

whatever affects one directly affects all directly."

The killing of Amdiou Diallo; the killing of Johnny Gammage affects us all directly.

We all love our city. Let's each side—as hard as it is to do—put aside our frustration and distrust so we can move past confrontation and collaborate constructively on solutions that protect and respect.

I again thank the Chairman and my colleagues for their consideration and I yield the floor.

Mr. CONRAD. Mr. President, I want to commend the Senator from New York on his maiden speech here in the Senate Chamber. The first speech by any member is one of the most important, and I think the Senator from New York chose well when he chose this subject. Obviously, it is a matter of urgent concern in New York, and the Senator has spoken movingly and persuasively about what must be done to respond to the crisis there. I want to thank the Senator from New York for bringing this to the attention of his colleagues and for doing a masterful job of informing us of what is facing the people of New York.

I again thank and commend the Senator on his initial speech here in the Chamber. In my 12 years in the Senate, I believe the Senator from New York is one of the most impressive new members and we are very happy to have him here.

Mr. SCHUMER. I thank the Senator from North Dakota.

#### CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2000

The Senate continued with consideration of the concurrent resolution.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

##### AMENDMENT NO. 177

(Purpose: To reduce tax breaks for the wealthiest taxpayers and reserve the savings for Medicare)

Mr. KENNEDY. Mr. President, through an agreement with the floor managers, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY] proposes an amendment numbered 177.

Mr. KENNEDY. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

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

The amendment is as follows:

Increase the levels of Federal revenues in section 101(A) by the following amounts:

- (1) Fiscal year 2000: \$0.
- (2) Fiscal year 2001: \$3,000,000,000.
- (3) Fiscal year 2002: \$25,000,000,000.
- (4) Fiscal year 2003: \$13,000,000,000.
- (5) Fiscal year 2004: \$18,000,000,000.
- (6) Fiscal year 2005: \$31,000,000,000.

- (7) Fiscal year 2006: \$57,000,000,000.
- (8) Fiscal year 2007: \$58,000,000,000.
- (9) Fiscal year 2008: \$59,000,000,000.
- (10) Fiscal year 2009: \$56,000,000,000.

Change the levels of Federal revenues in section 101(B) by the following amounts:

- (1) Fiscal year 2000: \$0;
- (2) Fiscal year 2001: \$3,000,000,000;
- (3) Fiscal year 2002: \$25,000,000,000;
- (4) Fiscal year 2003: \$13,000,000,000;
- (5) Fiscal year 2004: \$18,000,000,000;
- (6) Fiscal year 2005: \$31,000,000,000;
- (7) Fiscal year 2006: \$57,000,000,000;
- (8) Fiscal year 2007: \$58,000,000,000;
- (9) Fiscal year 2008: \$59,000,000,000; and
- (10) Fiscal year 2009: \$56,000,000,000.

Reduce the levels of total budget authority and outlays in section 101(2) and section 101(3) by the following amounts:

- (1) Fiscal year 2000: \$0;
- (2) Fiscal year 2001: \$0;
- (3) Fiscal year 2002: \$1,000,000,000;
- (4) Fiscal year 2003: \$2,000,000,000;
- (5) Fiscal year 2004: \$3,000,000,000;
- (6) Fiscal year 2005: \$4,000,000,000;
- (7) Fiscal year 2006: \$6,000,000,000;
- (8) Fiscal year 2007: \$10,000,000,000;
- (9) Fiscal year 2008: \$13,000,000,000; and
- (10) Fiscal year 2009: \$17,000,000,000.

Increase the levels of surpluses in section 101(4) by the following amounts:

- (1) Fiscal year 2000: \$0.
- (2) Fiscal year 2001: \$3,000,000,000.
- (3) Fiscal year 2002: \$26,000,000,000.
- (4) Fiscal year 2003: \$15,000,000,000.
- (5) Fiscal year 2004: \$21,000,000,000.
- (6) Fiscal year 2005: \$35,000,000,000.
- (7) Fiscal year 2006: \$63,000,000,000.
- (8) Fiscal year 2007: \$68,000,000,000.
- (9) Fiscal year 2008: \$72,000,000,000.
- (10) Fiscal year 2009: \$73,000,000,000.

Decrease the levels of public debt in section 101(5) by the following amounts:

- (1) Fiscal year 2000: \$0.
- (2) Fiscal year 2001: \$3,000,000,000.
- (3) Fiscal year 2002: \$26,000,000,000.
- (4) Fiscal year 2003: \$15,000,000,000.
- (5) Fiscal year 2004: \$21,000,000,000.
- (6) Fiscal year 2005: \$35,000,000,000.
- (7) Fiscal year 2006: \$63,000,000,000.
- (8) Fiscal year 2007: \$68,000,000,000.
- (9) Fiscal year 2008: \$72,000,000,000.
- (10) Fiscal year 2009: \$73,000,000,000.

Decrease the levels of debt held by the public in section 101(6) by the following amounts:

- (1) Fiscal year 2000: \$0.
- (2) Fiscal year 2001: \$3,000,000,000.
- (3) Fiscal year 2002: \$26,000,000,000.
- (4) Fiscal year 2003: \$15,000,000,000.
- (5) Fiscal year 2004: \$21,000,000,000.
- (6) Fiscal year 2005: \$35,000,000,000.
- (7) Fiscal year 2006: \$63,000,000,000.
- (8) Fiscal year 2007: \$68,000,000,000.
- (9) Fiscal year 2008: \$72,000,000,000.
- (10) Fiscal year 2009: \$73,000,000,000.

Decrease the levels of budget authority and outlays in section 103(18) for function 900, Net Interest, by the following amounts:

- (1) Fiscal year 2000: \$0.
- (2) Fiscal year 2001: \$0.
- (3) Fiscal year 2002: \$1,000,000,000.
- (4) Fiscal year 2003: \$2,000,000,000.
- (5) Fiscal year 2004: \$3,000,000,000.
- (6) Fiscal year 2005: \$4,000,000,000.
- (7) Fiscal year 2006: \$6,000,000,000.
- (8) Fiscal year 2007: \$10,000,000,000.
- (9) Fiscal year 2008: \$13,000,000,000.
- (10) Fiscal year 2009: \$17,000,000,000.

Reduce the levels in section 104(1) by which the Senate Committee on Finance is instructed to reduce revenues by the following amounts:

- (1) \$0 in fiscal year 2000.
- (2) \$59,000,000,000 for the period of fiscal years 2000 through 2004.
- (3) \$320,000,000,000 for the period of fiscal years 2000 through 2009.

On page 46, strike section 204.

At the end of title III, insert the following:

#### SEC. \_\_\_\_ SENSE OF THE SENATE ON EXTENDING THE SOLVENCY OF MEDICARE.

It is the sense of the Senate that the provisions of this resolution assume that the savings from the amendment reducing tax breaks for the wealthiest taxpayers should be reserved to strengthen and extend the solvency of the Medicare program.

Mr. KENNEDY. Mr. President, over these past 2 days, we have had some good debates and discussions about what is in the budget, and also what is not in the budget; and the particular emphasis and thrust of these various debates and discussions have been primarily on the issues of Medicare and Social Security.

The thrust of the amendment that I offer today, on behalf of myself and others, is targeted on the issue of Medicare. It basically gives an opportunity for the Senate of the United States to say we are going to deal with the shortfalls in terms of the financial situations in Medicare prior to the time that we are going to consider a tax cut for wealthy individuals in this country. That will be the real choice for the Members here—whether we are going to say that at least meeting the financial obligations of Medicare comes before the tax breaks for wealthy individuals.

As we have seen over the past 2 days, there is broad agreement that we not only need to provide financial security for the Medicare system, but we are also going to have to deal with the serious kinds of changes in the Medicare system. One of the important changes, I believe, is to put in place an effective prescription drug benefit for the elderly.

In 1965, I remember being on the floor of the Senate when this issue came up. At that time, most health care plans did not include a benefit program for prescription drugs. At that time, we were attempting to follow what was a generally agreed benefit program. We did that. We did not include prescription drugs. Now prescription drugs are part of about 98 percent of all of the private company programs. We want to make sure we have an effective prescription drug benefit, not only because most companies have that benefit, but because of the enormous need our elderly have for getting prescription drugs at reasonable prices, and also because as we have all seen the breakthroughs in the use of prescription drugs in relieving suffering, illness, and sickness.

So it is very simple, Mr. President. We are saying, let's move toward what has been recommended by the President, what we have referred to in general debate on other Social Security and Medicare issues, that before we are going to expend, over the 10-year budget period, \$778 billion in tax cuts, we will put aside some \$320 billion over the 10-year period in order to meet the financial needs of Social Security. That is basically what this amendment is all about.

The fact is, Mr. President, if you look through the budget recommendation that has come from the Budget Committee, there is not one single penny in this budget resolution, in addition to current services, being put aside for the protection and the continuity of the Medicare system—not one, not a single penny. There will be references out here during the course of the debate that we have put aside \$190 billion, which is a new infusion of resources. That really represents current services. If you didn't do that, you would be having cuts in existing Medicare benefits. That \$190 billion, over the 10-year period, which is referred to by the Budget Committee members, is just the current services program. To say we are going to keep what we are currently providing in the Medicare system, that has been understood and recognized.

Secondly, there is a reference by some on the Budget Committee that, well, we have an additional \$100 billion that can be used at some time for the Medicare system. But as we have seen over the course of the debate, those funds are also being designated, on the one hand, for natural disasters. It has been pointed out by members of the Budget Committee that they average about \$9 billion to \$10 billion a year over a 10-year period. There is the \$100 billion. When our Budget Committee friends are asked how we are going to deal with the issues of natural disasters, the response is that we have the \$100 billion in there to deal with natural disasters. If Budget Committee members are asked how are we going to provide additional funds for Medicare, they say, well, we have a \$100 billion reserve that can be used for Medicare. Then when they are asked, well, where in this program is there a prescription drug benefit, they say, oh, haven't you seen the part of the Budget Act that is going to provide for prescription drugs? This is the most overutilized \$100 billion that we can possibly imagine.

As I pointed out in the RECORD, we will not see any of those funds realized, really, for the first 5 years. There is effectively a deficit in the first year of more than \$6 billion, and effectively zero for the next 4 years is returned. So none of those funds are going to be available to try to deal with Medicare or any of these other issues for at least 5 years. Mr. President, what we are saying is that the money is out there.

The other point that is made and has been recently debated is, you really can't get the 15 percent of the budget surplus earmarked for Medicare because it will be IOUs. I think my friend and colleague from North Dakota addressed that issue in the earlier debate and discussion. I found it interesting that they can use the IOUs for tax breaks, but they cannot use IOUs for Medicare. Clearly, you can use it for Medicare. That is what we are attempting to do.

The vote will be very clear: whether we, on the one hand, are going to set

aside the \$320 billion—over the 10-year period—of the \$778 billion and say we are going to do that first. After we set aside that \$320 billion, there will still be \$458 billion that will be remaining.

There is a difference in this body on whether that money should be used for the Republican tax cuts or whether we ought to use \$273 billion out of that for the President's tax cuts. We can debate that at another time. But there will still be a generous amount of resources available there for tax reduction.

This amendment assures that we put priorities first. That is a very simple and fundamental concept—that is, whether we are going to put tax breaks first or whether we are going to be putting the protection of Medicare first. That is the choice. That is the issue that will be before the Senate. Without this particular amendment, we are not going to provide the needed financial resources in time for the preservation of Medicare.

Now, Mr. President, I think it is important to realize who those funds we are talking about really belong to. The amounts I am talking about—\$320 billion in this amendment, or the GOP tax cut, \$778 billion—those are basically the revenues that have been paid in by hard-working men and women in recent years. They have been paying into the Medicare system as well as into Social Security. That reflects the resources of hard-working men and women that are paid into the Federal Government. The question now is whether those resources that effectively have been paid in by working families, we are asking whether we ought to use those resources to protect the Medicare system, or whether they ought to be used for tax breaks for wealthy individuals. I don't think there is really a question about what the answer would be. This amendment gives the opportunity to do so. That is what we are attempting to do.

Now, Mr. President, let's look at who these people are. The average Medicare recipient's income is \$10,000 a year, is 76 years old, lives alone, has one or more chronic diseases, and is paying 19 percent of their income primarily for prescription drugs.

That is the profile across this Nation of the Medicare recipient. When we talk about Medicare recipients on the higher end of the level, we are talking about individuals who are getting \$25,000. But the overwhelming number of Medicare recipients are below the \$12,000 or \$13,000 level. We are now asking in the Senate whether we are going to protect the health care system which they depend on prior to granting the tax break. That is the issue. We couldn't be clearer.

As this chart shows, 80 percent of the Medicare expenditures are used for recipients with annual incomes of \$25,000 or less. These are not individual incomes, these are household incomes. So you have 60 percent with \$15,000 or under, you have 21 percent with \$25,000 or under. Effectively, 80 percent of all

the expenditures are in that area—families, individuals, elderly people, or elderly couples, who have worked hard, paid into the system.

As we have heard, the Medicare system has serious challenges, serious problems. No one denies that. The issue is, given the fact that the system is going to face "financial instability"—to use it lightly—by the year 2008, should we effectively put in place, as the President has, the recommended resources that will stabilize that to the year 2020, and then move ahead and implement the kinds of recommendations? That is the issue. These are hard-working retirees who have devoted their lives to this country, built this country, and they depend upon the Medicare system for their livelihood.

If we do nothing at all, what will the alternatives be? If we are going to try to keep the Medicare system functioning to the year 2020 without this, there will be \$686 billion necessary in benefit cuts or premium hikes for these elderly people. If we do nothing at all, we are going to have to collect that amount in benefit cuts or premium hikes. Those aren't my figures, those are the figures that have been given by the Commission, by the Budget Committee, by the independent actuaries, by the trustees. Those are the choices.

I doubt if there will be a clearer opportunity for us to go on the record on the issue of priorities. The budget items are issues of national priorities, where we as the elected membership of the people feel the priorities ought to be. We are saying to those who are going to support this amendment that we believe the priority ought to be to provide financial security and stability for the Medicare system to the year 2020 before we give tax breaks to wealthy individuals. It is as simple as that.

Mr. President, I yield such time as the Senator from North Dakota might want.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. CONRAD. Mr. President, I thank the Senator from Massachusetts for this amendment, because I think it puts into stark relief what the choices are. Fundamentally, this debate is about what we do with the projected surpluses over the next 15 years. On our side, we believe that the best use of the surpluses is, first and foremost, to protect every dollar of Social Security surplus for Social Security.

Then we turn our attention to Medicare, because we believe Medicare is also critically important to this country's future, and we recognize that it is endangered. We recognize that in 2008 it will be insolvent unless we take action. So we say take, of the surplus over the next 15 years, 15 percent of that surplus—15 percent of that total unified surplus—over the next 15 years. Dedicate that to Medicare. That is some \$700 billion.

That still leaves resources for high-priority domestic needs like education

and health care, defense, and, yes, tax relief. It is much less in the way of resources available for a tax cut plan than in the Republican priority list, because they really only have two priorities. Their priorities are safeguarding Social Security, which we commend them for; but their other priority is a massive tax cut. They don't provide an additional dollar out of the surpluses that we now project over the next 15 years to strengthen Medicare. We think that is a mistake.

We have heard the other side repeatedly saying that putting this transfer of resources to Medicare will require raising taxes, benefit cuts, or increasing gross debt to pay for Medicare in the future. We have heard that said repeatedly on that side of the aisle. I would like to give an alternative view, because I don't think that is right. It sounds right. If one were expecting budget deficits in the future, it would be right. But that is not what we are anticipating.

The fact is, we now project that there will be a surplus for more than a decade even after we dedicate part of the surplus to Medicare and Social Security. That is because by paying down the publicly held debt, the President's plan reduces net interest costs to the Federal Government and increases economic growth. Therefore, even after we start using the surplus to pay for Medicare and for Social Security, there will still be a budget surplus, hence no need for benefit cuts or for premium increases.

Mr. President, that is central to what we are proposing and what we are advocating. We believe it is critically important to put Social Security first, but also to put Medicare first, because it has made a profound difference in the life of this Nation. We now know that without Medicare and Social Security, a significant chunk of our senior population would be below the poverty level. Two programs in the life of this country have lifted senior citizens out of poverty: Social Security and Medicare.

So we believe that is where the priority ought to be: Social Security, and Medicare. After they are taken care of—after they are taken care of; after they are taken care of—then we can deal with other domestic priorities, certainly education and health care. And, yes, defense. And, yes, there would still be resources available for tax relief—not as much as the tax cut plan in the Republican budget resolution, because they don't provide one thin dime out of these projected surpluses to strengthen Medicare. They provide resources for Social Security surpluses to support Social Security. That is in our plan as well. Where we diverge is on the question of whether or not we are going to use some of these surpluses we now project to strengthen Medicare. That is really at the heart of this debate and this discussion.

Mr. FEINGOLD. Mr. President, I rise in support of Senator KENNEDY's

amendment. This amendment will address critical needs and ensure that education investments are a top budget priority in FY 2000.

Mr. President, as we know the problems facing education today are great. We need a strong commitment and partnership between federal, state and local governments to meet the needs of all students. Senator KENNEDY's amendment will strengthen the effort to reduce class size, provide the full 40% federal share of special education program costs and free up resources for other education priorities. Importantly, this amendment is paid for in the budget we are now debating with a simple 20% reduction in the \$778 billion tax cut proposed by the majority.

Unfortunately, Mr. President, some of my colleagues who oppose this amendment are in effect asking school districts to choose between providing smaller class sizes and funding for special education. This is a false choice, Mr. President. Both special education and small class size are important national priorities, both deserve funding and we can responsibly fund these programs without busting the budget. Forcing school districts to choose between these critically important education programs will only dilute the effectiveness of both programs.

Mr. President, funding for smaller class sizes should not be a partisan issue. Last year when we agreed to fund a serious effort to reduce class size there was broad support for the program proclaimed on both sides of the aisle. What has changed Mr. President? Only a few months after praising the class size program, some are now blocking class size funds and have pitted one valuable education program against another all to fund a tax cut we cannot yet afford.

Mr. President, there is wide consensus, based on solid research, that investing in smaller class size is the right thing to do. Research shows that smaller classes help teachers provide more personal attention to students and spend less time on discipline, as a result students learn more and get a stronger foundation in the basic skills. My own state of Wisconsin is doing its part to reduce class size. Wisconsin's Student Achievement Guarantee in Education or SAGE class size reduction program, has proven conclusively that smaller classes make a difference in our children's education. Mr. President, SAGE officials in Wisconsin want a partnership with the federal government. Now is the time when school districts in Wisconsin and in other states are making budget decisions, they need to know if Congress will meet its commitment to reduce class size over the next six years to plan effectively.

Again, Mr. President, I support Senator KENNEDY's amendment because I believe Congress should meet both the commitment to help schools reduce class size and increase funding for special education without busting the budget. I hope my colleagues agree

that we should not waste this unique opportunity to responsibly make the needed investments in education today for our children's future.

Mr. WELLSTONE. Mr. President, I ask my colleague from New Mexico—actually, if my colleague wants to respond, I will wait and follow his remarks.

Mr. KENNEDY. Mr. President, how much time remains?

Mr. DOMENICI. I thank the Senator, but I would not do that at this point.

Mr. KENNEDY. How much time remains, Mr. President?

The PRESIDING OFFICER. The Senator from Massachusetts has approximately 8 minutes and 10 seconds remaining.

Mr. KENNEDY. And the other side?

The PRESIDING OFFICER. There are 30 minutes remaining on the majority side.

Mr. WELLSTONE. Mr. President, the other question I want to ask my colleagues before I go on the time, I know the Senator from Indiana has been waiting to speak now. Would that happen after this debate? He has been waiting patiently. I don't want to precede him, but I wish to know what your plan is.

Mr. DOMENICI. I do not choose to speak at this point.

Mr. WELLSTONE. That is not my question.

Mr. DOMENICI. I did not hear the Senator.

Mr. WELLSTONE. My question was, before I get started, I know the Senator from Indiana has been waiting patiently to speak, I think the first time he has had a chance to speak in the Chamber. I wonder if the Senator wants to wait until after this debate and then he can proceed?

Mr. BAYH. If the Senator has a point he wishes to make, please feel free to go ahead.

Mr. DOMENICI. How much time does the Senator want?

Mr. BAYH. No more than 10 minutes—general debate, not on the bill.

Mr. DOMENICI. Mr. President, I ask unanimous consent to put the amendment aside and allow the Senator from Indiana to speak.

The PRESIDING OFFICER. Is there objection?

Mr. WELLSTONE. That is fine.

The PRESIDING OFFICER. The Chair hears none, and it is so ordered.

The Senator from Indiana is recognized for 10 minutes.

Mr. BAYH. I thank the Chair. I express my appreciation to my colleagues here today and find myself in agreement with what my colleagues from North Dakota and Massachusetts have been saying on this amendment.

Mr. President, my statement today is in the nature of general debate.

I rise to give my first public remarks on the floor of the United States Senate.

I rise at this time because as debate on the last budget of the 20th Century begins, we have an historic opportunity

to build a strong financial foundation for the 21st.

The projected budget surpluses give us a once in a generation opportunity we must not squander. We must seize this moment of good fortune and replace the debt and deficit, borrow and spend mentality of the recent past with a more responsible approach. We must get our priorities right: preserve Social Security and Medicare, pay off our debts, target tax cuts to help working families and make investments in education and national defense.

I believe strongly that the first step toward this more prosperous future must be to save Social Security and stabilize Medicare. To achieve this, I wholeheartedly support preserving 100% of Social Security Trust Funds for Social Security and 40% of other surplus funds for Medicare.

Let me address Social Security first. By ending once and for all the irresponsible practice of raiding the Social Security Trust Fund, we will extend the life of Social Security by 17 years to the year 2049. We owe it to our seniors to ensure that their Social Security will be safe, and our younger workers have a right to know that the system will be there for them one day. Using surplus funds to save Social Security first is the fiscally responsible, socially compassionate way to achieve this.

Medicare, quite frankly, presents an even more urgent challenge. Without action, it will be insolvent in only eight years. To prevent this, I support dedicating an additional \$376 billion of the surplus over the next ten years to Medicare. This will more than double its solvency, to 2020.

But let me be very clear. These investments alone are NOT the complete answer to either Social Security's or Medicare's problems. We must be willing to make the difficult decisions needed to save these vital services, not just once, but once and for all.

It won't be easy. None of the solutions is popular. But using the surplus to strengthen both Social Security and Medicare in the near term will make long-term, systemic reforms possible. The American people are much more likely to embrace difficult steps taken gradually than they are the more draconian action that not using the surplus for Medicare would entail. Those who propose nothing for Medicare today, court fiscal disaster tomorrow. We must not let that happen, and under our approach it will not.

Our approach to saving Social Security and stabilizing Medicare has enormous benefits in addition to securing the future for our elderly and keeping commitments to our young. Doing so will also dramatically reduce the national debt.

Paying down the national debt has many virtues. Lower debt will reduce our interest payments. Last year, 15 cents of every tax dollar went for nothing productive. It merely serviced our national debt. Under the approach I favor, interest payments shrink to only

4 cents of every tax dollar in ten years—a savings to taxpayers of \$452 billion dollars. And if we continue this approach, the debt will fall to its lowest level—as a percentage of GDP—since 1917.

With spending under control, a balanced budget, and government no longer borrowing hundreds of billions of dollars, interest rates will fall. This makes it easier for private businesses to invest. New investments mean greater productivity growth, higher wages, and more secure jobs for America's working men and women. The bottom line is clear: a better standard of living for all Americans.

This isn't just my opinion. Last month, I had the opportunity to question the Chairman of the Federal Reserve, Alan Greenspan, about this very subject. He too believes that paying down the national debt is the best way to guarantee a stronger economy and a responsible federal budget.

As one of the principal architects of our current economic good fortune, Alan Greenspan knows that paying down the national debt is preferable at this point in the economic cycle to either spending increases or dramatic tax reductions the nation cannot afford. As the Chairman told me, ". . . all of the arguments that one can make for tax cuts you can make for reduction in debt, they are the same forces. . ." In addition, by paying off our debts now, we preserve the nation's ability to borrow again in the event of a future emergency and hold open the option of more aggressive tax cuts should the economy slow. Simply put: paying down the national debt is the responsible, conservative, economically and fiscally sensible thing to do.

It is the just and morally responsible thing to do as well. It is not right to ask our children and grandchildren to pay our bills. No generation in American history has done so, and we must not become the first.

Our legacy to future generations must be more than an IOU. Paying down the debt will keep faith with America's past and create promise for America's future.

Saving Social Security and Medicare by paying down the national debt is a significant undertaking, but if we act prudently, there is room for our nation's other important priorities, including targeted tax cuts. Throughout my public career, I have been a vigorous advocate for cutting the tax burden on American families. In fact, I believe that when it comes to tax cuts—the more aggressive, the better. As Governor of Indiana, I was proud to be able to give Hoosiers the largest tax cut in our state history.

I strongly support targeted tax cuts here on the Federal level as well—tax cuts that will eliminate the marriage penalty, save family farms and businesses from the ravages of the estate tax, help families meet the expenses of child care or caring for an elderly parent, and create jobs and stimulate in-

vestment by reducing the tax on capital gains.

There must be a balance among our priorities. We can't pursue one to the exclusion of all others. If we give into temptation, and recklessly pursue immediate gratification today, we will surely regret it tomorrow. And therein lies the difference between what we accomplished in Indiana and what some now propose in Washington. Our Hoosier tax cut plan was conservative, fiscally responsible, like the approach I support today. We never threatened to throw fiscal caution to the winds or require massive cuts in vital services for children or law enforcement.

I will be the first to sponsor a tax cut bill—the bigger the better—but not one out of all proportion to our ability to pay for it, nor one that risks returning us to the days when America was drowning in a sea of red ink. We must cut taxes as aggressively as possible while still meeting our other important national priorities.

Included in these important priorities are additional investments for national defense, education and law enforcement. These are the kind of areas where even modest investments today yield multiple benefits tomorrow.

Because I strongly believe that government must make investments—within its means, of course—in these important areas, I am troubled by the current budget resolution that would force drastic and unwarranted across the board budget cuts in many important domestic programs ranging from Head Start to the FBI.

Mr. President, it is incumbent upon the Senate to resist the twin temptations of immediate gratification and postponing difficult decisions. Both parties, quite frankly, have been guilty of this for too long. Today it is the Budget Resolution that succumbs to these twin temptations, indulging us immediately with all the things we want while putting off until tomorrow the things we would rather not do but know we really must. This may be good politics. It is not good government.

Despite the fact that we will not achieve a bipartisan solution this week, I am still heartened by how much closer both parties are today on fiscal issues than even in the recent past.

It seems to me there is a national consensus growing, a consensus that cuts across party lines, that believes in some basic core principles: Saving Social Security and Medicare first, paying down the national debt, making targeted tax cuts for working families, and investing in our future. We can start down the road toward accomplishing these goals—something that is well within the grasp of this Senate—and, in so doing, build a better America. Also, we will be able to look our children and grandchildren squarely in the eye, secure in the knowledge that what we have done has not been just easiest for us, but also what is best for them.

Mr. President, I thank you for this opportunity, and for the indulgence of my colleagues, and yield the remainder of my time.

The PRESIDING OFFICER (Mr. AL-LARD). The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, let me thank Senator BAYH for his words. It is an honor to be on the floor while you are speaking, and I thank you.

Mr. CONRAD. Will the Senator suspend for just one moment?

Mr. WELLSTONE. I will be glad to, as long as I retain the floor.

The PRESIDING OFFICER. The time, actually, is controlled by the Senator from Massachusetts.

Mr. KENNEDY. I yield time to the Senator from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota.

PRIVILEGE OF THE FLOOR

Mr. CONRAD. Mr. President, I ask unanimous consent that John Jennings, a fellow in Senator BINGAMAN's office, be granted the privilege of the floor during the pendency of S. Con. Res. 20, the budget resolution.

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

Mr. CONRAD. I thank the Chair.

Mr. KENNEDY. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator has about 8 minutes 20 seconds.

Mr. KENNEDY. I just yield myself a minute and a half.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, I want to express my admiration and respect to my friend and colleague from Indiana on his maiden speech. It is an important speech because it deals with the economic future of our Nation. He brings a perspective to this issue as someone who has been an effective Governor and has had a broad reputation, not only in his State but throughout the country, as someone who understands the economics of his State well and has a reputation as a skilled Governor, making sure his State prospered and the benefits were going to go to the people.

Now he speaks in the Senate as we are making a judgment, at a very important, critical time, given the change in our financial situation with the size of the surplus, and he has given us a great deal to think about. It is quite clear from his statement he has given it a good deal of thought.

I thank him for his statement.

The PRESIDING OFFICER. Does the Senator yield time to the Senator from Minnesota?

Mr. KENNEDY. How much do I have remaining?

The PRESIDING OFFICER. The Senator has 6 minutes 40 seconds.

Mr. KENNEDY. I yield 4 minutes to the Senator.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 4 minutes.

Mr. WELLSTONE. Mr. President, I think this amendment that Senator

KENNEDY has brought to the floor is a major, what I would call, political economy amendment. It is a major values amendment. This amendment goes to the heart of what we are about as a nation, and we have a couple of choices. Either we can go with this budget resolution, which goes in the direction of massive tax cuts for the years to come disproportionately going to the highest-income citizens, with the Medicare trust fund expiring in the year 2008. Or we can take part of this surplus and use that to strengthen the Medicare program that we have in this country.

If we do not do that—I just want to be really clear, and I know I am right about this, even though I do not want to be right—what we are going to see is either a cut in benefits or we will see the age extended for eligibility for Medicare, or we will see other proposals which will do major damage to the idea of this program as being a universal, comprehensive health care coverage program for senior citizens, albeit in my State of Minnesota only 35 percent of senior citizens have any coverage at all for prescription drug benefits.

We need to expand Medicare, another reason to support the Kennedy amendment and albeit Medicare does not do anything to cover catastrophic expenses, which is a nightmare for people toward the end of their lives if they should have to be in a nursing home or if they look for support from home-based health care.

But I would like to say to colleagues, as far as I am concerned in this budget debate, this amendment is the heart-and-soul amendment. We have a really clear choice. A budget resolution is a resolution; it gives us some general direction. My colleague from New Mexico undoubtedly will have a response. I wish I had time to respond to his response. But from my point of view, this is a values debate. We can, with the surplus, as we look ahead, talk about tax cuts mainly going to those who are most affluent, or we can say we are going to reserve part of this surplus to bolster Medicare, which is a critically important program, not just for about 680,000 seniors in Minnesota with an income profile pretty low, not very high, but, in addition, for their children and their grandchildren.

This is a family values amendment. There ought to be nothing more important for us to do than to give general direction to the proposition and to the idea and to the core value that we are going to reserve part of this surplus to help bolster Medicare.

I can make a lot of other proposals. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 1 minute.

Mr. WELLSTONE. Let me just say to my colleagues, I would like to see also, above and beyond support for this amendment, talk about how we can strengthen Medicare in other areas.

We should double the NIH budget. My colleagues, Senator SPECTER and Senator HARKIN, are right, because the research and finding the cure for some of the diseases in our country like Alzheimer's and diabetes and Parkinson's will do wonders toward reducing Medicare expenditures.

The PRESIDING OFFICER. The Senator's 4 minutes have expired.

Mr. WELLSTONE. Mr. President, I will get a chance to speak more on this. This is the critical vote.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, my friend and colleague from West Virginia wanted to address the Senate on a matter relating to the budget. I am wondering whether there is some time he can use.

Mr. CONRAD. How much time would the Senator from West Virginia like?

Mr. ROCKEFELLER. The Senator from West Virginia would like to have 10 minutes.

Mr. CONRAD. I yield 10 minutes off the bill.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, let me say I don't have any objection. Obviously, even if I did, probably I couldn't do anything about it. But I do want to ask Senators if they would be somewhat helpful. I know, now that Senator KENNEDY has a chart up that describes the Democrat plan that doesn't exist, and a Republican plan that doesn't exist, that everybody wants to come to the floor and talk about this. I remind everyone and ask their indulgence and help: We have about 35 to 40 amendments that people want to be heard on. They are legitimately as interested as are colleagues on this issue, which we have already debated three times on three amendments.

I am not going to argue about it. I say go ahead, we will give you 10 minutes, but when you take it off the bill, it means it is not available for anyone at the end of this bill. So I ask we be a little bit helpful in that regard.

I yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROCKEFELLER. I thank the Senator from New Mexico. I understand the point of the Senator. I thank the Senator from Massachusetts and the Senator from North Dakota.

This particular Senator from West Virginia was a member of the Medicare Commission and I know, undoubtedly, several have spoken. But whatever amendments may be remaining, there cannot be many as important as the disposition of Medicare. Medicare is something that is not that well understood even though everybody knows what it is, and therefore it is subject to easy amendments and easy resolutions, and facts are entirely often lost.

There is, I understand, a resolution or whatever praising the Medicaid Commission for its bipartisan efforts

and the rest of it. Those of us who were on that Commission know that isn't and wasn't the case. It was not a bipartisan Commission; it was a Commission that was divided from the very beginning.

It was a Commission in which there was really no give and take. Just so my colleagues can understand, the plan, which was being changed every 5 minutes, as certain Members sought to get votes here and there, was not even finally given to my office until 4 o'clock the day before the vote. I was in West Virginia so I didn't see the plan until an hour before the vote. It was really kind of a shambles of an operation.

But that isn't nearly as important as the fact that beneficiaries pay more under this plan for the same or fewer benefits. It isn't nearly as important as the fact that the sick and the disabled were probably going to have to pay the most. The fact that this plan contemplates and its authors contemplate the numbers of years that 50 to 75 percent of all Medicare beneficiaries will belong to HMOs—of course, I don't believe that is ever going to happen. They do it, and it is reflected in their plan.

Just imagine for a moment what that would mean, because HMOs would naturally attract the most wealthy and the most healthy. So what would that mean for the people in my State who are left in fee-for-service medicine? Fee-for-service would be a very small pot of money which would have to cover an enormous amount of people.

The philosophy of the Medicare Commission fundamentally was that free enterprise can solve the problems of Medicare, and that is why they said 50 to 75 percent will join HMOs over the next 15 to 20 years. Of course, free enterprise had its chance to work with respect to people over 65 and did it so badly, that is the reason we created Medicare, in order not to leave it up to the market system in its entirety and to make sure that every senior had health care coverage.

There was a lot of ideology involved in the Commission. There were a lot of people there primarily because of an ideological commitment, a commitment that was there from the very beginning. It was very obvious. There never really was any discussion of issues. There were speeches, but not much discussion. Seniors, I think, had very little idea of what was in the plan.

Those who remember catastrophic health care—if Congress puts forward a plan and doesn't consult seniors and seniors aren't knowledgeable about it, you can have it thrown right back in your face. Medicare is not something you can fool around with.

Speaking for my own point of view, representing the State of West Virginia, the average senior in West Virginia has a total gross income from all sources, of \$10,763. Then, from that amount you subtract \$2,000 to pay for their Medigap or their out-of-pocket expenses for health care which they

can't get from Medicare, primarily prescription drugs. That means the average senior in the State has a gross income for a year of about \$8,500.

I will guarantee you, this Senator isn't fooling around with chances on Medicare. There is no way that I am taking a chance on Medicare, that I am betting on something that did not work prior to 1965, that suddenly people say will work after this Medicare Commission presented its plan which did not pass and which was basically defeated on a partisan vote, which was very, very sad. It was fated from the beginning, and it was very, very sad.

I have chaired four national commissions. This was the fifth one I have been on. It was probably the worst experience I have had since I have been in the Senate. I say that with regret, because I care enormously about health care, and I care enormously about the people who ran the Commission. I thought they tried their very best, but it was fated to fail from the very beginning because of the ideological bent that it carried with it. I think a measure here to praise it is totally out of place.

I mentioned prescription drugs. Everybody understands that when the President was wise enough to put aside 15 percent to pay down the debt so the money would become available because of the lack of higher interest payments for Medicare, that that was a very wise thing to do. That also allows us to contemplate prescription drugs. The Medicare Commission wouldn't even consider the use of that 15 percent. They wouldn't consider it. As a result, prescription drugs are not uniformly available.

Some seniors already have prescription drugs. They get it through Medigap. This would say, well, you would have to be up to 135 percent of poverty, but that just came in in the last week or so. That would disappear, I think, on the floor of the Senate, because I do not think, frankly, that the majority would want to see prescription drugs, because they would say it would cost too much. Well, they might be right. I think they are wrong. Seniors are now paying for it.

Under this plan, they purport that prescription drugs are covered, but they are, indeed, not covered. Many beneficiaries would not have it. They talk about prescription drugs for low-income beneficiaries, but most would not have them.

On one of the most extraordinary things that I think would very much affect the senior Senator from New Mexico, they punt. They don't even punt. They kick at the ball and miss it on the subject of graduate medical education. We do not have doctors in this country by accident. We have doctors in this country because their residencies and their postgraduate experiences are paid for, 50 percent by Medicare. Some people may not think that it should come out of Medicare, but if it doesn't come out of Medicare,

then it should come out of some designated fund, an au pair trust fund or something of that sort.

What is incredible about the Medicare Commission is that it simply says, we will leave graduate medical education or direct medical education up to the appropriations process, which is like saying goodbye to all foreign doctors, which are as important in New York City as they are in southern West Virginia, because foreign doctors are well trained and they get further training in their own country.

Fifty percent of their expense is being paid for by Medicare. Under the appropriations process, they would disappear. So will many others. So will many others, because there will be no constant way of funding a very obscure program called Graduate Medical Education, which is the heart and soul of the training of good doctors and, therefore, good health care in our country.

The Federal savings in this matter—and I won't talk on forever here—but the Federal savings in this are generally a sham. I think only about \$95 to \$96 billion out of the \$346 billion or \$347 billion that the Commission says they are saving actually comes out of what they call premium supports. All the rest comes out of cutting benefits, out of the Balanced Budget Act, which we passed in 1997, out of a whole series of other things, cutting doctors and hospitals, once again. The savings are made at the expense of the beneficiary, at the expense of good health care. I have very, very strong feelings.

Just consider for one instance that 71 percent of the counties in this country have no medical plan, no HMO whatsoever. I represent a whole State. We have one. So where is the choice? There is no choice.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. ROCKEFELLER. I thank the Presiding Officer. I hope when that resolution comes up for a vote, Senators will vote no.

The PRESIDING OFFICER. The Senator from Massachusetts has 2 minutes 40 seconds remaining on the amendment. The Senator from New Mexico has 30 minutes.

Mr. KENNEDY. Mr. President, I will reserve that time, and I will move on to another amendment, if that is agreeable to the floor managers. If I could have the attention of the floor managers, I am glad to either yield that time, if you were going to yield yours back. If you want to hold yours, I will hold mine. I am quite prepared to go on to another amendment. I do not want to hold up the Senate any further.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I ask unanimous consent, on behalf of the leader, that at 12 noon today the Senate proceed to vote on or in relation to the following amendments, the first vote limited to 15 minutes and other votes to 10 minutes each, with 2 minutes equally divided prior to each vote

and no second-degree amendments in order prior to the vote—this has been cleared on both sides—Specter amendment No. 157; Robb amendment No. 176; Kennedy amendment No. 177. Is that the pending amendment?

The PRESIDING OFFICER. That is the pending amendment.

Mr. DOMENICI. I thank the Chair.

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

Mr. DOMENICI. I say to Senator KENNEDY, I am just going to use a couple minutes.

Did the Senator want the floor?

Mr. DORGAN. I wonder if I might inquire of the Senator from New Mexico, I had indicated to him I have an amendment that I wanted to lay down. If he would not mind, I would be happy to offer it and ask unanimous consent we set it aside. And then he could proceed. I was hoping perhaps after the three votes we might debate this amendment.

Mr. DOMENICI. Sure. I believe the sequencing is, after the Kennedy amendment, we are going to do a Republican education amendment, and then we are going to return to your side for your amendment. If you would like to send it to the desk now, I ask unanimous consent that that be in order. We are not going to debate it now; right?

Mr. DORGAN. That is correct.

Mr. DOMENICI. All right.

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

AMENDMENT NO. 178

(Purpose: To provide \$36,000,000,000 in additional agricultural funding)

Mr. DORGAN. I send an amendment to the desk on behalf of myself, Senators DASCHLE, HARKIN, CONRAD, BAUCUS, JOHNSON, DURBIN, BINGAMAN, and KERREY.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from North Dakota [Mr. DORGAN] for himself, Mr. DASCHLE, Mr. HARKIN, Mr. CONRAD, Mr. BAUCUS, Mr. JOHNSON, Mr. DURBIN, Mr. BINGAMAN and Mr. KERREY proposes an amendment numbered 178.

Mr. DORGAN. I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 43, strike beginning with line 3 through line 6, page 45, and insert the following:

**SEC. 201. RESERVE FUND FOR AN UPDATED BUDGET FORECAST.**

(a) CONGRESSIONAL BUDGET OFFICE UPDATED BUDGET FORECAST FOR FISCAL YEARS 2000-2004.—Pursuant to section 202(e)(2) of the Congressional Budget Act of 1974, the Congressional Budget Office shall update its economic and budget forecast for fiscal years 2000 through 2004 by July 15, 1999.

(b) REPORTING A SURPLUS.—If the report provided pursuant to subsection (a) estimates an on-budget surplus for fiscal year 2000 or additional surpluses beyond those assumed in this resolution in following fiscal years, the Chairman of the Committee on the Budget shall make the appropriate ad-

justments to revenue and spending as provided in subsection (c).

(c) ADJUSTMENTS.—The Chairman of the Committee on the Budget shall take the amount of the on-budget surplus for fiscal years 2000 through 2004 estimated in the report submitted pursuant to subsection (a) and in the following order in each of the fiscal years 2000 through 2004—

(1) increase the allocation to the Senate Committee on Agriculture, Nutrition and Forestry by \$6,000,000,000 in budget authority and outlays in each of the fiscal years 2000 through 2004;

(2) reduce the on-budget revenue aggregate by that amount for fiscal year 2000;

(3) provide for or increase the on-budget surplus levels used for determining compliance with the pay-as-you-go requirements of section 202 of H. Con. Res. 67 (104th Congress) by that amount for fiscal year 2000; and

(4) adjust the instruction in sections 104(I) and 105(I) of this resolution to—

(A) reduce revenues by that amount for fiscal year 2000; and

(B) increase the reduction in revenues for the period of fiscal years 2000 through 2004 and for the period of fiscal years 2000 through 2009 by that amount.

(d) BUDGETARY ENFORCEMENT.—Revised aggregates and other levels under subsection (c) shall be considered for the purposes of the Congressional Budget Act of 1974 as aggregates and other levels contained in this resolution.

**SEC. 202. RESERVE FUND FOR AGRICULTURE.**

(a) ADJUSTMENT.—If legislation is reported by the Senate Committee on Agriculture, Nutrition and Forestry that provides risk management and income assistance for agriculture producers, the Chairman of the Senate Committee on the Budget may increase the allocation of budget authority and outlays to that Committee by an amount that does not exceed—

(1) \$6,500,000,000 in budget authority and in outlays for fiscal year 2000;

(2) \$36,000,000,000 in budget authority and \$35,165,000,000 in outlays for the period of fiscal years 2000 through 2004; and

(3) \$36,000,000,000 in budget authority and in outlays for the period of fiscal years 2000 through 2009.

Mr. DOMENICI. I thank the Senator. I say to Senator KENNEDY, before I use a couple minutes and yield for your couple minutes, I ask if Senator ENZI, who has been waiting patiently and has an amendment to be cleared right quick, if he could comment on it. We could adopt it, and then we will, just before our 11:50 time to offer all the amendments, be completed.

Mr. ENZI addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming is recognized. Will the Senator from Wyoming permit the Chair to appoint conferees on the supplemental?

Mr. ENZI. The Senator will.

**EMERGENCY SUPPLEMENTAL APPROPRIATIONS ACT FOR FISCAL YEAR 1999**

The PRESIDING OFFICER. Pursuant to the order of March 18, 1999, the Senate having received H.R. 1141, the House companion bill to S. 544, the provisions of the unanimous consent agreement are executed.

The provisions of the unanimous consent agreement are as follows:

*Ordered*, That when the Senate receives the House companion bill to S. 544, a bill making emergency supplemental appropriations and rescissions for recovery from natural disasters, and foreign assistance, for the fiscal year ending September 30, 1999, and for other purposes, the Chair automatically strike all after the enacting clause; that the text of S. 544 as amended be inserted; that the House bill be advanced to third reading; and that the bill be passed, all without intervening action or debate.

*Ordered further*, That the Senate insist on its amendment, request a conference with the House, and that the Chair be authorized to appoint conferees on the part of the Senate.

*Ordered further*, That the bill, S. 544, remain at the desk.

The bill (H.R. 1141), as amended, was passed.

Pursuant to the order, the Chair appointed: Mr. STEVENS, Mr. COCHRAN, Mr. SPECTER, Mr. DOMENICI, Mr. BOND, Mr. GORTON, Mr. McCONNELL, Mr. BURNS, Mr. SHELBY, Mr. GREGG, Mr. BENNETT, Mr. CAMPBELL, Mr. CRAIG, Mrs. HUTCHISON, Mr. KYL, Mr. BYRD, Mr. INOUYE, Mr. HOLLINGS, Mr. LEAHY, Mr. LAUTENBERG, Mr. HARKIN, Ms. MIKULSKI, Mr. REID, Mr. KOHL, Mrs. MURRAY, Mr. DORGAN, Mrs. FEINSTEIN and Mr. DURBIN conferees on the part of the Senate.

The PRESIDING OFFICER. The Chair thanks the Senator from Wyoming.

The Senator is recognized.

**CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2000**

The Senate continued with the consideration of the concurrent resolution.

AMENDMENT NO. 154

(Purpose: Expressing the Sense of the Senate that agricultural risk management programs should include livestock producers)

Mr. ENZI. Mr. President, I ask unanimous consent to lay the pending amendment aside to call up amendment No. 154.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

The Senator from Wyoming [Mr. ENZI] for himself, Mr. GRASSLEY, Mr. THOMAS and Mr. CONRAD proposes an amendment numbered 154.

Mr. ENZI. I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate place, insert:

**SEC. . SENSE OF THE SENATE THAT AGRICULTURAL RISK MANAGEMENT PROGRAMS SHOULD BENEFIT LIVESTOCK PRODUCERS.**

(a) FINDINGS.—The Senate finds that—

(1) extremes in weather-related and natural conditions have a profound impact on the economic viability of producers;

(2) these extremes, such as drought, excessive rain and snow, flood, wind, insect infestation are certainly beyond the control of livestock producers;

(3) these extremes do not impact livestock producers within a state, region or the nation in the same manner or during the same time frame or for the same duration of time;