, who was moving to Louisville to take a job at a local hospital. After they became engaged, they packed their bags and headed to Louisville, where Dave landed a job at WAVE-TV. The rest is history.

WAVE was his first job in broadcast media. Dave was assigned to cover city hall, and there he met and interviewed some of the most important men and women in the last half of this century. Dave covered the civil rights movement of the 1960's, where he interviewed Dr. Martin Luther King, Jr. during an open-housing march. He also interviewed Ronald Reagan, George Bush, David Brinkley, John Wayne, and countless other memorable personalities.

Dave won't be resting during his retirement, though; he's returning to WAVE-TV after a brief vacation to produce weekly commentaries for the station's 6 o'clock newscasts. When asked by the Courier-Journal if he would repeat his experience in journalism, Mr. Nakdimen responded: "I think so. I really enjoyed it. It was a lot of hard work, but it was a lot of fun, too." Dave's colleagues also remember him fondly. Kathy Beck, the news director at WAVE-TV, said Dave is "a man of great integrity" throughout the news world.

All those who know Dave know that he gives his endeavors his all. He is a deacon at his church, and he shows intense faithfulness in supporting his beloved University of Kentucky Wildcat