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Senate

PROVIDING FOR A CONDITIONAL ADJOURNMENT OF THE SENATE AND THE HOUSE OF REPRESENTATIVES

Mr. DOMENICI. Mr. President, the leader asked me to indicate the following: I send an adjournment resolution to the desk calling for a conditional adjournment of the Senate until April 12 and ask that the resolution be agreed to, and the motion to reconsider be laid upon the table.

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

The legislative clerk read as follows:

Concurrent resolution (S. Con. Res. 23) providing for a conditional adjournment or recess of the Senate and the House of Representatives.

Mr. DOMENICI. I thank the Chair, and I thank Senator LAUTENBERG.

The PRESIDING OFFICER. The resolution is agreed to.

The concurrent resolution (S. Con. Res. 23) was agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That when the Senate recesses or adjourns at the close of business on Thursday, March 25, 1999, Friday, March 26, 1999, Saturday, March 27, 1999, or Sunday, March 28, 1999, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand recessed or adjourned until noon on Monday, April 12, 1999, or until such time on that day as may be specified by its Majority Leader or his designee in the motion to recess or adjourn, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the House adjourns on the legislative day of Thursday, March 25, 1999, or Friday, March 26, 1999, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand adjourned until 12:30 p.m. on Monday, April 12, 1999, for morning-hour debate, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Majority Leader of the Senate and the Speaker of the House, acting jointly after consultation with the Minority Leader of the Senate and the Minority Leader of the House, shall notify the Members of the Senate and House, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2000

The Senate continued with the consideration of the concurrent resolution.

AMENDMENT NO. 212

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Pennsylvania (Mr. SANTORUM), proposes an amendment numbered 212, as previously reported.

The PRESIDING OFFICER. There are 2 minutes equally divided.

The Senator from Pennsylvania is recognized.

Mr. SANTORUM. Thank you, Mr. President.

First, I ask that Senator TORRICELLI be added as cosponsor to the resolution.

Mr. President, this is an amendment that is a sense of the Senate to extend reauthorization for the Farm Preservation Program. Senator BOXER and I were able to put in an amendment for $35 billion for farmland preservation in the Freedom to Farm bill 3 years ago. That authorization of $35 billion was supposed to last 5 years. It lasted 3. There is no more money for this program, and there is a tremendous need. The backlog of applications is immense. Nineteen States have participated in this. We have saved over 123,000 acres of farmland.

We have so much debate about urban sprawl. This is an amendment to do something in a responsible way by preserving farmland and preserving agriculture communities that are under stress from urban sprawl and development.

I hope we will have a resounding favorable vote.

Mr. LAUTENBERG. Mr. President, I commend the Senator from Pennsylvania for offering this amendment.

We are ready to accept it here.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Pennsylvania. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN), was necessarily absent. I further announce that the Senator from Indiana (Mr. LUGAR), was absent because of a death in the family.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 97, nays 1, as follows:

[Rollcall Vote No. 68 Leg.]

YEAS—97

Abraham	Conrad	Hagel
Akaka	Coverdell	Harkin
Allard	Craig	Hatch
Ashcroft	Crapo	Helms
Baucus	Daschle	Hollings
Bayh	DeWine	Hutchinson
Bennett	Dodd	Hutchison
Biden	Domenici	Inhofe
Bingaman	Dorgan	Inouye
Bond	Durbin	Jeffords
Boxer	Edwards	Johnson
Breaux	Enzi	Kennedy
Brownback	Feingold	Kerrey
Bryan	Feinstein	Kerry
Bunning	Fitzgerald	Kohl
Burns	Frist	Landrieu
Byrd	Gorton	Lautenberg
Campbell	Graham	Leahy
Chafee	Gramm	Levin
Cleland	Grams	Lieberman
Cochran	Grassley	Lincoln
Collins	Gregg	Lott

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

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Mack	Rockefeller	Stevens
McConnell	Roth	Thomas
Mikulski	Santorum	Thompson
Moynihan	Sarbanes	Thurmond
Murkowski	Schumer	Torricelli
Murray	Sessions	Voinovich
Nickles	Shelby	Warner
Reed	Smith (NH)	Wellstone
Reid	Smith (OR)	Wyden
Robb	Snowe	
Roberts	Specter	

NAYS—1

Kyl

NOT VOTING—2

Lugar McCain

The amendment (No. 212) was agreed to.

AMENDMENT NO. 162

The PRESIDING OFFICER. There are now 2 minutes equally divided.

The Senate will be in order.

The Senator from Rhode Island is recognized.

Mr. REED. I thank the Chair.

Mr. LAUTENBERG. Could we have order, Mr. President.

The PRESIDING OFFICER. The Senate is still not in order.

The Senator from Rhode Island.

Mr. REED. I thank the Chair.

Among the first casualties of this proposed budget will be the cities and rural communities of America. This budget would cut upwards to 78 percent of money devoted to community and regional development over the next 10 years.

My amendment is very straightforward. It would restore $88.7 billion over 10 years to bring up funding to the level proposed by the President. It would do so by taking a small portion of the projected tax cuts that are included in this budget. Without my amendment, we will see extreme reductions in community development block grants, the Economic Development Administration, the lead paint abatement program, the brownfields program, those programs that are essential to the cities and rural areas of this country.

We cannot abandon these communities. In fact, we cannot throw them, as this budget would, into financial chaos as they try to make up the difference with the property tax. The irony here is that these tax cuts in the budget will mean tax increases for many communities. It is supported by the U.S. Conference of Mayors and the National League of Cities. I hope Senators will support this measure and not abandon the cities and rural communities of America.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I do not think I am going to argue the substance, other than to say this amendment increases taxes by $64 billion. This amendment increases taxes by $64 billion, relative to the committee bill before us. It suggests it be spent for community and regional development.

Frankly, it would not have to be. The appropriators have their own judgment. They can do what they want with it. Essentially, I do not believe we ought to be raising taxes to pay for programs like this.

In addition, this is not germane and is subject to a point of order, which I now make under the Budget Act. It would exceed the caps that we have agreed to and that are written into statutory law.

The PRESIDING OFFICER. The Senator from Rhode Island.

MOTION TO WAIVE THE BUDGET ACT

Mr. REED. Mr. President, I move to waive the budget point of order.

The PRESIDING OFFICER. The vote now occurs on the motion to waive the budget point of order.

Mr. REED. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time has expired. The question occurs on agreeing to the motion to waive the Budget Act. The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that Senator from Arizona (Mr. MCCAIN), is necessarily absent.

The yeas an nays resulted—yeas 49, nays 50, as follows:

[Rollcall Vote No. 69 Leg.]

YEAS—49

Akaka	Edwards	Lieberman
Baucus	Feingold	Lincoln
Bayh	Feinstein	Mikulski
Biden	Graham	Moynihan
Bingaman	Harkin	Murray
Boxer	Hollings	Reed
Breaux	Inouye	Reid
Bryan	Jeffords	Robb
Byrd	Johnson	Rockefeller
Chafee	Kennedy	Sarbanes
Cleland	Kerrey	Schumer
Collins	Kerry	Snowe
Conrad	Kohl	Torricelli
Daschle	Landrieu	Wellstone
Dodd	Lautenberg	Wyden
Dorgan	Leahy	
Durbin	Levin	

NAYS—50

Abraham	Frist	Murkowski
Allard	Gorton	Nickles
Ashcroft	Gramm	Roberts
Bennett	Grams	Roth
Bond	Grassley	Santorum
Brownback	Gregg	Sessions
Bunning	Hagel	Shelby
Burns	Hatch	Smith (NH)
Campbell	Helms	Smith (OR)
Cochran	Hutchinson	Specter
Coverdell	Hutchison	Stevens
Craig	Inhofe	Thomas
Crapo	Kyl	Thompson
DeWine	Lott	Thurmond
Domenici	Lugar	Voinovich
Enzi	Mack	Warner
Fitzgerald	McConnell	

NOT VOTING—1

McCain

The PRESIDING OFFICER. On this vote, the yeas are 49 and the nays are 50. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to. The point of order is sustained, and the amendment falls.

AMENDMENT NO. 146

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I remind Senators we have 10 minutes on the next vote. We intend to have regular order so we can finish at a reasonable time. Ten minutes is what we are allowed.

The PRESIDING OFFICER. The Senator from Idaho, Mr. CRAIG, is recognized for 1 minute.

Mr. CRAIG. Mr. President, the Senator from Nebraska, Senator KERREY, and I have joined together in our effort to control the overall growth of government. We are asking that the Senate apply a 60-vote requirement to any new entitlement program—not new spending in existing entitlement programs, but new entitlement programs—exactly as we treat any growth in discretionary spending. It would take a 60-vote point of order for us to add new entitlement programs and spend new money.

I think it is a requirement that this Senate should have. Last year, 54 Senators voted for it. It is bipartisan in its character to control the overall growth of government. We think it is appropriate that it be spent that way.

I retain the remainder of my time.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I am opposing this amendment. It would prohibit using revenues to offset new mandatory spending and instead require all new spending to be offset with other mandatory cuts. It would give special protection to special interest tax loopholes at the expense of programs like Social Security or Medicare.

I understand the Senator said "new programs." It would prevent us from using the onbudget surplus for prescription drugs, new benefits, or any new mandatory spending. The onbudget surplus could be used only for tax breaks.

Also, the amendment would prevent us from using the user fees, such as gas tax, to pay for new highways. If we are looking for a way to pay for a new benefit, why would we say that cutting Social Security is OK but closing a wasteful tax loophole is not? Why would we say that cutting Medicare is OK but eliminating a corporate tax subsidy is not?

I urge my colleagues to oppose this amendment, Mr. President, and I make the budget point of order. I think this is not germane.

The PRESIDING OFFICER. The point of order has already been made.

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

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

Mr. CRAIG. I ask Senators to vote for the waiving of the budget point of order.

The PRESIDING OFFICER. The question is on agreeing to the motion to waive the Budget Act in relation to the Craig amendment No. 146. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arizona [Mr. MCCAIN] is necessarily absent.

The yeas and nays resulted—yeas 52, nays 47, as follows:

[Rollcall Vote No. 70 Leg.]

YEAS—52

Abraham	Frist	Murkowski
Allard	Gorton	Nickles
Ashcroft	Gramm	Robb
Bennett	Grams	Roberts
Bond	Grassley	Roth
Brownback	Gregg	Santorum
Bunning	Hagel	Sessions
Burns	Hatch	Shelby
Campbell	Helms	Smith (NH)
Cochran	Hutchinson	Smith (OR)
Collins	Hutchison	Stevens
Coverdell	Inhofe	Thomas
Craig	Kerrey	Thompson
Crapo	Kyl	Thurmond
DeWine	Lott	Voinovich
Domenici	Lugar	Warner
Enzi	Mack	
Fitzgerald	McConnell	

NAYS—47

Akaka	Edwards	Lieberman
Baucus	Feingold	Lincoln
Bayh	Feinstein	Mikulski
Biden	Graham	Moynihan
Bingaman	Harkin	Murray
Boxer	Hollings	Reed
Breaux	Inouye	Reid
Bryan	Jeffords	Rockefeller
Byrd	Johnson	Sarbanes
Chafee	Kennedy	Schumer
Cleland	Kerry	Snowe
Conrad	Kohl	Specter
Daschle	Landrieu	Torricelli
Dodd	Lautenberg	Wellstone
Dorgan	Leahy	Wyden
Durbin	Levin	

NOT VOTING—1

McCain

The PRESIDING OFFICER. On this vote, the yeas are 52, the nays are 47. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to, the point of order is sustained, and the amendment falls.

AMENDMENT NO. 175

The PRESIDING OFFICER. Under the previous order, the Senator from California, Mrs. BOXER, is recognized for 1 minute.

Mrs. BOXER. Mr. President, I want to thank the chairman of the committee and my ranking member for agreeing to this. Of course, Senator LAUTENBERG was very supportive in committee, and Senator DOMENICI tonight has said he will go along with this amendment.

It is very simple and clear. It says if there should be a tax cut, we want to see the substantial benefit go to the first 90 percent of wage earners, rather than the top 10 percent.

I think this is good for the people of the country.

I want to thank, again, Senator DOMENICI and Senator LAUTENBERG.

Mr. DOMENICI. Mr. President, there will be no rollcall vote on this amendment. I agree to accept it.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 175) was agreed to.

Mrs. BOXER. I move to reconsider the vote.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the next amendment is offered by the Senator from Ohio, Mr. VOINOVICH.

Mr. DOMENICI. If the Senator would yield for some housekeeping, we are having a degree of success with the list of amendments. If your name is not on this list, then it means you are insisting on a rollcall vote. That means there are still about 15 or 20 of you we are looking for to sit down and talk, so we will not have to have so many rollcall votes. These are all generous Senators on this list. They have decided—and the other side has agreed—to accept them. We will do that right now, en bloc.

So that Members might be thinking about this, maybe we ought to find a new way to take care of sense-of-the-Senate amendments that show up on a budget resolution. I had an idea that maybe we should change the law and have a second budget resolution after we have done the real one, and anybody that has a sense of the Senate can offer them to the second budget bill and ask the leader to set this up in a recess period, and people can file these. When we return from the recess, we will vote on them en bloc.

I think that would be an excellent solution. The leader and I will be talking about it soon.

In the meantime, we thank you for great cooperation.

Mr. REID. Will the Senator yield?

Mr. DOMENICI. Yes.

Mr. REID. It is my understanding, having spoken to you and the Democratic manager and the two leaders, we will try to wrap this thing up tonight; is that true?

Mr. DOMENICI. If we get this kind of cooperation, we can do it; if we don't get cooperation, a few Senators will keep us over until tomorrow.

Mr. LAUTENBERG. Late at night, too.

Mr. REID. I say to the Senators on the list that the Democratic and Republican staff worked on that and it still might require votes. We have had great cooperation and a number of amendments have already dropped off.

AMENDMENT NO. 225, AS MODIFIED

Mr. DOMENICI. Mr. President, I send a modification to the desk of amendment No. 225 from Senator SHELBY. This modification has been approved by the other side.

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

The amendment (No. 225), as modified, is as follows:

At the end of title III, add the following:

SEC. . SENSE OF THE SENATE ON TRANSPORTATION FIREWALLS.

(a) FINDINGS.—The Senate finds that—

(1) domestic firewalls greatly limit funding flexibility as Congress manages budget priorities in a fiscally constrained budget:

(2) domestic firewalls inhibit congressional oversight of programs and organizations under such protections:

(3) domestic firewalls mask mandatory spending under the guise of discretionary spending, thereby presenting a distorted picture of overall discretionary spending;

(4) domestic firewalls impede the ability of Congress to react to changing circumstances or to fund other equally important programs;

(5) the Congress implemented "domestic discretionary budget firewalls" for approximately 70 percent of function 400 spending in the 105th Congress;

(6) if the aviation firewall proposal circulating in the House of Representatives were to be enacted, firewalled spread would exceed 100 percent of total function 400 spending called for under this resolution; and

(7) if the aviation firewall proposal circulating in the House of Representatives were to be enacted, drug interdiction activities by the Coast Guard, National Highway Traffic Safety Administration activities, rail safety inspections, Federal support of Amtrak, all National Transportation Safety Board activities, Pipeline and Hazardous materials safety programs, and Coast Guard search and rescue activities would be drastically cut or eliminated.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this resolution assume that no additional firewalls should be enacted for function 400 transportation activities.

UNANIMOUS CONSENT AGREEMENT—AMENDMENTS AGREED TO EN BLOC

Mr. DOMENICI. Mr. President, the following amendments have been cleared on both sides: Shelby, 209; Sessions, 210; Santorum, 211; Roberts, 216; Gorton, 215; Specter, 220; Jeffords, 222; Shelby, 225, as modified; 226, Enzi; Collins, 229; Chafee, 237; Specter, 219; Fitzgerald, 217; and Jeffords, 221.

Mr. LAUTENBERG. Mr. President, our amendments that have been cleared which we can consider en bloc, are as follows: 197, Lieberman; 186, Durbin; 187, Durbin; 188, Dorgan; 189, Dorgan; 199, Bingaman; 191, Torricelli; 244, Moynihan; 169, Feinstein.

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

The amendments (Nos. 209, 210, 211, 216, 215, 220, 222, 225, as modified; 226, 229, 237, 219, 217, 221, 197, 186, 187, 188, 189, 199, 191, 244, 169) were agreed to, en bloc.

AMENDMENT NOS. 234, 239, 235, 241 AND 193 WITHDRAWN

Mr. DOMENICI. The following amendments, and I am very appreciative of this, have been withdrawn: 234, 239, 235, 241 and 193.

The PRESIDING OFFICER. The amendments are withdrawn.

The amendments (Nos. 234, 239, 235, 241 and 193) were withdrawn.

Mr. DOMENICI. We have only 13 amendments remaining on our side. I hope Members or their staffs will please sit down with our staff and see if we can resolve some of these and give us some idea whether we can finish tonight. I very much appreciate it.

Thank you for yielding, Senator. I am sorry for using your time.

AMENDMENT NO. 161

The PRESIDING OFFICER. The clerk will report the amendment of the Senator from Ohio, Mr. VOINOVICH.

The legislative clerk read as follows:

The Senator from Ohio [Mr. VOINOVICH] proposes an amendment numbered 161, as previously offered.

Mr. VOINOVICH. Mr. President, first, I want to commend the distinguished Chairman of the Budget Committee for offering a budget resolution that stays within the spending caps and—for the first time—protects Social Security surpluses.

I also want to thank him for setting aside $131 billion in what I like to call a ''rainy day fund.'' This money can be used for possible contingencies in Medicare or agriculture, emergency spending, or debt reduction.

I respect the view of my colleagues who want to use on-budget surpluses to give the American people a tax cut. But before we give a tax cut, I believe we should pay down our massive national debt first.

My amendment would take out the tax cuts in the budget resolution and use that money to pay down the debt.

If my amendment is adopted, and if the projected surpluses materialize, then we will slash the publicly-held debt from $3.6 trillion today to $960 billion in 2009.

Paying down the debt is the right thing to do—it will reduce our net interest payments, expand the economy, lower interest rates for families, and reduce the need for future tax increases.

Has there been a request for the yeas and nays on this?

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. DOMENICI. Mr. President, I think the distinguished Senator from Ohio knows of the great respect I have for him. Over the years, I have worked with him when he was Governor. But I just can't agree with this amendment, and I hope the Senate doesn't.

This amendment says that the American taxpayer deserves no tax relief and, yet, we can spend the money that is in surplus, but we can't give the American people any tax relief. This strikes the entire tax relief program that we have planned in this budget resolution. We have heard some say that we should have only half. We have heard others say we should only have two-thirds of it. This one says none. While in the budget we spend money for Medicare, we spend money out of the surplus for other programs. But now it is being said that we cannot spend any of it on tax cuts. I don't believe this is good policy, and I don't think that is where we ought to end up this year. We will spend and spend and spend that surplus, and there won't be any left for the American people in the not-too-distant future.

Mr. LAUTENBERG. Mr. President, is there any time left?

The PRESIDING OFFICER. All time has expired.

Mr. DOMENICI. Mr. President, I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the motion to table the amendment of the Senator from Ohio.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 67, nays 32, as follows:

[Rollcall Vote No. 71 Leg.]

YEAS—67

Abraham	Fitzgerald	Mikulski
Allard	Frist	Murkowski
Ashcroft	Gorton	Nickles
Bayh	Gramm	Reed
Bennett	Grams	Roberts
Biden	Grassley	Roth
Bingaman	Gregg	Santorum
Bond	Hagel	Schumer
Breaux	Hatch	Sessions
Brownback	Helms	Shelby
Bryan	Hutchinson	Smith (NH)
Bunning	Hutchison	Smith (OR)
Campbell	Inhofe	Snowe
Cleland	Johnson	Stevens
Cochran	Kerrey	Thomas
Collins	Kerry	Thompson
Coverdell	Kyl	Thurmond
Craig	Landrieu	Torricelli
Crapo	Lincoln	Warner
DeWine	Lott	Wellstone
Domenici	Lugar	Wyden
Edwards	Mack	
Enzi	McConnell	

NAYS—32

Akaka	Feingold	Levin
Baucus	Feinstein	Lieberman
Boxer	Graham	Moynihan
Burns	Harkin	Murray
Byrd	Hollings	Reid
Chafee	Inouye	Robb
Conrad	Jeffords	Rockefeller
Daschle	Kennedy	Sarbanes
Dodd	Kohl	Specter
Dorgan	Lautenberg	Voinovich
Durbin	Leahy	

NOT VOTING—1

McCain

The motion to lay on the table the amendment (No. 161) was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senator from Massachusetts is recognized.

Mr. DOMENICI. Mr. President, will the Senator yield for a second?

Mr. KENNEDY. Yes.

UNANIMOUS-CONSENT AGREEMENT—AMENDMENT NOS. 173 AND 218

Mr. DOMENICI. Senator MURRAY's amendment numbered 173 has disappeared, and No. 218 by Senator HELMS has been withdrawn.

The PRESIDING OFFICER. Does the Senator from New Mexico make a unanimous consent request with respect to those amendments?

Mr. DOMENICI. No. 173 must be agreed to.

The PRESIDING OFFICER. Without objection, it is agreed to.

The other amendment is withdrawn.

The amendment (No. 173) is agreed to.

The amendment (No. 218) was withdrawn.

Mr. DOMENICI. I thank the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

AMENDMENT NO. 192

Mr. KENNEDY. Mr. President, in the budget there is $778 billion for 10 years for the reduction in taxes. The amendment offered by myself and Senator DODD is very simple. Effectively, it takes $156 billion of that, first, to fully fund IDEA; to fully fund the smaller classrooms; and to take the remaining funds, which is $43 billion that can be used for afterschool programs, for technology, for Pell grants, for Work-Study Programs, and for other education programs.

Effectively, we are saying this is the best opportunity that we have had in a generation to continue a partnership between local, State and the Federal Government in the areas of education. We have a real opportunity to do so. We believe that we can still leave 80 percent of the tax cut. We are taking 20 percent of the tax cut to fully fund IDEA, to meet our commitments, and to also fully fund the smaller classroom.

This is supported by school board associations, the school administrators, parent/teachers, the disability rights, the Consortium of Citizens with Disabilities, and the Federation of Children with Special Needs. It is supported by all of those groups in the best interests of the future of our country. I hope it is accepted.

Mr. DOMENICI. Mr. President, I have 1 minute. I yield 40 seconds to the Senator from New Hampshire, and I will take the other 20 seconds.

The PRESIDING OFFICER. The Senator from New Mexico will suspend.

The Senator from New Mexico has yielded time.

To whom does the Senator yield his time?

Mr. DOMENICI. I yield to Senator JUDD GREGG of New Hampshire 40 seconds.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, essentially, no one in this Senate has worked harder—many have worked as hard, but I think I have worked as hard as anyone else to try to get funding for IDEA programs. What this amendment is essentially is a ''don't worry, be happy'' amendment. It is an amendment which doesn't address the underlying problem, which is that this Congress and, unfortunately, some people on the other side of the aisle in this Congress are not willing to set priorities in the area of education.

We have in the law, on the books a law that says we should fund IDEA. The only people who have been trying to do that have been on this side of the aisle. In the last 3 years, we have increased funding for IDEA by 85 percent from this side of the aisle. In the DOMENICI budget, we have increased it by another $2.5 billion.

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

Mr. GREGG. Let's do it the right way. Let's do it the way it is done in this budget.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I have been telling you all, Democrat and Republican alike, that what is going to happen with this surplus is we are going to spend it all. I have made a preliminary analysis of this week's Democratic amendments that use the surplus. They have now used $430 billion of the surplus for new programs. This one is in this 430. Some others aren't. I merely ask that we not do this and save some of the money for the American taxpayers.

The PRESIDING OFFICER. All time has expired.

Mr. GREGG. Mr. President, I move to table.

Mr. DOMENICI. I move to table and ask for the yeas and nays.

Mr. KENNEDY. Yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays are ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 54, nays 45, as follows:

[Rollcall Vote No. 72 Leg.]

YEAS—54

Abraham	Fitzgerald	McConnell
Allard	Frist	Murkowski
Ashcroft	Gorton	Nickles
Bennett	Gramm	Roberts
Bond	Grams	Roth
Brownback	Grassley	Santorum
Bunning	Gregg	Sessions
Burns	Hagel	Shelby
Campbell	Hatch	Smith (NH)
Chafee	Helms	Smith (OR)
Cochran	Hutchinson	Snowe
Collins	Hutchison	Specter
Coverdell	Inhofe	Stevens
Craig	Jeffords	Thomas
Crapo	Kyl	Thompson
DeWine	Lott	Thurmond
Domenici	Lugar	Voinovich
Enzi	Mack	Warner

NAYS—45

Akaka	Edwards	Levin
Baucus	Feingold	Lieberman
Bayh	Feinstein	Lincoln
Biden	Graham	Mikulski
Bingaman	Harkin	Moynihan
Boxer	Hollings	Murray
Breaux	Inouye	Reed
Bryan	Johnson	Reid
Byrd	Kennedy	Robb
Cleland	Kerrey	Rockefeller
Conrad	Kerry	Sarbanes
Daschle	Kohl	Schumer
Dodd	Landrieu	Torricelli
Dorgan	Lautenberg	Wellstone
Durbin	Leahy	Wyden

NOT VOTING—1

McCain

The motion to lay on the table the amendment (No. 192) was agreed to.

The PRESIDING OFFICER (Mr. FITZGERALD). The Senator from New Mexico.

AMENDMENT NO. 219, AS MODIFIED

Mr. DOMENICI. Mr. President, we have heretofore adopted a Specter amendment. We should have sent a modification to the desk to Amendment No. 219. I send the modification to the desk and ask the amendment, which was adopted, be so modified.

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

The amendment (No. 219), previously agreed to, as modified is as follows:

At the appropriate place insert the following:

SEC. . SENSE OF THE SENATE REGARDING FUNDING FOR INTENSIVE FIREARMS PROSECUTION PROGRAMS.

(a) FINDINGS.—Congress finds that—

(1) gun violence in America, while declining somewhat in recent years, is still unacceptably high;

(2) keeping firearms out of the hands of criminals can dramatically reduce gun violence in America;

(3) States and localities often do not have the investigative or prosecutorial resources to locate and convict individuals who violate their firearm laws. Even when they do win convictions, states and localities often lack the jail space to hold such convicts for their full prison terms;

(4) there are a number of federal laws on the books which are designed to keep firearms out of the hands of criminals. These laws impose mandatory minimum sentences upon individuals who use firearms to commit crimes of violence and convicted felons caught in possession of a firearm;

(5) the federal government does have the resources to investigate and prosecute violations of these federal firearms laws. The federal government also has enough jail space to hold individuals for the length of their mandatory minimum sentences;

(6) an effort to aggressively and consistently apply these federal firearms laws in Richmond, Virginia, has cut violent crime in that city. This program, called Project Exile, has produced 288 indictments during its first two years of operation and has been credited with contributing to a 15% decrease in violent crimes in Richmond during the same period. In the first three-quarters of 1998, homicides with a firearm in Richmond were down 55% compared to 1997;

(7) the Fiscal Year 1999 Commerce-State-Justice Appropriations act provided $1.5 million to hire additional federal prosecutors and investigators to enforce federal firearms laws in Philadelphia. The Philadelphia project—called Operation Cease Fire—started on January 1, 1999. Since it began, the project has resulted in 31 indictments of 52 defendants on firearms violations. The project has benefited from help from the Philadelphia Police Department and the Bureau of Alcohol, Tobacco and Firearms which was not paid for out of the $1.5 million grant;

(8) In 1993, the office of the U.S. Attorney for the Western District of New York teamed up with the Monroe County District Attorney's Office, the Monroe County Sheriff's Department, the Rochester Police Department, and others to form a Violent Crimes Task Force. In 1997, the Task Force created an Illegal Firearms Suppression Unit, whose mission is to use prosecutorial discretion to bring firearms cases in the judicial forum where penalties for gun violations would be the strictest. The Suppression Unit has been involved in three major prosecutions of interstate gun-purchasing activities and currently has 30 to 40 open single-defendant felony gun cases;

(9) Senator Hatch has introduced legislation to authorize Project CUFF, a federal firearms prosecution program;

(10) the Administration has requested $5 million to conduct intensive firearms prosecution projects on a national level;

(11) given that at least $1.5 million is needed to run an effective program in one American city—Philadelphia—$5 million is far from enough funding to conduct such programs nationally.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that Function 750 in the budget resolution assumes that $50,000,000 will be provided in fiscal year 2000 to conduct intensive firearms prosecution projects to combat violence in the twenty-five American cities with the highest crime rates.

AMENDMENT NO. 224

Mr. DOMENICI. Mr. President, we have an Ashcroft amendment, amendment No. 224, which is ready to be accepted. The Democratic leader accepts it also.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 224) was agreed to.

AMENDMENT NO. 163

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Idaho.

Mr. CRAPO. Mr. President, this amendment is a very straightforward amendment. It seeks to deal with the excess surplus we expect to be projected this July. We are now working on a budget that will be saving Social Security, for tax relief, and for the necessary investments we must make in our military, education, Medicare, and other needed programs the Federal Government must pay attention to.

After this budget is put together and we have made those adjustments, we expect the July reports will say we have an even larger surplus than is now expected.

This amendment says, if a larger surplus develops, that surplus should be set aside in a lockbox for either tax relief or debt retirement. It is very straightforward, to say after we have met the needs in negotiating this budget, we then apply any future increases in the surplus to debt retirement or tax relief.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I rise in opposition to the Crapo amendment. As the Senator said, it creates a reserve fund to lock in any additional onbudget surplus in the outyears to be used exclusively for tax breaks and debt reduction.

Mr. President, Democrats welcome the opportunity to lock away a portion of the surplus for debt reduction. We have offered amendments that would do just that. But this amendment would limit the use of future surpluses to debt reduction or tax breaks only.

So I have to ask a question here. Why is it all right to set aside the surplus to create a new special interest tax loophole, but not OK to use the surplus for an increase in military pay?

Why is it OK to set aside the surplus to give more tax breaks to the well off but not OK to use the surplus to hire more teachers and reduce class size?

Mrs. BOXER. Mr. President, the Senate is not in order.

The PRESIDING OFFICER. The Senate will be in order. Will the Senators take their conferences off the floor.

Mr. LAUTENBERG. It would be nice to have order.

Mr. President, this amendment is not about fiscal responsibility. It is not about saving Social Security or Medicare. It is about setting aside the surplus to give tax breaks to a select few, including the wealthiest among us. I hope my colleagues will oppose this amendment.

AMENDMENT NO. 165

Mr. KOHL. I would like to take a moment to explain my opposition to the amendment by the gentleman from Idaho, Senator CRAPO. This amendment would set aside all on-budget surpluses above those estimated in the Republican Budget Resolution. These funds would then be used for either tax cuts or debt reduction. While I agree with his goals of reducing taxes and eliminating the debt, I believe that this is the wrong way to go about it.

I am committed to reserving 77 percent of the total, unified, surplus to increase the solvency of Medicare and Social Security. I do not believe that we should bind ourselves to the estimates of surpluses in this bill. If higher than anticipated surpluses come into the Treasury then I believe that we should still put 77 percent of those new, unexpected funds into the Social Security and Medicare programs.

The Democratic plan leaves 23 percent of the unified surplus for tax cuts, debt reduction and domestic priorities. This leaves room for a tax cut regardless of future surpluses, and is not dependent on the estimates in this bill. Committing ourselves to reserving 77 percent of the unified surplus for Medicare and Social Security will keep these programs solvent longer than the proposal from the Senator for Idaho, and therefore I cannot support his amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion to waive the point of order. The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN) is necessarily absent.

The yeas and nays resulted—yeas 42, nays 57, as follows:

[Rollcall Vote No. 73 Leg.}

YEAS—42

Abraham	Burns	DeWine
Allard	Campbell	Enzi
Ashcroft	Cochran	Fitzgerald
Bennett	Coverdell	Frist
Brownback	Craig	Gramm
Bunning	Crapo	Grams
Grassley	Kyl	Sessions
Gregg	Lott	Shelby
Hagel	Mack	Smith NH
Hatch	McConnell	Thomas
Helms	Murkowski	Thompson
Hutchinson	Nickles	Thurmond
Hutchison	Roth	Voinovich
Inhofe	Santorum	Warner

NAYS—57

Akaka	Edwards	Lincoln
Baucus	Feingold	Lugar
Bayh	Feinstein	Mikulski
Biden	Gorton	Moynihan
Bingaman	Graham	Murray
Bond	Harkin	Reed
Boxer	Hollings	Reid
Breaux	Inouye	Robb
Bryan	Jeffords	Roberts
Byrd	Johnson	Rockefeller
Chafee	Kennedy	Sarbanes
Cleland	Kerrey	Schumer
Collins	Kerry	Smith OR
Conrad	Kohl	Snowe
Daschle	Landrieu	Specter
Dodd	Lautenberg	Stevens
Domenici	Leahy	Torricelli
Dorgan	Levin	Wellstone
Durbin	Lieberman	Wyden

NOT VOTING—1

McCain

The PRESIDING OFFICER. On this vote the yeas are 42, the nays are 57. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The point of order is sustained and the amendment falls.

The Senator from Connecticut has 1 minute.

AMENDMENT NO. 160, AS MODIFIED

Mr. DODD. Mr. President, I send a modification of my amendment to the desk and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. Without objection, the amendment is modified.

The amendment, as modified, is as follows:

On page 3, strike beginning with line 5 through page 5, line 14, and insert the following:

(1) FEDERAL REVENUES.—For purposes of the enforcement of this resolution—

(A) The recommended levels of Federal revenues are as follows:

Fiscal year 2000: $1,401,979,000,000.
Fiscal year 2001: $1,435,931,000,000.
Fiscal year 2002: $1,455,992,000,000.
Fiscal year 2003: $1,532,014,000,000.
Fiscal year 2004: $1,585,969,000,000.
Fiscal year 2005: $1,649,259,000,000.
Fiscal year 2006: $1,682,788,000,000.
Fiscal year 2007: $1,737,451,000,000.
Fiscal year 2008: $1,807,417,000,000.
Fiscal year 2009: $1,870,513,000,000.

(B) The amounts by which the aggregate levels of Federal revenues should be changed are as follows:

Fiscal year 2000: $0.
Fiscal year 2001: −$6,716,000,000.
Fiscal year 2002: −$52,284,000,000.
Fiscal year 2003: −$31,305,000,000.
Fiscal year 2004: −$48,180,000,000.
Fiscal year 2005: −$61,637,000,000.
Fiscal year 2006: −$107,925,000,000.
Fiscal year 2007: −$133,949,000,000.
Fiscal year 2008: −$148,792,000,000.
Fiscal year 2009: −$175,197,000,000.

(2) NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:

Fiscal year 2000: $1,426,931,000,000.
Fiscal year 2001: $1,457,294,000,000.
Fiscal year 2002: $1,488,477,000,000.
Fiscal year 2003: $1,561,513,000,000.
Fiscal year 2004: $1,613,278,000,000.
Fiscal year 2005: $1,666,843,000,000.
Fiscal year 2006: $1,698,902,000,000.
Fiscal year 2007: $1,754,567,000,000.
Fiscal year 2008: $1,815,739,000,000.
Fiscal year 2009: $1,875,969,000,000.

(3) BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 2000: $1,408,292,000,000.
Fiscal year 2001: $1,435,931,000,000.
Fiscal year 2002: $1,455,992,000,000.
Fiscal year 2003: $1,532,014,000,000.
Fiscal year 2004: $1,583,070,000,000.
Fiscal year 2005: $1,639,428,000,000.
Fiscal year 2006: $1,667,958,000,000.
Fiscal year 2007: $1,717,688,000,000.
Fiscal year 2008: $1,782,597,000,000.
Fiscal year 2009: $1,842,697,000,000.

On page 28, strike beginning with line 13 through page 31, line 19, and insert the following:

Fiscal year 2000:
(A) New budget authority, $244,390,000,000.
(B) Outlays, $248,088,000,000.
Fiscal year 2001:
(A) New budget authority, $251,873,000,000.
(B) Outlays, $257,750,000,000.
Fiscal year 2002:
(A) New budget authority, $264,620,000,000.
(B) Outlays, $267,411,000,000.
Fiscal year 2003:
(A) New budget authority, $277,386,000,000.
(B) Outlays, $277,175,000,000.
Fiscal year 2004:
(A) New budget authority, $286,576,000,000.
(B) Outlays, $286,388,000,000.
Fiscal year 2005:
(A) New budget authority, $298,942,000,000.
(B) Outlays, $299,128,000,000.
Fiscal year 2006:
(A) New budget authority, $305,655,000,000.
(B) Outlays, $305,943,000,000.
Fiscal year 2007:
(A) New budget authority, $312,047,000,000.
(B) Outlays, $312,753,000,000.
Fiscal year 2008:
(A) New budget authority, $325,315,000,000.
(B) Outlays, $326,666,000,000.
Fiscal year 2009:
(A) New budget authority, $335,562,000,000.
(B) Outlays, $337,102,000,000.

On page 42, strike lines 1 through 5 and insert the following:

(1) to reduce revenues by not more than $0 in fiscal year 2000, $138,485,000,000 for the period of fiscal years 2000 through 2004, and $765,985,000,000 for the period of fiscal years 2000 through 2009; and

Mr. DODD. Mr. President, as I understand it, I have the right to modify my amendment.

The PRESIDING OFFICER. It takes unanimous consent, which has been granted.

Mr. DODD. Mr. President, this modification reduces the amount from $7.5 billion over 5 years to $5 billion on a child care block grant amendment. It is very simple. It is designed to help working families. The amendment increases the mandatory spending by $5 billion over 5 years. The offset comes from a reduction of the $800 billion tax bill by that amount.

This amendment also asserts in non-binding language that if child care tax credits are expanded in future legislation, that they would be for stay-at-home parents as well as working parents, and that there would be a tax refundability so the poorer families would be able to take advantage of it.

The reason why this amendment on this concurrent resolution is so important is that if we do not provide additionally to the child care needs in the budget resolution, then there is no other opportunity for us to do it in the 106th Congress.

So this modest amount over 5 years, given the huge waiting lists that exist, the difficulty that working families have in meeting these costs, and providing that incentive as well for stay-at-home parents so they can get the benefit of it, I think justifies the adoption of it.

I am delighted to have as my cosponsors, Senator JEFFORDS of Vermont, Senator REED of Rhode Island, and others. I thank some of my Republican colleagues on the other side for their indication of support for this amendment as well.

Mr. President, I urge adoption of the amendment. I think it is a good one. I think it will help working families and their children get good and decent child care.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I know how interested my friend from Connecticut is in this, and that he has lowered the amount. But I really think that we ought to stick with the format that we have been following here, and we ought not start taking money out of the tax cut to put into new programs.

I yield back my time and move to table the amendment.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the amendment, as modified. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arkansas (Mr. HUTCHINSON), the Senator from Arizona (Mr. MCCAIN), and the Senator from Alabama (Mr. SESSIONS), are necessarily absent.

The result was announced—yeas 40, nays 57, as follows:

[Rollcall Vote No. 74 Leg.]

YEAS—40

Allard	Enzi	Lott
Ashcroft	Fitzgerald	Lugar
Bennett	Gorton	Mack
Bond	Gramm	McConnell
Brownback	Grams	Murkowski
Bunning	Grassley	Nickles
Burns	Gregg	Roth
Cochran	Hagel	Santorum
Coverdell	Helms	Shelby
Craig	Hutchison	Smith (NH)
Crapo	Inhofe	
Domenici	Kyl	
Smith (OR)	Thomas	Thurmond
Stevens	Thompson	Voinovich

NAYS—57

Abraham	Durbin	Levin
Akaka	Edwards	Lieberman
Baucus	Feingold	Lincoln
Bayh	Feinstein	Mikulski
Biden	Frist	Moynihan
Bingaman	Graham	Murray
Boxer	Harkin	Reed
Breaux	Hatch	Reid
Bryan	Hollings	Robb
Byrd	Inouye	Roberts
Campbell	Jeffords	Rockefeller
Chafee	Johnson	Sarbanes
Cleland	Kennedy	Schumer
Collins	Kerrey	Snowe
Conrad	Kerry	Specter
Daschle	Kohl	Torricelli
DeWine	Landrieu	Warner
Dodd	Lautenberg	Wellstone
Dorgan	Leahy	Wyden

NOT VOTING—3

Hutchinson	McCain	Sessions

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 160), as modified, was agreed to.

Mr. DODD. Mr. President, I move to reconsider the vote.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. LOTT. Mr. President, I apologize to my colleagues for that vote being open as long as it was. We can't do that anymore if we are going to have any hope of finishing this.

I would like to ask all Senators to stay in the Chamber. We have reached an hour where I don't think it would be necessary to go back to your office or go to receptions. We still have a number of amendments that are pending. I know the whip is working those amendments on the Democratic side. We are working them over here.

I ask unanimous consent that for the next block of amendments—I think there are five of them in this block—the time for the votes be 6 minutes.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. LOTT. There will need to be the 2 minutes equally divided between the amendments. If the Senators will stay in the Chamber, we can clear a number of amendments. Hopefully, we can move through this quickly. We will see if there is any chance to wrap this up tonight. We will not hold the votes open on this next block of votes.

Mr. REID. Mr. Leader, is there any requirement that the clerk read back every vote? That would save considerable time. Is there any need for that?

Mr. LOTT. Does the Senator mean the results of the vote?

Mr. REID. What happens is, midway through the votes they go over who voted for and against. Is there some requirement for that to be necessary?

Mr. BYRD. Mr. President, that has been done since the beginning of time. (Laughter.)

Mr. LAUTENBERG. That takes care of that.

Mr. LEAHY. I think it is going to continue, Mr. President.

Mr. BYRD. By unanimous consent—may I say with great respect to the Senate—by unanimous consent you can avoid the recapitulation, if you want to do that.

Mr. LOTT. Rather than changing the precedent, Mr. President, let me work with the leadership on both sides to see if we can't in some way expedite this as quickly as possible, maybe without calling the names. We will work on that.

Mr. BYRD. Will the majority leader yield to me?

Mr. LOTT. Yes.

Mr. BYRD. I will tell you how the leader can stop me from keeping everybody else here waiting. He can tell them up there to call the roll, and announce the results. And if he catches me off the floor once, I will take my lumps. I ought to be here, and not keep everybody else waiting. I have a wife who is 81 years old. I am 81 years old. She is there waiting on me. I am here. I think Senators ought to have a little compassion and respect for one another. If the leader will just teach us one time, for those who are not here when that announcement is made, they are going to show up as absent, that will break Senators from imposing on other Senators by being late for votes.

Mr. LOTT. We just did that. Two Senators just missed that last vote.

Stay in the Chamber. We are calling those votes after 6 minutes. Stay on the floor so we can begin the debate and voting.

AMENDMENT NO. 213, AS MODIFIED

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, we have had a little bit of success in getting rid of some other amendments.

Amendment No. 213 needs a modification. Then it is ready. This has been approved on the other side.

The PRESIDING OFFICER. The amendment is so modified.

The amendment (No. 213), as modified, is as follows:

At the appropriate place, insert the following:

SEC. XX. SENSE OF THE SENATE REGARDING SUPPORT FOR STATE AND LOCAL LAW ENFORCEMENT.

(a) FINDINGS.—The Senate finds that—

(1) as national crime rates are beginning to fall as a result of State and local efforts, with Federal support, it is important for the Federal Government to continue its support for State and local law enforcement;

(2) Federal support is crucial to the provision of critical crime fighting programs;

(3) Federal support is also essential to the provision of critical crime fighting services and the effective administration of justice in the States, such as State and local crime laboratories and medical examiners' offices;

(4) Current needs exceed the capacity of State and local crime laboratories to process their forensic examinations, resulting in tremendous backlogs that prevent the swift administration of justice and impede fundamental individual rights, such as the right to a speedy trial and to exculpatory evidence;

(5) last year, Congress passed the Crime Identification Technology Act of 1998, which authorizes $250,000,000 each year for 5 years to assist State and local law enforcement agencies in developing and integrating their anticrime technology systems, and in upgrading their forensic laboratories and information and communications infrastructures upon which these crime fighting systems rely; and

(6) the Federal Government must continue efforts to significantly reduce crime by maintaining Federal funding for State and local law enforcement, and wisely targeting these resources.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the provisions of this resolution assume that—

(1) The amounts made available for fiscal year 2000 to assist State and local law enforcement efforts should be comparable to or greater than amounts made available for that purpose for fiscal year 1999;

(2) the amounts made available for fiscal year 2000 for crime technology programs should be used to further the purposes of the program under section 102 of the Crime Identification Technology Act of 1998 (42 U.S.C. 14601); and

(3) Congress should consider legislation that specifically addresses the backlogs in State and local crime laboratories and medical examiners' offices.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 213), as modified, was agreed to.

AMENDMENT NO. 207, AS MODIFIED

Mr. DOMENICI. Amendment No. 207, which I tendered a while ago, has now been OK'd by the minority. I send it to the desk.

The PRESIDING OFFICER. The amendment is so modified.

The amendment (No. 207), as modified, is as follows:

(Purpose: To provide the Sense of the Senate regarding the need to pursue a rational adjustment to merger notification thresholds for small business and to ensure adequate funding for Antitrust Division of the Department of Justice)

At the appropriate place, insert the following new section:

"SEC. . SENSE OF THE SENATE ON MERGER ENFORCEMENT BY DEPARTMENT OF JUSTICE.

"(a) FINDINGS.—Congress finds that—

"(1) The Antitrust Division of the Department of Justice is charged with the civil and criminal enforcement of the antitrust laws, including review of corporate mergers likely to reduce competition in particular markets, with a goal to promote and protect the competitive process;

"(2) the Antitrust Division requests a 16 percent increase in funding for fiscal year 2000;

"(3) justification for such an increase is based, in part, increasingly numerous and complex merger filings pursuant to the Hart-Scott-Rodino Antitrust Improvements Act of 1976;

"(4) the Hart-Scott-Rodino Antitrust Improvements Act of 1976 sets value thresholds which trigger the requirement for filing premerger notification;

"(5) the number of merger filings under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, which the Department, in conjunction with the Federal Trade Commission, is required to review, increased by 38 percent in fiscal year 1998;

"(6) the Department expects the number of merger filings to increase in fiscal years 1999 and 2000;

"(7) the value thresholds, which relate to both the size of the companies involved and the size of the transaction, under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 have not been adjusted since passage of that Act.

"(b) SENSE OF THE SENATE.—It is the Sense of the Senate that the Antitrust Division needs adequate resources and that the levels in this resolution assume the Division will have such adequate resources, including necessary increases in funding, notwithstanding any report language to the contrary, to enable it to meet its statutory requirements, including those related to reviewing and investigating increasingly numerous and complex mergers, but that Congress should pursue consideration of modest, budget neutral, adjustments to the Hart-Scott-Rodino Antitrust Improvements Act of 1976 to account for inflation in the value thresholds of the Act, and in so doing, ensure that the Antitrust Division's resources are focused on matters and transactions most deserving of the Division's attention.

Mr. HATCH. Mr. President, this amendment will put the Senate on record in two important areas.

The first is that, notwithstanding assumptions to the contrary, the Antitrust Division needs and should have adequate resources to enable it to meet its statutory requirements, including those related to reviewing and investigating increasingly numerous and complex mergers.

The second, is that Congress needs to review and pursue adjustments to the Hart-Scott-Rodino Antitrust Improvements Act of 1976. This second point, Mr. President, is an important one and one whose time is long overdue. The threshold values in this Act which trigger the requirement for businesses to file premerger notifications with government antitrust enforcers have not been changed, even for inflation, since 1976—23 years ago.

The overall purpose of the amendment is to ensure that the Antitrust Division's resources are focused on matters and transactions most deserving of the Division's attention, and to remove unnecessary regulatory and financial burdens on small businesses.

Mr. President, few would disagree that it is important to adequately fund the Antitrust Division of the Department of Justice. They are charged with the civil and criminal enforcement of the antitrust laws, including review of corporate mergers, in order to ensure that the consumer benefits from lower prices and better goods that come with vigorous competition in the marketplace. The interests of consumers must prevail over the political interests of some companies.

At our oversight hearing of the Justice Department several weeks ago, I asked Attorney General Reno whether she would work with us to review the value thresholds of the Hart-Scott-Rodino. It is my belief that adjustments to the value thresholds of Hart-Scott-Rodino are needed. They are needed to ensure that the Department's merger reviews take into account inflation and the true economic impact of mergers in today's economy—not in the economy of 1976. The Attorney General, and the Federal Trade Commission have pledged to work with us, and I look forward with working with the Administration to come up with a rational proposal that is a win-win for both the Department and small business.

Mr. President, let me just add that this amendment is not about one company, or one issue. It is about providing rational relief for some small businesses and supporting the enforcement of our laws.

The PRESIDING OFFICER. Without objection, the amendment, as modified, is agreed to.

The amendment (No. 207), as modified, was agreed to.

AMENDMENT NO. 243, AS MODIFIED

Mr. DOMENICI. Mr. President, has Senator LAUTENBERG cleared amendment No. 243 of Senator HUTCHISON and Senator FEINSTEIN?

Mr. LAUTENBERG. Yes. That is fine.

Mr. DOMENICI. Mr. President, I send it to the desk. It is acceptable.

The PRESIDING OFFICER. The amendment is so modified.

The amendment (No. 243), as modified, is as follows:

AMENDMENT NO. 243, AS MODIFIED

(Purpose: Sense of the Senate to create a task force to pursue the creation of a natural disaster reserve fund)

At the appropriate place, insert:

It is the Sense of the Senate that a task force be created for the purpose of studying the possibility of creating a reserve fund for natural disasters. The task force should be composed of three Senators appointed by the majority leader, and two Senators appointed by the minority leader. The task force should also be composed of three members appointed by the speaker of the House, and two members appointed by minority leader in the House. It is the sense of the Senate that the task force make a report to the appropriate committees in Congress within 90 days of being convened. The report should be available for the purposes of consideration during comprehensive overhaul of budget procedures.

The PRESIDING OFFICER. Without objection, the amendment, as modified, is agreed to.

The amendment (No. 243), as modified, was agreed to.

Mr. DOMENICI. I thank the Chair. I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota, Mr. DORGAN, is recognized.

AMENDMENT NO. 178

Mr. DORGAN. Mr. President, the amendment we will consider next is an amendment which provides an opportunity to address the dire emergency that exists on American farms. All of us in this Chamber know that farm prices have collapsed. We also know that we face the prospect of losing tens of thousands, hundreds of thousands perhaps, of family farmers unless something is done to restore some price protection during this time.

The amendment I have offered is the only opportunity to do that. It provides room in this Budget Act for a $6-billion-per-year price protection opportunity.

In 1995, the budget resolution that we considered was the start of the change of farm programs to the new Freedom to Farm bill. In this budget resolution, we are trying to provide an opportunity to repair the deficiencies in that bill that stripped away much of the needed price protection.

This amendment I hope will be supported by my colleagues and give us the opportunity this year, after a midyear correction by the Congressional Budget Office, to use needed resources to help family farmers during their dire emergency.

Mr. President, I yield the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I have been keeping track on how much of the surplus we have spent. We spent $430 billion. If we adopt the Democratic amendment, this is $30 billion more. So the surplus would have had $460 billion already spent, if this amendment were adopted. We will increase the mandatory expenditures under agriculture from about $39 billion, to $40 billion, to $75 billion. That will be fixed and permanent, because it is an entitlement. And actually there are many who say this agriculture economy will recover in a couple of years. Yet, we have this built in for 5 years.

I don't think we ought to do this tonight. There is ample time to consider.

I remind you that the President didn't ask for one nickel. We put $6 billion new money in, and now this is $30 billion more.

I move to table the amendment.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Mexico to lay on the table the amendment of the Senator from North Dakota. On this question, the yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN) and the Senator from Wyoming (Mr. THOMAS), are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 53, nays 45, as follows:

[Rollcall Vote No. 75 Leg.]

YEAS—53

Abraham	Crapo	Hutchinson
Allard	DeWine	Hutchison
Ashcroft	Domenici	Inhofe
Bennett	Enzi	Jeffords
Bond	Fitzgerald	Kyl
Brownback	Frist	Lott
Bunning	Gorton	Lugar
Burns	Gramm	Mack
Campbell	Grams	McConnell
Chafee	Grassley	Murkowski
Cochran	Gregg	Nickles
Collins	Hagel	Roberts
Coverdell	Hatch	Roth
Craig	Helms	Santorum
Sessions	Snowe	Thurmond
Shelby	Specter	Voinovich
Smith (NH)	Stevens	Warner
Smith (OR)	Thompson	

NAYS—45

Akaka	Edwards	Levin
Baucus	Feingold	Lieberman
Bayh	Feinstein	Lincoln
Biden	Graham	Mikulski
Bingaman	Harkin	Moynihan
Boxer	Hollings	Murray
Breaux	Inouye	Reed
Bryan	Johnson	Reid
Byrd	Kennedy	Robb
Cleland	Kerrey	Rockefeller
Conrad	Kerry	Sarbanes
Daschle	Kohl	Schumer
Dodd	Landrieu	Torricelli
Dorgan	Lautenberg	Wellstone
Durbin	Leahy	Wyden

NOT VOTING—2

McCain	Thomas

The motion to lay on the table the amendment (No. 178) was agreed to.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. LOTT. Mr. President, that vote took 10½ minutes, but I know there were some Senators who were not aware we got consent to limit these votes to 6 minutes. Again, I urge all Senators to remain in the Chamber or in the Cloakroom at the furthest distance. The next vote will cut off after 6 minutes.

I yield the floor.

AMENDMENT NO. 240

Mr. DOMENICI. Mr. President, I understand the Ashcroft amendment, No. 240, has been cleared on the other side. It is at the desk. I ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 240) was agreed to.

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI. Mr. President, Senator SNOWE's amendment is next.

Mr. LAUTENBERG addressed the Chair.

Mr. DOMENICI. Senator SNOWE's amendment No. 242 is the one that is up.

The PRESIDING OFFICER. The Chair, on its own motion, observes the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. LAUTENBERG addressed the Chair.

AMENDMENT NO. 166 WITHDRAWN

The PRESIDING OFFICER. The next amendment is the Lautenberg amendment, No. 166.

The Senator from New Jersey is recognized.

Mr. LAUTENBERG. Mr. President, I am withdrawing amendment No. 166.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

The amendment (No. 166) was withdrawn.

AMENDMENT NO. 232

The PRESIDING OFFICER. The next amendment is the Snowe amendment, No. 232. The Senator from Maine is recognized.

Ms. SNOWE. Mr. President, in contrast to the President's budget, we do have a means by which to create a provision for a prescription drug benefit program in the budget resolution. We created a reserve fund in the Budget Committee that was supported by an overwhelmingly bipartisan vote, 21 to 1.

Mr. President, the reserve fund that is included in the budget resolution for the purposes of financing a prescription drug benefit program was supported overwhelmingly by the members of the committee on a bipartisan basis, a 21-to-1 vote.

The amendment I am offering, along with Senator WYDEN, as well as cosponsor Senator SMITH of Oregon, is to expand and create a funding mechanism that will ensure and guarantee the funding of a prescription drug benefit program. We think it is important to ensure that we have this benefit program for our Nation's senior citizens. It is contingent upon a reform package being reported out of the Senate Finance Committee to extend the solvency of the Medicare program. The funding mechanism would be an increase in the tobacco taxes.

I think it is an appropriate linkage between Medicare and tobacco taxes. A recent study shows, in fact, that $25 billion was the cost to the Medicare program as a result of tobacco-related illnesses.

Mr. President, the amendment I am offering along with my good friends and colleagues from Oregon, Senators WYDEN and GORDON SMITH, would expand the reserve fund that is found in section 209 of the budget resolution. Specifically, our amendment would allow new tobacco taxes to be used as an offset for the new Medicare prescription drug benefit that this reserve fund would create.

Mr. President, as I stated on the floor yesterday, I believe that one of the most critical items included in this year's Senate budget resolution is the reserve fund for Medicare and prescription drugs.

Put simply, this reserve fund—that was adopted with the support of all 10 Democratic members on the Budget Committee—will provide the Congress with a critically needed opportunity to address an issue that has been highlighted repeatedly of late: the long-term solvency of Medicare and a means to fund a new Medicare prescription drug benefit.

In light of the recent disappointing conclusion of deliberations by the Bipartisan Commission on Medicare—where the final vote for a recommendation failed by a singe vote—I can think of no provision more critical to moving these issues forward in the aftermath of that Commission's work than the reserve fund contained in the Senate budget resolution.

Specifically, the reserve fund already contained in the budget resolution will allow for the creation of a new Medicare prescription drug benefit. This reserve fund will be available for any Medicare legislation reported from the Senate Finance Committee that significantly extends the solvency of the Medicare Trust Fund in a meaningful and legitimate manner beyond its current insolvency date of 2008.

However, to ensure our ability to tap the reserve fund is not unduly restricted or that legislation is not stalled in the Finance Committee due to a particular solvency date not being achieved, the reserve fund intentionally provides no specific target date for extending the program's solvency. Rather, it simply requires that the added solvency be ''significant'' with no gimmicks to simply increase the ''paper balance'' of the trust fund. Specifically, the President's proposal to artificially increase the number of IOUs held by the Medicare Trust Fund would be precluded.

Also of critical importance, the reserve fund explicitly provides for the funding of a new Medicare prescription drug benefit that could be funded with a portion of on-budget surpluses that have been set-aside in the Chairman's budget. The on-budget surplus currently set-aside in the budget totals $132 billion over the coming 10 years, so up to this amount of monies could be utilized for the prescription drug benefit.

Given the fact that prescription drug coverage proved to be one of the most divisive issues during the Bipartisan Commission's deliberations, this reserve fund will ensure that this critically needed addition to the Medicare program is not blocked from consideration when legislation to strengthen Medicare is considered on the floor. Furthermore, it serves as a much needed ''carrot-and-stick'' for getting Congress and the President to develop a comprehensive plan to strengthen Medicare soon—not put it off until the day of reckoning in 2008 is nearly upon us.

Mr. President, there are many issues where members of the Senate may disagree, but there is one stark fact—the fact that the Medicare Part A Trust Fund will be broke within 10 years—which everyone in this room must accept. Therefore, since solutions will likely become draconian the longer we wait to take meaningful steps to strengthen the program, we must not wait any longer to take action to credibly extend the solvency of the Medicare Trust Fund and improve the Medicare program overall.

As my colleagues are aware, we didn't get a proposal out of the Bipartisan Medicare Commission despite the best efforts of several members of this body. But that ''hung jury'' decision does not mean we can simply ignore the fact that the Medicare program—which is the program more then 38 million elderly Americans rely on for their health care—is going broke.

Fortunately, the Senate Finance Committee is already taking action, beginning with a series of hearings that began last week on the Commission's majority-supported proposal, and speculation that a markup of Medicare-related legislation could occur in the not-too-distant future. In addition, the President—who was accused of preventing the Commission from getting the final, crucial vote necessary to report a recommendation—has now said that he will send us his own proposal soon.

Mr. President, the reserve fund already included in the Senate budget resolution will facilitate this process by allowing the Congress to take up the President's forthcoming proposal or any other proposal reported by the Senate Finance Committee that credibly addresses Medicare's needs. That, alone, is a critical step forward since we can no longer leave our seniors worrying that our failure to take action will leave them without access to health care. Because when the Trust Fund runs dry there is no health care—none—for many of our nation's senior citizens.

Even as the reserve fund will help spur action on legislation to credibly extend the solvency of the Medicare program, it will also allow us to take a critical step in improving and updating the Medicare system: the addition of a meaningful Medicare prescription drug benefit. I believe this addition is, unquestionably, the most significant we could make to Medicare as we seek to strengthen the system.

Mr. President, the need for this new benefit could not be more clear. When Medicare was created in 1965 it followed the private health insurance model of the time—inpatient health care. Today, thirty-four years later, it is sadly out of date and it is time to bring Medicare ''back to the future'' by providing our seniors with prescription drug coverage.

The lack of a prescription drug coverage benefit is the biggest hole—a black hole really—in the Medicare system. HCFA will tell you that up to 65 percent of Medicare beneficiaries have drug coverage from other sources. But that number simply doesn't tell the whole story.

Specifically, fourteen percent of Medicare beneficiaries get drug coverage from one of the three Medigap policies that cover drugs. Two of these policies require a $250 deductible and then only cover 50 percent of the cost of the drug with a $1,250 cap. Needless to say, you can run up against that cap pretty fast with today's drug prices.

The third policy provides a cap of $3,000 but the premium ranges anywhere from $1,699 to $3,171 depending on where you live. That is a lot of money for someone living on a fixed income.

An estimated 8 percent get drug coverage from participating in Medicare HMOs and another 16 percent receive coverage from Medicaid. Of course to do that, they must be very low-income to begin with and may have to spend a great deal out of pocket for their drugs—what we commonly refer to as spending down—before they are eligible in a given year for coverage. Finally there are those lucky enough—29 percent—to have employer sponsored drug coverage through their retiree program.

Mr. President, drug coverage should be part and parcel of the Medicare system, not a patchwork system where some get coverage and some don't. Prescription drug coverage shouldn't be a ''fringe benefit'' available only to those wealthy enough or poor enough to obtain coverage—it should be part and parcel of the Medicare system that will see today's seniors, and tomorrow's into the 21st Century.

In light of this glaring need for prescription drug coverage, I will be working with senior citizens groups and health care experts over the coming weeks to develop bipartisan legislation with Senator WYDEN and others that will provide Medicare recipients with a comprehensive Medicare prescription drug coverage benefit that could be included in any forthcoming package to strengthen Medicare.

The focus of my proposal will be to provide senior citizens with actual coverage for prescription drugs. Put simply, even if we attempt to control the prices of drugs that are needed by senior citizens, that does not guarantee many of these individuals will be able to afford those prices. That's why a new benefit is so critical.

Although the details of my prescription drug coverage proposal will be developed over the coming weeks, there are several broad principles that I anticipate will be included in the Snowe-Wyden package:

First, this package will not be part of Medicare Part A, and therefore will have no direct impact on the solvency of the Medicare Trust Fund. Like my colleagues, I am gravely concerned about the solvency of the Medicare Trust Fund and believe that issue must be addressed in a comprehensive, bipartisan manner. Therefore, I believe it would be irresponsible to propose a new benefit in the Trust Fund that would further jeopardize its solvency in future years, and will propose that my new benefit package be outside the Trust Fund accordingly.

Second, while the details of our legislation will ultimately be crafted during bipartisan negotiations with interested groups and health care experts, the drug benefit package will be comprehensive and ensure that all seniors have prescription drug coverage.

Third, while the cost of this proposal will ultimately be determined by the benefit package that is crafted, our proposal will be fully-offset. While my colleagues are aware that the cost of this coverage varies widely depending on the size and scope of the benefit, I believe it would be irresponsible to create any new benefit without paying for it. Accordingly, the primary offset for our package will be an increase in the tobacco tax.

As my colleagues are aware, President Clinton's FY 2000 budget proposal included a 55-cent per pack increase in the cost of cigarettes and an acceleration of the 15-cent per pack increase contained in the 1997 Balanced Budget Agreement. The Joint Tax Committee estimates that the combined revenues of these two proposals would be $36 billion over 5 years, and $70 billion over 10 years.

Interestingly, instead of applying these new revenues to Medicare or a new prescription drug benefit, the President proposes that these tobacco tax revenues be used to offset increases in discretionary spending. Because tax increases are not allowed to offset discretionary spending under the Budget Act, these improper offsets contribute to the President's budget being in violation of the spending limits agreed to just two years ago by $30 billion in FY 2000.

At the same time, the President's budget also fails to provide a single penny for a prescription drug benefit—or even a mechanism to provide monies for such a benefit—after touting the need for prescription drug coverage in the State of the Union address.

In light of this deficiency in the President's budget, the bipartisan proposal I will be crafting with Senator WYDEN will not only create a fully-funded prescription drug benefit, but it will also utilize the proposed tax increase for tobacco contained in the President's budget. Ultimately, it is my hope that the President will recognize that these monies would be best spent on Medicare, and will support our effort accordingly.

Mr. President, the rationale for linking tobacco taxes and Medicare is clear. As outlined in a study by Columbia University, smoking-related illnesses cost the Medicare program $25.5 billion in 1994 alone—a full 14 percent of Medicare's costs in that year.

In fact, as the chart behind me indicates, of the various forms of substance abuse that affect the Medicare program, tobacco-related illnesses accounted for 80% of the $32 billion in total substance abuse costs in 1994. Therefore, dedicating tobacco revenues to Medicare will allow the program to recapture some of the monies it is losing to tobacco.

In particular, the proposal I will be developing with Senator WYDEN will demonstrate how new tobacco monies could be shifted to Medicare and then targeted to the new prescription drug benefit for seniors.

To accommodate the proposal we will be crafting—and the tobacco offset it will contain in particular—the amendment I am offering today will ensure that tobacco tax revenues are among the funding options provided for in the new reserve fund for prescription drugs.

While I am pleased that remaining on-budget surpluses are already an allowable offset in the reserve fund, I believe it is only appropriate that tobacco taxes also be an allowed offset. Not only because this offset be used in the prescription drug package I will be developing with Senator WYDEN, but because of the direct link between tobacco and the Medicare program.

As mentioned, a study by the National Center on Addiction and Substance Abuse at Columbia University found that the cost of tobacco-related illnesses on the Medicare program totaled $25.5 billion in 1994, or 14% of the total expenditures of the Medicare program.

Assuming this percent holds as true today as it did five years ago—and there is no reason to assume otherwise—the impact of tobacco on Medicare is astounding. With CBO projecting Medicare expenditures of $220 billion in the current fiscal year, tobacco-related health care expenses would total upward of $30.8 billion in 1999 alone using the 14 percent assumption. Over the coming years, these numbers will only escalate:

$32.5 billion in 2000.

$34.7 billion in 2001.

$36 billion in 2002.

And $39.5 billion in 2003.

In fact, if tobacco-related illnesses continue to cost the Medicare program 14 percent of its total expenditures, these expenses will total $62.6 billion in the year 2009. All told, tobacco-related illnesses would cost the Medicare program $486 billion from 1999 to 2009!

Mr. President, in light of the impact of tobacco on the Medicare program, I can think of no reason why new tobacco revenues should not be returned to the Medicare program and used to fund a new prescription drug benefit. Along with our efforts to keep the program solvent well beyond 2008, this new benefit is arguably the most pressing need of our nation's senior citizens in the Medicare program. By linking the two issues in the reserve fund I have created, we can and should do both.

Mr. President, while I know that many of my colleagues may not support a tobacco tax increase, I urge that they seriously consider the impact of tobacco-related illnesses on Medicare. My amendment is not an effort to simply pass a tobacco tax for the sake of doing it. Rather, it's about recouping a limited portion of the monies tobacco costs the Medicare program every year, and devoting these monies to a program within Medicare that benefits senior citizens.

The bottom line is that the reserve fund already included in the budget will help facilitate the consideration of Medicare legislation by laying the groundwork for a new Medicare prescription drug benefit that may not otherwise be available. While it would already allow remaining on-budget surpluses to be used for this new benefit, the amendment I am offering today will ensure that another funding source is also available.

Ultimately, the true benefit of adopting my amendment is that it will ensure a new Medicare prescription drug benefit that utilizes tobacco revenues can be offered with only a simple majority vote being required for its adoption. Without this provision, a point of order would lie against such a proposal, and 60 votes would be required to waive the point of order. While not an impossible hurdle, it nevertheless raises the bar on an offset that I believe is wholly appropriate for the issue at hand.

Again, I do not expect that all of my colleagues will support the prescription drug benefit bill that Senator WYDEN and I will be crafting. But I would hope that my colleagues would see the legitimate link between Medicare and tobacco, and will at least vote today to allow this offset to be considered without a supermajority vote in the future.

The reserve fund already contained in the budget resolution is a critical step in the right direction that may ultimately ensure legislation to genuinely strengthen Medicare will move in the Congress. And the amendment we are offering will simply bring one more legitimate, related offset into the mix of available options as that package is crafted in the Congress.

Mr. President, I believe the cost of Medicare prescription drugs constitutes a crisis for our senior citizens. While the President expressed support for such a benefit in the State of the Union, he failed to deliver anything for it in his budget proposal, just as he seemingly failed to assist the Commission in doing their job: sending this Congress a bipartisan Medicare reform proposal.

Despite the President's lack of courage on these issues—or willingness to put substance behind his State of the Union rhetoric—I believe it is critical that we make it possible to strengthen and improve Medicare in the Congress. The reserve fund already contained in the budget may be our best hope to repair and improve the Medicare program. It will allow it to be one of our finest accomplishments in the 106th Congress—not a political punching bag that delivers nothing of value to our deliberations or to our nation's elderly. And the amendment we are offering today will only make the reserve fund better.

Therefore, I urge that my colleagues support our amendment, and work to improve the Medicare ''enabling'' reserve fund already contained in the budget.

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

Mr. BUNNING. Mr. President, I raise a point of order against the pending amendment, No. 232, offered by Senator SNOWE. The language is not germane to the budget resolution before us.

Therefore, I raise the point of order under section 305(b)(2) of the Congressional Budget Act of 1974.

MOTION TO WAIVE THE BUDGET ACT

Mr. WYDEN. Mr. President, can we waive it at this time? I move to waive it at this time.

The PRESIDING OFFICER. The Senator from Oregon has moved to waive the budget point of order. The question is on agreeing to the motion to waive the budget point of order.

Mr. DOMENICI. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DOMENICI. This is a 6-minute rollcall vote.

The PRESIDING OFFICER. The Chair will inform the Senate this is a 6-minute rollcall.

The question is on agreeing to the motion to waive the budget point of order in relation to the Snowe amendment No. 232.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN) and the Senator from Wyoming (Mr. THOMAS) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The yeas and nays resulted—yeas 54, nays 44, as follows:

[Rollcall Vote No. 76 Leg.]

YEAS—54

Abraham	Durbin	Levin
Akaka	Feingold	Lieberman
Baucus	Feinstein	Lincoln
Bennett	Graham	Mikulski
Biden	Harkin	Moynihan
Bingaman	Hatch	Murray
Boxer	Hollings	Reed
Breaux	Hutchison	Reid
Bryan	Inouye	Rockefeller
Byrd	Jeffords	Santorum
Chafee	Johnson	Sarbanes
Cleland	Kennedy	Schumer
Collins	Kerrey	Smith (OR)
Conrad	Kerry	Snowe
Daschle	Kohl	Specter
DeWine	Landrieu	Torricelli
Dodd	Lautenberg	Wellstone
Dorgan	Leahy	Wyden

NAYS—44

Allard	Fitzgerald	McConnell
Ashcroft	Frist	Murkowski
Bayh	Gorton	Nickles
Bond	Gramm	Robb
Brownback	Grams	Roberts
Bunning	Grassley	Roth
Burns	Gregg	Sessions
Campbell	Hagel	Shelby
Cochran	Helms	Smith (NH)
Coverdell	Hutchinson	Stevens
Craig	Inhofe	Thompson
Crapo	Kyl	Thurmond
Domenici	Lott	Voinovich
Edwards	Lugar	Warner
Enzi	Mack	

NOT VOTING—2

McCain	Thomas

The PRESIDING OFFICER. On this vote the yeas are 54, the nays are 44. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The point of order is sustained, and the amendment falls.

The Senator from Massachusetts is recognized.

AMENDMENT NO. 195

Mr. KENNEDY. Mr. President, this is a sense of the Senate that we ought to go on record for an increase in the minimum wage. This Nation is having unprecedented prosperity. We have the lowest unemployment that we have had in 30 years, the lowest rates of inflation. Still, we have 11 million minimum-wage workers. And a minimum-wage working family of three is still $3,000 less than the poverty income for a family of three.

This is an issue that affects women. It is an issue that affects children. It is an issue that affects families. No one in the United States of America who works for a living ought to live in poverty.

We hope now to have a sense of the Senate that we will increase the minimum wage 50 cents this year and 50 cents next year. That is what the Daschle amendment does, and this is a sense of the Senate to support it.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, this amendment is not germane under the budget. I make a point of order that it is not germane.

MOTION TO WAIVE THE BUDGET ACT

Mr. KENNEDY. Mr. President, pursuant to section 904 of the Congressional Budget Act of 1974, I move to waive the applicable sections of that Act for the consideration of the pending amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The yeas and nays having been ordered, the vote is on the motion to waive.

Mr. KENNEDY. Could I ask the Parliamentarian, an ''aye'' vote would be to?

The PRESIDING OFFICER. An ''aye'' vote would be to waive the budget point of order.

Mr. KENNEDY. Thank you.

The PRESIDING OFFICER. The question is on agreeing to the motion to waive the Congressional Budget Act in relation to the Kennedy amendment No. 195. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce the Senator from Arizona Mr. MCCAIN and the Senator from Wyoming Mr. THOMAS are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 45, nays 53, as follows:

[ROLLCALL VOTE NO. 77 LEG.]

YEAS—45

Akaka	Breaux	Daschle
Bayh	Bryan	Dodd
Biden	Byrd	Dorgan
Bingaman	Cleland	Durbin
Boxer	Conrad	Edwards
Feingold	Landrieu	Reid
Feinstein	Lautenberg	Robb
Harkin	Leahy	Rockefeller
Hollings	Levin	Sarbanes
Inouye	Lieberman	Schumer
Johnson	Lincoln	Smith (OR)
Kennedy	Mikulski	Specter
Kerrey	Moynihan	Torricelli
Kerry	Murray	Wellstone
Kohl	Reed	Wyden

NAYS—53

Abraham	Enzi	Lugar
Allard	Fitzgerald	Mack
Ashcroft	Frist	McConnell
Baucus	Gorton	Murkowski
Bennett	Graham	Nickles
Bond	Gramm	Roberts
Brownback	Grams	Roth
Bunning	Grassley	Santorum
Burns	Gregg	Sessions
Campbell	Hagel	Shelby
Chafee	Hatch	Smith (NH)
Cochran	Helms	Snowe
Collins	Hutchinson	Stevens
Coverdell	Hutchison	Thompson
Craig	Inhofe	Thurmond
Crapo	Jeffords	Voinovich
DeWine	Kyl	Warner
Domenici	Lott	

NOT VOTING—2

McCain	Thomas

The PRESIDING OFFICER. On this vote the yeas are 45, the nays are 53. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to, the point of order is sustained, and the amendment falls.

AMENDMENT NO. 208, AS MODIFIED

Mr. DOMENICI. Mr. President, I ask unanimous consent that the amendment I now send to the desk for Senator ENZI, numbered 208, be modified.

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

The amendment (No. 208), as modified, is as follows:

At the appropriate place, insert:

SEC. . SENSE OF THE SENATE ON ELIMINATING THE MARRIAGE PENALTY AND ACROSS THE BOARD INCOME TAX RATE CUTS.

(a) FINDINGS.—The Senate finds that—

(1) The institution of marriage is the cornerstone of the family and civil society;

(2) Strengthening of the marriage commitment and the family is an indispensable step in the renewal of America's culture;

(3) The Federal income tax punishes marriage by imposing a greater tax burden on married couples than on their single counterparts;

(4) America's tax code should give each married couple the choice to be treated as one economic unit, regardless of which spouse earns the income; and

(5) All American taxpayers are responsible for any budget surplus and deserve broad-based tax relief after the Social Security Trust fund has been protected.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this resolution assume that—

(1) Congress should eliminate the marriage penalty in a manner that treats all married couples equally, regardless of which spouse earns the income; and

AMENDMENT NO. 205, AS MODIFIED

Mr. DOMENICI. I ask unanimous consent that the amendment I send to the desk for Senator LANDRIEU, numbered 205, be modified.

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

The amendment (No. 205) as modified, is as follows:

On page 46, after line 10, add a new subsection (c) that reads as follows:

(c) LIMITATION.—This reserve fund will give priority to the following types of tax relief:

(1) Tax relief to help working families afford child care, including assistance for families with a parent staying out of the workforce in order to care for young children;

(2) Tax relief to help individuals and their families afford the expense of long-term health care;

(3) Tax relief to ease the tax code's marriage penalties on working families;

(4) Any other individual tax relief targeted exclusively for families in the bottom 90 percent of the family income distribution;

(5) The extension of the Research and Experimentation tax credit, the Work Opportunity tax credit, and other expiring tax provisions, a number of which are important to help American businesses compete in the modern international economy and to help bring the benefits of a strong economy to disadvantaged individuals and communities;

(6) Tax incentives to help small businesses; and

(7) Tax relief provided by accelerating the increase in the deductibility of health insurance premiums for the self-employed.

AMENDMENT NOS. 208, AS MODIFIED; 205, AS MODIFIED; 202, AND 171, EN BLOC

Mr. DOMENICI. I want to clear some amendments for immediate consideration: Senator ENZI, 208, as modified; 205, Senator LANDRIEU, as modified; 202, Senator BIDEN; and 171, Senator BOXER. These have been cleared with the other side.

The PRESIDING OFFICER. The question is on agreeing to the amendments en bloc.

The amendments (Nos. 208, as modified; 205, as modified; 202 and 171) were agreed to.

AMENDMENT NO. 202

Mr. BIDEN. Mr. President, the amendment I offer to the budget resolution would express the Senate's intention to give high priority to embassy security.

As was underscored by the tragic embassy bombings in East Africa last August, our embassies overseas are highly vulnerable to terrorist attack. Following the bombings, the Secretary of State ordered a worldwide review of the current security situation.

According to testimony provided by the Department of State to the Committee on Foreign Relations, over 80 percent of U.S. embassies and consulates have less than the required 100-foot setback from the street, and many missions are in desperate need of greater security improvements.

As required by law, the Secretary also convened ''Accountability Review Boards'' to examine the bombings. The Boards, chaired by retired Admiral William Crowe, concluded that the United States must—

> undertake a comprehensive and long-term strategy for protecting American officials overseas, including sustained funding for enhanced security measures, for long-term costs for increased security personnel, and for a capital building program based on an assessment of requirements to meet the new range of global terrorist threats. This must include substantial budgetary appropriations of approximately $1.4 billion per year maintained over a ten-year period. . .Additional funds for security must be obtained without diverting funds from our major foreign affairs programs.

Last fall, Congress provided $1.4 billion in supplemental appropriations to address the security situation.

But as the conclusions of the Crowe panels underscored, this was just a down payment.

In his budget request, the President requested an additional $300 million in security enhancements in Fiscal Year 2000, and advance appropriations totaling $3 billion from Fiscal 2001 to 2005 for an embassy construction program. I believe this amount is insufficient, a concern echoed by many members of the Committee on Foreign Relations during a hearing held on March 11.

We must recognize, as the Crowe panels did, that the kind of money required to enhance embassy security cannot be borne within the current State Department budget.

For example, the $1.4 billion in annual spending recommended by the Crowe panels amounts to more than one-third of the operating budget of the Department requested for Fiscal 2000. We are kidding ourselves to suggest that these resources can be found within the existing State Department budget.

It should be emphasized that funding for embassy security benefits the entire federal government. Embassies are not merely foreign outposts of the Department of State. They are platforms for the representation of American interests.

Everyone should recognize this essential fact: nearly two-thirds of the personnel in our embassies are from departments other than the State Department. They are from all over the government—the Commerce Department, the Agriculture Department, the Department of Defense, even the Federal Aviation Administration. In sum, embassy security is a government-wide imperative, for which the State Department should not bear an undue funding burden.

Mr. President, the bottom line is this: security costs money, and we cannot pinch pennies. We send our people overseas to do a job. They are on the front lines of our national defense, representing our interests.

It is our duty to do that all that we reasonably can to protect them. And if we fail to protect our embassies, the costs will be not just in lives lost. They will be in wars not prevented, in narcotics trafficking unchecked, and in American jobs lost due to trade opportunities unattained.

So I hope my colleagues will recognize the importance of embassy security as a high priority and support my amendment.

AMENDMENT NO. 204 WITHDRAWN

Mr. DOMENICI. Mr. President, we are withdrawing an amendment of Senator BIDEN numbered 204.

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

The amendment (No. 204) was withdrawn.

Mr. DOMENICI. Mr. President, how long did the last vote take?

The PRESIDING OFFICER. The last vote took about 11½ minutes.

Mr. DOMENICI. We will have some additional votes. I ask unanimous consent that the following amendments be the next amendments to be debated and voted on as provided for under the previous agreement: Senator HOLLINGS 174, current services; Senator ROBB 181, strike pay-go; Senator LAUTENBERG 183, school modernization.

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

AMENDMENT NO. 174

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. HOLLINGS. Mr. President, this continues current policy and uses the surplus moneys to pay down the debt. This amendment by Senator BOB KERREY and myself uses what surplus there is over the budget period to pay down the debt.

Members might say, Was this not the amendment of Senator VOINOVICH which we voted on? Senator VOINOVICH uses Chairman DOMENICI's mark; I use the mark of the Congressional Budget Office.

We call this the Greenspan amendment because Senator SARBANES was questioning the record of the Federal Reserve. He said, How do you save that surplus? How do you keep it from getting spent? Mr. Greenspan said, ''What happens is, you do nothing.'' In other words, you take this year's budget, we are doing fine. We have growth, low unemployment, low inflation rate, and truly pay down the debt.

All of these others talk about it, but there is so much spending and tax cuts, you will never get any debt paid down. This, when it is paid down, will lower the interest costs which will get everybody a real tax cut.

The PRESIDING OFFICER (Mr. HAGEL). The Senator from New Mexico.

Mr. DOMENICI. Mr. President, this amendment wipes out the tax cut in its entirety, wipes out the $6 billion we added for the agricultural community, establishes a freeze, and then after that, it goes up to current services. The first two points are the most important.

I don't believe we ought to adopt this amendment, after all we have gone through in trying to provide some tax cuts for the American people.

I yield back any time I might have.

Mr. HOLLINGS. Mr. President, I yield back my time, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Carolina.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN) and the Senator from Wyoming (Mr. THOMAS) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 24, nays 74, as follows:

[Rollcall Vote No. 78 Leg.]

YEAS—24

Akaka	Dorgan	Lautenberg
Biden	Feingold	Leahy
Bingaman	Graham	Lincoln
Boxer	Harkin	Mikulski
Breaux	Hollings	Reid
Bryan	Inouye	Robb
Byrd	Kerrey	Specter
Dodd	Kohl	Voinovich

NAYS—74

Abraham	Feinstein	McConnell
Allard	Fitzgerald	Moynihan
Ashcroft	Frist	Murkowski
Baucus	Gorton	Murray
Bayh	Gramm	Nickles
Bennett	Grams	Reed
Bond	Grassley	Roberts
Brownback	Gregg	Rockefeller
Bunning	Hagel	Roth
Burns	Hatch	Santorum
Campbell	Helms	Sarbanes
Chafee	Hutchinson	Schumer
Cleland	Hutchison	Sessions
Cochran	Inhofe	Shelby
Collins	Jeffords	Smith(NH)
Conrad	Johnson	Smith(OR)
Coverdell	Kennedy	Snowe
Craig	Kerry	Stevens
Crapo	Kyl	Thompson
Daschle	Landrieu	Thurmond
DeWine	Levin	Torricelli
Domenici	Lieberman	Warner
Durbin	Lott	Wellstone
Edwards	Lugar	Wyden
Enzi	Mack	

NOT VOTING—2

McCain	Thomas

The amendment (No. 174) was rejected.

Mr. GRAMM. Mr. President, I move to reconsider the vote.

Mr. DASCHLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. THURMOND. Mr. President, as the Senate debates the Fiscal Year 2000 Budget Resolution, I believe it is important that we keep in mind the statement by General Shelton, the Chairman of the Joint Chiefs of Staff, at the Senate Armed Services Committee on September 29, 1999.

''It is the quality of the men and women who serve that sets the U.S. military apart from all potential adversaries. These talented people are the ones who won the Cold War and ensured our victory in Operation Desert Storm. These dedicated professionals make it possible for the United States to accomplish the many missions we are called on to perform around the world every single day.''

Although we have the best soldiers, sailors, airmen and Marines, all their professionalism is for naught if they do not have the equipment, weapons and supplies to carry out their mission. Since the end of Operation Desert Storm, which reflected both the professionalism and material quality of our Armed Forces, the defense budget has declined by $80 billion. Yet the pace of the military operations has not declined, in fact the pace of operations exceeds that of the Cold War era. Not only are the men and women of our military stretched to the limits, but also their equipment. The Air Force Chief of Staff testified that ''Next year, the average age of our aircraft will be 20 years old . . .'' General Reimer, the Chief of Staff of the Army, stated: ''Mortgaging our modernization accounts did not come without cost. By FY98, Army procurement had declined 73 percent, reaching its lowest level since 1959.'' Mr. President, each of the other service chiefs had similar quotations. These quotes paint a dismal picture of our Armed Forces' readiness and are the challenge to the Congress to increase funding for the Department of Defense.

The Fiscal Year 2000 Budget resolution proposed by the able Chairman of the Budget Committee, Senator DOMENICI, increases the budget authority for defense by $8.3 billion over the Administration's request. I congratulate the Budget Committee on this decisive demonstration of support for our Armed Forces. However, this show of support is diminished by the fact that the Budget Committee reduced the outlays for fiscal year 2000 by $8.7 billion. This reduction coupled with the already existing outlay problem, will result in a reduction to the budget authority levels in the $280.5 billion budget request.

Mr. President, I want to urge Senator DOMENICI, to work with Chairman WARNER and Chairman STEVENS, to resolve this outlay problem before we act on this Resolution. We must not leave the false impression that the increase in the budget authority proposed in this resolution will result in increased security for our Nation. Thank you, Mr. President.

Mr. BYRD. Mr. President, in the report accompanying the budget resolution now before the Senate (Senate Report 106–27), the first paragraph on page seven contains this statement:

> A budget resolution is a fiscal blueprint, a guide, a roadmap, that the Congress develops to direct the course of federal tax and spending legislation. It is a set of aggregate spending and revenue numbers covering the twenty broad functional areas of the government, over a long-term fiscal horizon. It is less than substantive law, but is much more than a sense of the Congress resolution.

Unfortunately, this budget resolution, this guide, this blueprint, is a roadmap which, if followed for the next ten years, will wreak untold devastation. Having just achieved the first year with a unified budget surplus ($70 billion) in thirty years, last September 30—the end of Fiscal Year 1998—and having been unable to pass a congressional budget resolution for this fiscal year, fiscal year 1999, at all, we now have before the Senate not the usual five-year budget resolution, but a much more ambitious ten-year budget to carry us for the period fiscal years 2000–2009. Over that period, we are told by the Congressional Budget Office that unified budget surpluses will total just over $2.5 trillion. Of that amount, Social Security surpluses make up some $1.8 trillion, or 72 percent. Non-Social Security surpluses, according to CBO, will total $787 billion over that period. For fiscal year 2000, there is, in fact, a non-social security deficit of some $7 billion. That is, there would be no surplus at all in Fiscal Year 2000 except in the Social Security Trust Fund.

What does the blueprint now before the Senate, the Republican budget resolution, propose that we do with these multi-trillion-dollar surpluses? Keep in mind that these are only projections; they are not real, and we will not know until after the fact as to whether any of the surpluses projected for any of these 10 years will come to pass. No human being can ever project accurately what Federal revenues or Federal spending will be. No one can know what interest rates will be, or unemployment, or GDP growth. We have had tremendous variances historically with CBO projections, even within one year. To count on their projections for not one, not five, but for 10 years is extremely unwise.

But, let us look at the budget resolution now before the Senate. This budget resolution proposes a Federal tax cut which, according to the committee's report, will approximate $142 billion over the next five years, and $778 billion over the next 10 years. The resolution includes a reconciliation instruction to the tax writing committees instructing them to report out these huge tax cuts in a reconciliation bill. Pursuant to that reconciliation instruction, a tax bill of the magnitude contained in the resolution, some $800 billion, will be before the Senate later this year. If enacted and signed by the President, those tax cuts will go into effect regardless of whether any of the projected surpluses take place.

This is the height of irresponsibility. Just when we have succeeded in turning the corner on the multi-hundred-billion-dollar annual deficits of the 1980's, here comes the Republican budget resolution saying let us take the as-yet, unachieved future budget surpluses and cut Federal revenues now, whether or not those surpluses ever occur.

On that basis alone, if for no other reason, I urge Senators to oppose this budget resolution.

But, that is not the only problem we find in this blueprint. There is the question of the levels of discretionary spending that will be made available over the next 10 years if we follow this budget resolution.

It is well known that the 1997 Balanced Budget Act placed severe constraints on discretionary spending for the period 1998–2002. Those caps were considered necessary in order to help rid ourselves of the annual Federal budget deficits and achieve surpluses. Nevertheless, it is my view that the discretionary caps for 2000, as well as for the following two years—2001 and 2002—are too tight and will require massive cuts which should not be undertaken at the same time we are providing the huge tax cuts which I have just described.

This resolution calls for funding non-defense discretionary programs in Fiscal Year 2000 at a level of $246 billion, a cut of more than $20 billion, or 7.5 percent, below the present year. To make matters worse, the pending budget resolution would provide increases for a handful of favored programs, such as health, education, and other popular priorities. These plus-ups would mean that other vital, yet unprotected programs, would face cuts of more than 11 percent in Fiscal Year 2000. Cuts of that magnitude, according to the Office of Management and Budget, would affect vital programs such as the following: food safety would be undermined with the lay-off of an estimated 1,000 meat and poultry inspectors; Head Start funding would be cut in excess of $1 billion—cutting services to as many as 100,000 children; the FBI would be cut $337 million, which could result in a reduction of 2,700 FBI agents and support personnel; more than 2,200 air traffic controller positions would be cut; IRS Customer Service would suffer a reduction of 5,000 employees; the number of students in the Work Study Program would decrease by 112,000; and the list goes on and on throughout the entire Federal government.

While making these cuts in vital human and physical infrastructure programs across the nation, this budget resolution would increase defense by $18 billion above a freeze in Fiscal Year 2000. Yet, even with this large increase in budget authority, the resolution comes nowhere near covering the outlays that would be necessary to fund the reently-passed pay increase for the military.

Mr. President, we are on a collision course, once again, when it comes to passing the thirteen annual appropriation bills. If you liked the omnibus appropriations monstrosity that was necessary to complete action on Fiscal Year 1999 appropriation bills, wait until you see the super-monstrosity that I believe will be necessary for Fiscal Year 2000, if we fail to provide relief from the massive cuts that I have just described.

You ain't seen nothin' yet!

And, as if Fiscal Year 2000 were not enough, the problems only worsen in the subsequent years. By 2004, OMB projects that this budget resolution would require cuts in non-defense discretionary programs of as much as 27 percent below a freeze. Furthermore, the current statutory discretionary spending caps expire in 2002 but, under this budget resolution, the cuts to non-defense discretionary programs would deepen to 29 percent by 2009, as non-defense discretionary spending would remain substantially below inflation each year through 2009.

In conclusion, while I appreciate the difficulties faced by the Budget Committee chairman, Mr. DOMENICI, for whom I have great respect, in crafting this budget resolution, I nevertheless have concluded that it is a roadmap leading us back to the 1980's—a period when we saw trillions of dollars of tax cuts enacted by the Reagan administration, based on faulty projections of budget surpluses which never came to pass, as well as spending cuts which were too extreme and likwise never occurred. Consequently, once those tax cuts were enacted, we entered a period of unprecedented budget deficits with their accompanying tripling of the national debt and the interest on that debt rose to where it is today—a level of almost $1 billion per day. We have turned the corner after many years of hard work and a number of deficit reduction packages. We appear to be headed to a time of budget surpluses which should be used for reducing the debt and providing necessary increases in our national physical and human infrastructure that are so vital to the 21st Century.

I urge my colleagues to join me in rejecting this ill-conceived journey along the road back to a repeat of the budgetary disasters of the 1980's. Surely we can do better than this.

Mr. NICKLES. Mr. President, since taking control of Congress in the 1994 elections, the Republican majority has delivered on their promise to balance the federal budget. The Congressional Budget Office says that this year the unified federal budget will have a surplus of $111 billion. Over the next 5 years, these surpluses will total nearly $912 billion. Of the total surplus, $768 billion is attributable to Social Security, and $144 billion in attributable to the rest of the government.

The Republican majority has also delivered the tax relief we promised. In 1997, we passed the largest tax cut in 16 years, which is bringing significant relief to taxpayers this year, including a $400 per child tax credit (rising to $500 next year), a 20% capital gains rate, expanded IRAs, and tax credits and savings incentives for education. We also enacted a landmark IRS reform bill, eliminated President's Clinton's 18-month holding period on capital gains, and passed an expansion of Education Savings Accounts.

The fiscal year 2000 budget we are now considering will build upon these successes. Our budget is based on three principles:

1. Devote the entire Social Security surplus ($768 billion over 5 years) to debt reduction, thus saving it for Social Security reform,

2. Maintain the fiscal discipline of the 1997 Bipartisan Balanced Budget Agreement by sticking to the discretionary spending caps, and

3. Return the "rest of government" surplus ($144 billion over 5 years) to working Americans in tax cuts.

Mr. President, our budget is radically different from the one proposed last month by President Clinton.

In his 1998 State of the Union address, the President said, "Tonight I propose that we reserve 100 percent of the surplus, that is every penny of any surplus, until we have taken all the necessary measures to strengthen the Social Security system for the 21st century."

However, according to CBO, the President's budget spends $58 billion of the Social Security surplus this year, and $253 billion over the next five years. Even if you "credit" the President's proposal to purchase equities for the Social Security trust fund, he still spends $40 billion of the Social Security surplus this year, and $158 billion over the next five years.

President Clinton's proposal to save Social Security by "devoting" 62 percent of the budget surplus to it is a scam. The President would deposit $446 billion in IOU's into the Social Security trust fund, on top of the $768 billion that would be deposited there anyway. White House officials admit the President's plan does not extend by one day the year (2013) when Social Security benefits will begin to exceed payroll taxes.

Additionally, the President's budget includes a Medicare scam based on the same faulty logic as the Social Security scam. The President would transfer $123 billion of the surplus to the Medicare trust fund over the next five years. Again, the practical effect of this transfer is nothing more than more IOU's in the trust fund. And the Medicare prescription drug benefit, a huge applause line in the State of the Union, is nowhere to be found in the budget.

Other new programs touted in the President's State of the Union address, such as the promise for Universal Savings Accounts, are also nowhere to be found in his budget. The Secretary of the Treasury has said that the USA accounts are a tax cut, but it is becoming clear that the program will involve a progressive, refundable income tax credit totaling $96 billion over 5 years, $272 billion over 10 years. This massive welfare expansion will nearly double what we will already spend on the EIC program, $139 billion over 5 years, and $293 billion over 10 years. Secretary Rubin has also hinted that USA accounts will likely be limited to persons without employer-provided pension programs, and that anyone making over $100,000 will not be able to participate.

Further, despite claims of "enormous debt reduction", CBO says the debt held by the public will be $432 billion higher under the Clinton plan after five years than under current law. Gross public debt will be $973 billion higher.

The President's budget also breaks the discretionary spending caps by $33 billion in fiscal year 2000, and $434 billion over five years.

Finally, despite an estimated $20 trillion in tax revenues over the next 10 years, the President's budget contains no tax cut. In fact, the President's budget includes a gross tax increase of $165 billion over ten years, and a net tax increase of $89 billion.

I would like to include for the RECORD a couple of tables and a chart which compares the Republican budget with President Clinton's budget.

Mr. President, I congratulate the Chairman of the Senate Budget Committee, Senator DOMENICI, and his staff for their fine work in developing this budget. I think it sets us on the right path to reduce the debt, cut taxes, and reform Social Security and Medicare.

COMPARING BUDGETS—GOP 'vs' CLINTON

Issue	GOP	Clinton	Bottom line
Social Security	The GOP budget dedicates the entire $1.8 trillion Social Security surplus to debt reduction, saving it for our nation's elderly.	The Clinton budget spends $58 billion of the Social Security surplus this year, and $253 billion over the next five years. Even if the Social Security trust fund is ''credited'' for proposed equity purchases, the Clinton budget still spends $40 billion of the Social Security surplus this year, and $158 billion over the next five years.	Neither the GOP budget, nor the Clinton budget, change the fact that Social Security benefits exceed taxes in the year 2013. However, the GOP budget saves more of the Social Security surplus so it will be available for real reform.
Medicare	The GOP budget assumes no reductions in Medicare spending. The GOP budget establishes a procedure for considering a prescription drug benefit for seniors if it is part of a REAL Medicare reform package.	The Clinton budget includes $20.2 billion in provider cuts over ten years. The Clinton budget does not provide for a prescription drug benefit.	Neither the GOP budget, nor the Clinton budget, change the fact that Medicare is currently running a cash deficit which will bankrupt the program by 2008. However, the GOP budget would allow real, bipartisan Medicare reform to be considered.
Taxes	The GOP budget cuts taxes by $142 billion over five years, $778 billion over ten years.	The Clinton budget increases taxes by $49 billion over five years, $89 billion over ten years.	Despite $20 trillion in tax revenues and $2.6 trillion in budget surpluses over the next ten years, the Clinton budget RAISES taxes.
Public Debt	The GOP budget reduces the debt held by the public by $1.767 trillion over ten years.	The Clinton budget reduces debt held by the public by $1.305 trillion over ten years.	The GOP budget reduces debt held by the public $463 billion more than the Clinton budget.
Education	The GOP budget increases Elementary & Secondary Education by $7.3 billion over last year. The GOP budget provides this increased funding under the assumption that ESEA reauthorization will provide greater flexibility to state & local governments.	The Clinton budget increases Elementary & Secondary Education by $4 billion over last year, $3.3 billion less than the GOP budget. The Clinton budget requires increased funding to be spent on federally-mandated priorities like 100,000 federal teachers.	Over the next five years, the GOP budget provides $27.5 billion more for education than Clinton and gives local schools the flexibility to determine where they want to spend the money.
Defense	The GOP budget increases defense by $18.1 billion over last year, excluding FY99 emergencies. Compared to FY 99 funding levels including emergencies, the GOP budget provides a $9.9 billion increase.	The Clinton budget increases defense by $9.8 billion over last year, excluding FY99 emergencies. Compared to FY99 funding levels including emergencies, the Clinton budget provides a $1.6 billion increase.	The GOP budget provides $8.3 billion more for defense than the Clinton budget.
Spending Caps	The GOP budget complies with the discretionary spending caps for FY 2000, 2001, and 2002.	The Clinton budget exceeds the discretionary spending caps by $22 billion in budget authority and $30 billion in outlays in FY 2000.	In 1997, every Senator except for Wellstone & Bumpers voted for the discretionary spending caps. If the President's appropriations proposals were enacted, they would result in an 8% sequester of all appropriations accounts.
Total Spending	The GOP budget spends $9.165 trillion over the next five years, $19.918 trillion over the next ten years, with an average growth rate of 3%.	The Clinton budget spends $9.533 trillion over the next five years, $20.99 trillion over the next ten years, with an average growth rate of 3.8%	The Clinton budget uses the Social Security surplus and a tax hike to grow government.

HOW PRESIDENT CLINTON SPENDS THE SOCIAL SECURITY SURPLUS CBO ESTIMATES

[In billions of dollars]

	2000	2001	2002	2003	2004	2000–2004
Unified budget surplus	133	156	212	213	239	952
Social Security surplus	137	145	153	162	171	767
Rest of Government surplus	(5)	11	59	51	68	184
CBO re-estimate of President's tax/spending proposals	(20)	(7)	(14)	(17)	(15)	(73)
Additional discretionary spending	0	(26)	(41)	(36)	(34)	(137)
Purchase of stock by Social Security	(18)	(15)	(19)	(19)	(23)	(93)
USA accounts	(14)	(16)	(22)	(21)	(24)	(96)
Net interest	(1)	(3)	(6)	(11)	(15)	(36)
Clinton spending proposals	(53)	(67)	(102)	(104)	(111)	(436)
Social Security surplus spent	(58)	(56)	(43)	(53)	(43)	(253)
Social Security surplus spent if you credit Social Security equity purchases	(40)	(41)	(24)	(34)	(20)	(158)
General fund transfer to Social Secrurity	85	70	92	90	109	445
General fund transfer to Medicare	18	20	28	27	30	123
Transfers which don't change the surplus	103	90	120	117	139	568

CLINTON TAX PROPOSALS

[In billions of dollars]

	2000	2000–2004	2000–2009
Long term care tax credit	(59)	(5,971)	(14,939)
Dependent child care tax credit	(244)	(5,414)	(12,447)
School construction tax-exempt bonds	(85)	(3,094)	(8,431)
Puerto Rico tax credit	(99)	(664)	(6,371)
Low income housing tax credit	(16)	(1,091)	5,583)
Electric vehicle tax credit	0	(756)	(5,453)
Better America tax-exempt bonds	(6)	(487)	(2,160)
R&D tax credit	(967)	(2,060)	(2,080)
Simplified small business pension plans	(18)	(688)	(1,901)
AMT relief through 2000	(979)	(1,721)	(1,721)
New Markets tax credit	0	(465)	(1,593)
Disabled workers tax credit	(18)	(611)	(1,544)

CLINTON TAX PROPOSALS—Continued

[In billions of dollars]

	2000	2000–2004	2000–2009
Other targeted tax cuts	(1,324)	(6,911)	(10,772)
Total targeted tax cuts	(3,815)	(29,935)	(74,995)
Tobacco tax increase	8,352	36,448	69,888
Sales source rule	908	8,771	21,433
Superfund taxes	1,641	6,828	14,002
DAC tax on insurance products	294	3,730	9,480
Airport and airway user taxes	1,122	5,314	8,009
Non-business valuation discounts	246	2,365	5,901
COLI modifications	230	1,803	4,365
Corporate tax shelters	150	1,350	2,850
Oil spill liability trust fund	247	1,258	2,572

CLINTON TAX PROPOSALS—Continued

[In billions of dollars]

	2000	2000–2004	2000–2009
Start up & organizational expenditures	(71)	534	2,414
Foreign oil & gas extraction income	188	1,001	2,172
Installment method accounting repeal	562	1,989	2,172
Other tax increases	1,039	8,531	19,749
Total tax increases	14,908	79,921	165,003
Net tax increase	11,093	49,369	89,393

HOW PRESIDENT CLINTON INCREASES THE DEBT

[In billions of dollars]

Debt held by the public	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Change, 1999–2009
Clinton Budget	3,630	3,565	3,491	3,396	3,302	3,189	3,055	2,891	2,710	2,522	2,324	(1,306)
Senate Budget Resolution	3,628	3,510	3,378	3,237	3,088	2,926	2,743	2,544	2,329	2,100	1,861	(1,767)
Higher debt due to Clinton policies	2	55	113	159	214	263	312	347	381	422	463	....
Debt subject to limit	**1999**	**2000**	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**Change 1999–2000**
Clinton Budget	5,546	5,779	6,000	6,243	6,498	6,765	7,043	7,338	7,661	8,019	8,406	2,860
Senate Budget Resolution	5,545	5,651	5,739	5,792	5,832	5,833	5,804	5,713	5,579	5,406	5,185	(360)
Higher debt due to Clinton policies	1	128	261	451	666	932	1,239	1,625	2,082	2,613	3,221	....

AMENDMENT NO. 145

Mr. DASCHLE. Mr. President, some people have mischaracterized the vote yesterday in favor of an amendment by the distinguished Senator from Missouri (Mr. ASHCROFT) as a vote against the President's plan for investing a portion of the Social Security surplus in private equities. Such investments have been proposed by the President and many others as a way to boost the return on investment of the Social Security trust fund's reserves. Clearly, the amendment did not reflect the President's plan.

Democrats and Republicans alike are opposed to direct investment by the federal government in private financial markets. That is why the President and other proponents of diversifying the investment of the trust fund have suggested that firewalls be constructed to insulate such investments from direct government control, or any interference by the federal government.

As the Administration has made clear, such investments would be made by private-sector professional fund managers, overseen by a board with the independence of the Federal Reserve Board. The members of the board would not be able to pick and choose which stocks or industries to invest in, nor exercise the voting rights associated with those shares. Instead, investments would be limited by law to stock index funds broadly representative of the entire market.

Many Senators, including me, drew a very significant distinction between the government investment and investment by non-governmental entity on behalf of the Social Security Administration. There's a big difference. Democrats and Republicans agreed that we cannot support direct government investment. But many of us believe we should have professional managers oversee a certain portion of the portfolio, which is something altogether different. This senator supports that idea, and many senators wanted to leave that option open so we could revisit it later on.

The vote on the Ashcroft amendment was not a vote on the President's plan. I look forward to full consideration and debate of responsible proposals for investing a portion of the surplus in equities in order to increase the earnings on the reserves of the Social Security trust fund.

Mr. GRASSLEY. Mr. President, the budget resolution before us today provides the first major increase in defense spending since 1985.

And I voted for it. I support the increase for National defense. In the past, I have opposed increases in the defense budget. Now, I don't. My colleagues must be wondering why. My colleagues may be thinking that the Senator from Iowa has flip-flopped on defense.

I would like to explain my position.

I support this year's defense increase for one reason and one reason only.

The Budget Committee is calling for financial management reforms at the Department of Defense (DOD). The committee is telling DOD to bring its accounting practices up to accepted standards, so it can produce ''auditable'' financial statements within two years.

In a nutshell, the Committee is telling DOD to do what DOD is already required to do under the law.

If those words were not in the Committee report, I would be standing here with an amendment in my hand to cut the DOD budget.

Fortunately, that's not necessary.

I would like to thank my friend from New Mexico, Senator DOMENICI—the Committee Chairman—for placing those important words in the report.

Mr. President, I ask unanimous consent to have the language entitled ''The Need for DOD Financial Reforms'' printed in the RECORD. It appears on pages 25 to 29 of the report.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

A. SPENDING BY FUNCTION

Function 050: National Defense

FUNCTION SUMMARY

• Approve modifications to existing DoD financial management programs and policies to redress the failure of the Defense Department, as noted by GAO,[1] to meet the goals of the Chief Financial Officers Act and, thereby, to produce auditable financial statements for each military service and major DoD component by the year 2000. The Committee's concerns regarding this important issue are stated at greater length at the end of the description of this budget function.

The need for DoD financial reforms

The Committee is concerned about the longstanding breakdown of discipline in financial management at the Department of Defense. Reports by the DoD Inspector General and General Accounting Office consistently show that DoD's financial accounts and inventories are vulnerable to theft and abuse. These vulnerabilities persist for two reasons: (1) internal controls are weak or nonexistent; and (2) financial transactions are not accurately recorded in the books of account—as they occur. While some progress has been made to improve the financial accounting systems within DoD, it remains a fact that DoD does not observe the age-old principles of separation of duties and double-entry bookkeeping, and attempts to make critical bookkeeping entries weeks, months, and even years after the fact. These unprofessional practices have produced billions of dollars of unreconciled financial mismatches, leaving the department's books of account inaccurate and unreliable.

The Committee believes that these deficiencies must be corrected.

Under the Government Management Reform Act (GMRA) of 1994, which expanded the Chief Financial Officers (CFO) Act of 1990, the DoD Inspector General is required to audit DoD's financial statements, and the General Accounting Office is required to audit the government's consolidated financial statements. This is done annually. Unfortunately, each year the DoD audit agencies issue a disclaimer of opinion. In layman's terms, this means they could not audit the books. And there is nothing on the drawing board to suggest that a ''clean'' audit opinion is feasible in the foreseeable future. DoD has lost control of the money at the transaction level. With no control at the transaction level, it is physically impossible to roll up all the numbers into a top-line financial statement that can stand up to audit scrutiny. The numbers do not add up. DoD resorts to ''unsupported adjustments'' and multi-billion dollar ''plug'' figures to force the books into balance. The IG and GAO reject these practices as unacceptable.

Even though DoD's efforts to prepare an auditable financial statement have been unsuccessful so far, the Committee believes that the annual CFO audits constitute a very authoritative and independent assessment of the department's financial management procedures. They function like a critical indicator or barometer. They help to pinpoint the underlying weaknesses in DoD's bookkeeping procedures. The Committee believes that DoD must move in a decisive way to correct these problems. So long as DoD continues to ignore them, the vast audit effort dedicated to the financial statements will continue to result in disclaimers of opinion—an overall indictment of DoD's financial management operations.

For these reasons, a plan that is designed to bring the Defense Department into compliance with the CFO and GMRA Acts would be supported by the Committee. These reforms would position DoD to prepare auditable financial statements within two years. The main ingredients of such a plan follow:

(1) *Double-entry Bookkeeping:* The preparation of reliable financial statements is literally impossible without double-entry bookkeeping. A standard accounting procedure in the western world for centuries, double-entry bookkeeping records both the debits and credits appropriate to each transaction. A cash purchase of an asset would add the value of that asset to the inventory balanced by the reduction in cash. If DoD did this for each transaction, the books would ''balance,'' that is, debits would equal credits, the books would accurately reflect the cost of operations, and the taxpayers would be assured that something of value was actually received for the money spent. Under current law, the military services are supposed to have ''asset management systems'' in place today that would provide an accurate and complete accounting for the quantity, cost and location of all inventory items. No such system is in existence, however. DoD must adopt a double-entry bookkeeping system in order to generate reliable financial statements.

(2) *Recording Transactions Promptly:* Financial transactions must be accurately recorded in the books of account—as they occur. Under current DoD policies, billions of dollars of transactions are not posted until long after the fact, if ever. In many cases, it takes DoD weeks, months, and even years to make necessary accounting entries. In other documented cases, DoD policies authorize the posting of transactions to the wrong accounts with the idea of avoiding negative liquidated obligations or correcting errors at ''contract close-out'' years later. Attempting to reconcile contracts with payment records years after-the-fact usually proves to be a futile and very costly task. As long as the department's books of account fail to accurately reflect obligations and expenditures, Congress can not be sure that DoD is spending the money as specified in law or that costs reflected in DoD's financial statements are accurate. DoD must record all transactions in the books of account immediately—as they occur.

(3) *Transaction-driven General Ledger:* To help ensure reliable financial management

[1] See High Risk Series: An Update, U.S. General Accounting Office, GAO/HR–99–1, January 1999, pp. 82–94, and Major Management Challenges and Program Risks: Department of Defense, U.S. General Accounting Office, GAO/OGC–99–5, January, 1999.

information, Congress passed the Federal Financial Management Improvement Act of 1996 (FFMIA). This law required all federal agencies to activate a Standard General Ledger at the transaction level that complied with accepted accounting standards. According to GAO, DoD's financial systems are non-compliant with the FFMIA requirements.[2]

Had DoD implemented the required Standard General Ledger chart of accounts, as other agencies have, practiced double-entry bookkeeping, and recorded transactions promptly and accurately, all transactions should naturally roll up through subsidiary accounts into general ledger accounts.

Moreover, if DoD accounting systems were up to accepted standards, auditors could verify the accuracy of the general ledger accounts by tracing the accumulation of costs back down to the original entries for each transaction. This, in turn, should provide a management accounting system that has integrity—one the taxpayers deserve and one that is necessary for completion of reliable financial statements. A transaction-driven general ledger would be a powerful management tool for evaluating DoD's financial performance. While DoD has general ledger accounts, they lack integrity because of massive gaps and the use of ''plug'' figures. Transactions are simply not recorded in the books of account in a timely and accurate manner. Given these continuing shortcomings, it is impossible to follow the audit trail back down to each original transaction. Until this problem is remedied, and DoD develops reliable controls and integrated financial management systems, DoD financial information will be unreliable and its financial statements will be unauditable.

(4) *Separation of Duties:* Organizational and functional independence must be achieved at each major step in the cycle of transactions. This key internal control helps to detect and prevent theft, inhibits collusive fraud and offers greater efficiencies in organizations that are large enough to accommodate specialized operations. For instance, if truly independent entities perform the separate functions of store-keeping or warehousing and accounting for stores transactions, fraud in either function could be discovered by comparing what the store keepers show as on hand to what accounting records show was purchased, used, and should be on hand. With adequate separation of duties, successful fraud would require collusion by not only the store-keepers and accountants but also by organizationally independent managers of those separate functional areas. IG and GAO reports repeatedly show that DoD does not consistently adhere to the age-old principle of real separation of duties—both organizationally and functionally.

Last year, the GAO uncovered a prime example of how DoD does not observe the separation of duties doctrine. The Defense Finance and Accounting Service (DFAS), which performs disbursing and accounting functions for the entire department, is authorized to routinely alter remit addresses on checks. A remit address is the address to which a check is sent. Allowing DFAS to alter remit addresses is a violation of the separation of duties principle that leaves the door open to fraud. The office that processes bills for payment should never be allowed to change a remit address on a check. Such changes should be made through an independent verification process. Remit addresses should be tightly controlled in a central registry and only altered at request of the vendor—in writing.

[2] See GAO–AIMD–98–268, Financial Management: Federal Financial Management Improvement Act Results for Fiscal Year 1997, US General Accounting Office, September 1998, Washington, D.C.

(5) *Accountability:* The DoD CFO and the Financial Managers (FM's) for each of the three military services have been granted the full spectrum of authority under the law. However, these four officials appear to have delegated much of their authority for payment and accounting to DFAS, which disburses over $22 billion a month and employs about 20,000 persons.

Despite the authority that has been passed down the chain of command to DFAS, this organization does not exist—at least in law. There is no specific provision in the U.S. Code granting such authority to DFAS. The Committee fears that the military services could use DFAS as a bureaucratic mechanism to deflect responsibility for ongoing financial mismanagement. DFAS can be blamed, but there is no accountability. In fact, there is nothing in law that requires personal financial accountability anywhere in DoD—from the top CFO down to the lowest technician at DFAS. Even DoD disbursing officials have been exempted from the law that makes all other government disbursing officials ''pecuniarily liable'' for erroneous or fraudulent payments.

If no one at DoD is held accountable for the continuing pattern of financial mismanagement and ''unclean'' CFO audit opinions, then the department may never succeed in producing reliable financial statements.

The CFO and service FM's may delegate authority to DFAS but not personal responsibility. The service FM's must police those to whom they have delegated authority, but the final responsibility resides in their offices with them. They alone should be held accountable for the completion of reliable financial statements.

These goals should be achieved with the financial statement for 2000. The 1998 statements are under review at the present time. If the IG and GAO identify deficiencies that preclude the completion of a satisfactory financial statement for 1998 and 1999, then the FM's should be responsible for making the necessary adjustments and corrections.

The Committee fully supports actions in Congress to achieve these five financial management initiatives because they are specifically designed to bring the department into compliance with the CFO and FFMIA Acts and to lead to the preparation of reliable financial statements. In the months ahead, it is expected that these initiatives will be converted into a legislative reform package and introduced before consideration of the 2000 defense authorization bill or other appropriate legislation. The Committee intends to work closely with the Armed Services Committee and other appropriate committees of Congress to enact legislation that addresses in a meaningful manner the goals articulated here.

Mr. GRASSLEY. Mr. President, I would like to take moment to tell my colleagues why the language on DOD Financial Reforms is so important.

I want to help them understand why I am so concerned about the breakdown of discipline and control in financial management at the Pentagon.

I have been investigating the problem for six years, now.

I have come here to the floor of the Senate and spoken about it many times.

I have offered amendments.

I raised these same concerns during hearings before the Budget Committee earlier this year—on February 24 and again on March 2nd.

My Judiciary Subcommittee on Administrative Oversight held a hearing last September on the lack of effective internal financial controls at DOD.

I am planning another hearing later this year.

The General Accounting Office (GAO) and the Inspector General (IG) have issued report after report after report exposing these problems.

Every single shred of evidence points to the breakdown of financial controls at the Pentagon.

IG and GAO reports consistently demonstrate that DOD accounts and assets are vulnerable to theft and abuse.

They show that internal controls are weak or nonexistent.

They show that financial transactions are not recorded in the books of accounts—as they occur—promptly and accurately.

They show that payments are deliberately posted to the wrong accounts. Sometimes transactions are not recorded in the books for months or even years—and sometimes maybe never.

DOD has no effective capability for tracking the quantity, value and locations of assets and inventory.

DOD has lost control of the money at the transaction level.

With no control at the transaction level, it is physically impossible to roll up all the numbers into a top-line financial statement that can stand up to scrutiny and audit.

Sloppy accounting procedures generate billions of dollars of unreconciled transactions—mismatches between official accounting records and inventory and disbursing records.

Billions and billions of dollars of unreconciled mismatches make it impossible to audit DOD's books.

As a result, DOD gets a failing grade on its annual financial statements that are required by law. Each year, the IG has to issue a disclaimer of opinion.

Unfortunately, there is nothing on the drawing board to suggest that a ''clean'' audit opinion is feasible in the foreseeable future. DOD just doesn't have the accounting tools to get the job done.

There will be no improvement in this dismal picture without reform—and some pressure from the Budget Committee and other committees.

Without reform, the vast effort dedicated to auditing the annual financial statements will be wasted effort.

The report language lays out a general framework for reform.

These reforms are not new or dramatic.

The Committee report language just tells DOD to get on the stick and do what it is already supposed to be doing—under the law. And it calls for some accountability to help get the job done.

This report language should help to move DOD toward a ''clean'' audit opinion within two years.

And there is another important reason why this language is needed today.

As I stated a moment ago, we are looking at the first big increase in defense spending since 1985.

I think the Committee needs to be on the record, telling the Pentagon to get its financial house in order.

If the Pentagon wants all this extra money, then the Pentagon needs to fulfill its Constitutional responsibility to the taxpayers of this country.

First, it needs to regain control of the taxpayers' money it's spending right now.

And second, it needs to provide a full and accurate accounting of how all the money gets spent.

DOD must be able to present an accurate and complete accounting of all financial transactions—including all receipts and expenditures. It needs to be able to do this once a year.

The GAO and IG auditors should be able to examine the Department's books and its financial statements and render a "clean" audit opinion.

That's the goal.

Mr. President, I would like to extend a special word of thanks to the Committee Chairman, my friend from New Mexico, Senator DOMENICI, for including this important language in the report.

I would like to thank him for understanding and accepting the urgent need for financial management reform at the Pentagon.

I would like to thank him for working with me in urging the Pentagon to move in the direction of sound financial management.

Mr. President, in my mind, DOD financial management reform is mandatory as we move to larger DOD budgets.

I understand that the language is not binding.

It's simply the first step in the effort to bring about financial reform and accountability at DOD through legislation later this year.

In the months ahead, I look forward to working with the Armed Services and Appropriations Committees to make it happen.

The Chairman of the Committee has agreed to help me do it.

He made a commitment to "work closely" with the Armed Services Committee to develop a legislative reform package that addresses the issues raised in the report.

I hope the Armed Services Committee will cooperate and find a way to address the need for financial reforms in tandem with more defense money.

Higher defense budgets need to be hooked up to financial reforms—just like a horse and buggy—one behind the other. They need to move together.

And I hope other members of the Budget Committee will join me in that effort.

I yield the floor.

Mr. DODD. Mr. President, in 1997, we reached an historic agreement on the budget. Building upon the budgets of 1990 and 1993, we brought the budget into balance for the first time in 30 years. Today, the budget before us is equally significant, as it is the first budget of the 21st century. It is one that should reflect what we, as the last Senators of the 20th century, believe should be the priorities of our country as we move into the next millenium.

As we prepare to enter the next century, we need a budget that will protect our senior citizens—the people who have given a lifetime of work to their families, communities and country. They need to know that they will be secure in their golden years with good health care and a decent income. Unfortunately, this budget fails to provide this measure of security, as it fails to provide for the continued strength and solvency of Social Security and Medicare.

Although this budget saves projected Social Security surpluses and uses those surpluses to retire public debt, it contains no provisions to reform the Social Security program and provides no new assets to the Social Security trust fund. In this regard, this budget fails to extend the solvency of the trust fund. In contrast, the Administration's budget proposes specific policies, including transferring publicly held debt to the trust fund, which would extend the life of the Social Security trust fund until the year 2055.

In addition, this budget simply ignores Medicare, Part A of which is due to be bankrupt by the year 2008. It takes funds needed for Medicare and uses them to pay for a tax cut that largely benefits the more well-to-do in our society. Not a single extra dollar is guaranteed for this critical priority and therefore this budget has the potential to negatively impact the millions of Americans who will depend on Medicare for their health care in the future. The Administration, however, has proposed allocating 15 percent of the projected unified budget surpluses for Medicare—nearly $700 billion over the next 15 years—which would extend the solvency of this program for another 12 years, to the year 2020.

Mr. President, we also need a budget that will provide for the education needs of our people. Nothing is more critically important than to provide every child with a good education so that they can grow up to lead productive lives, contributing to the prosperity of their families and country. Unfortunately this budget fails to meet this priority, as well. Although I applaud the efforts of Chairman DOMENICI to increase funding for elementary and secondary education, this budget does so at the expense of equally important education initiatives, like Head Start. In fact, under the Republican plan nearly 100,000 children would lose Head Start services.

This budget shortchanges our commitment to many other domestic priorities, as well. Under this budget, paying for an $800 billion tax cut that would benefit the wealthy would require cuts in non-defense discretionary spending of $20 billion in the next year alone, affecting our efforts to police our streets, to clean up our air and water, and to wage aggressive diplomacy so that we do not have to wage war. More specifically, Mr. President, under the Republican plan, more than 1 million low-income women, infants and children would lose nutrition assistance each month and 73,000 summer job opportunities for low-income youths would be eliminated.

These cuts are draconian and untenable. Newspapers report that even Republican appropriations leaders consider these cuts to be unrealistic. They predict that when appropriations bills come to the Floor, it is unlikely that they will contain the cuts proposed by this budget.

Finally, we need a budget in the 21st century that is fiscally responsible—a budget that sends a message to our trading partners, the markets, and future generations that the era of runaway deficits is over, and that we will not saddle future generations with a national debt that robs them of their ability to make productive investments and hurts our nation's ability to grow and prosper. Sadly, this legislation is fiscally risky and fails to meet these goals.

Although this budget calls for a small tax cut in the first couple of years, the cost explodes in the future. In fact, by the year 2009, these cuts will drain the Treasury by more than $170 billion in that year alone. Let me be clear, I am not opposed to tax cuts, but I support carefully targeted tax cuts that would provide relief to those who most need our help. Regrettably, this budget provides a sweeping tax cut for those in our society who need it least, and does so largely at the expense of funding for both Medicare and other domestic priorities relied on by millions of working Americans.

In conclusion, I regret for a number of reasons that I am unable to support this budget—not least of which is the high regard and esteem with which I hold Chairman DOMENICI. I think all of us in this body recognize that the country has been fortunate to have someone of his intellect and experience dealing with these extraordinarily complex issues. Moreover, while I am grateful that a majority of my colleagues accepted the amendment sponsored by my distinguished colleague from Vermont, Senator JEFFORDS, and myself to increase funding for child care by $5 billion, the modest improvement that this makes to the bill does not change its fundamentally flawed nature.

Mr. President, we have an opportunity and an obligation to enact a budget that meets the test of time. Unfortunately, I believe that the resolution before the Senate has failed to meet that objective. I think we can do better and I believe we must do better as we move forward in the effort to define priorities.

Mr. WARNER. Mr. President, the Service Chiefs testified before the Senate Armed Services Committee on September 29, 1998, and again on January 5, 1999, that they require an additional

$20.0 billion in fiscal year 2000 for defense—over and above the amounts contained in the Balanced Budget Agreement—to reverse the serious problems they are witnessing in military readiness. During the Posture Hearings held by the Armed Services Committee in February and March, the Service Secretaries and Service Chiefs confirmed that significant funding shortfalls remain—despite the increases contained in the budget request. Each service submitted a significant list of remaining ''unfunded requirements.''

While I appreciate the efforts of the Budget Committee to address these funding shortfalls with an increase of $14.6 billion in budget authority for defense, I am concerned with the serious shortfall in outlays. The outlay funding level of $274.6 billion contained in the Budget Resolution is insufficient to fund the projected levels of budget authority in either the defense budget request or the budget resolution. At least $287.3 billion in outlays is needed to fund the budget authority levels contained in the Budget Resolution. This is an increase of $12.7 billion over the caps listed in the Resolution.

Mr. STEVENS. Mr. President, I would like to add to my colleague's comments. The budget gimmicks in the defense budget as submitted by the Administration create a shortfall of at least $8.3 billion in budget authority. Under Senate rules, we cannot pass a defense appropriations bill which buys the programs advertised by the Department of Defense as being budgeted. We would require at least $10 billion in outlays to even fund the Administration's defense request. While the budget resolution adds $8.3 billion in budget authority, it cuts outlays by $8.7 billion relative to the CBO scoring of the defense budget request. Even under OMB scoring, the budget resolution provides only $500 million in outlays to spend with the $8.3 billion in budget authority. This mix of money will not work, and clearly does not even let us erase all of the administration's budget gimmicks.

The Defense Appropriations Subcommittee has also held hearings to review the readiness requirements of our military forces. If the current outlay problem is not resolved satisfactorily, Congress will be responsible for failure to provide adequate resources for our military's needs as readiness problems become more apparent. With military operations currently being conducted in Kosovo, this would be the wrong signal to be sending at this time.

Mr. DOMENICI. Mr. President, I agree with both of my distinguished colleagues, the Chairmen of the Appropriations and Armed Services Committees, that the Administration's defense budget request is inadequate to meet our national security requirements. My intent is that this Budget Resolution would fully fund the $17.5 billion requested by the Joint Chiefs of Staff for the next five years. This additional spending would be devoted to restoring military readiness to acceptable levels. it is also my intention that the funding in this resolution would also provide money, at least in part, to begin the modernization of the currently aging inventory of U.S. weapons, and to fund priority quality of life initiatives for the servicemen and women in our Armed Forces.

Mr. WARNER. Mr. President, I would ask the distinguished Chairman of the Budget Committee to provide some type of funding relief in the form of increased outlay funding.

Mr. STEVENS. Mr. President, I would join my colleague in seeking clarification on what steps the distinguished Chairman of the Senate Budget Committee is prepared to take to make it possible to pass a defense spending bill that preserves our military's readiness and limit the erosion of modernization.

Mr. DOMENICI. Mr. President, I say to my two good friends, I agree that there is an outlay mismatch in this resolution for the National Defense function and I will work to resolve this problem. Sufficient outlays are necessary to execute the level of budget authority for National Defense in the Budget Resolution to address the serious readiness, recruitment, and retention problems in our military services. I intend to review scorekeeping differences between the OMB and CBO on outlays prior, outlay rates, and policy to resolve this issue. I will consult with the two distinguished Chairmen and keep them informed during this process. I assure the Chairmen of the Appropriations and Armed Services Committees that this problem will receive my full attention until it is resolved to our satisfaction.

In addition, I know both Chairmen share my concerns about atomic energy defense capabilities in an increasingly unstable world.

Mr. SHELBY. Mr. President, in my capacity as Chairman of the Transportation Appropriations Subcommittee, I want to raise an issue of critical importance with my friend, the Chairman of the Budget Committee, Senator DOMENICI. Mr. Chairman, it has come to my attention that there is a substantial difference between the Office of Management and Budget (OMB) and the Congressional Budget Office (CBO) in terms of the estimated outlay costs of the highway and transit firewalls, as contained in the Transportation Equity Act for the 21st Century (TEA–21).

As the Chairman is aware, TEA–21 effectively established the aggregate obligation limitations pertaining to our major federal highway and transit programs for the six years covered by TEA–21. Despite the fact that the CBO and OMB are required to strive each year to minimize differences in their outlay estimates for each program in the federal government, we find that there is a dramatic difference between the outlay estimates that CBO and OMB attribute to the cost of fully funding the firewalls for highways and transit in FY 2000. Specifically, the Congressional Budget Office's estimate of the outlays associated with the highway firewall is a full $772 million higher than the amount estimated by OMB. Similarly, the CBO estimates that the outlays associated with the transit firewall is a full $569 million higher than the level assumed by OMB. Taken together, there is more than a $1.3 billion difference between the two agencies' estimates.

It is my understanding that, for purposes of developing this budget resolution, the Chairman assumed the lower of these outlay figures for the highway and transit firewalls. I want to inquire whether the Chairman of the Budget Committee intends to score the Transportation Appropriations Bill for FY 2000 in an identical fashion when the bill is reported by the Appropriations Committee later this year. If the Transportation Appropriations bill is scored with the much higher outlay estimates associated with the CBO estimate, it is possible that the Transportation Appropriations Subcommittee's entire outlay allocation could be needed solely to honor the highway and transit firewalls leaving little or no other resources for the needs for the Federal Aviation Administration, the Coast Guard, and the National Railroad Passenger Corporation.

This illustrates the danger of firewalls within budget functions. They create a perverse incentive for the Administration to underestimate the outlay impacts in order to shift budgetary resources to other priorities—but when the request comes to Congress it must be scored by CBO. Accordingly, the budget resolution and the appropriations bill run the risk of substantially higher outlay scoring on firewall accounts than the Administration assumed and accordingly must cut the firewalled functions or other discretionary programs to accommodate the increased outlays.

Mr. DOMENICI. The Chairman of the Transportation Appropriations subcommittee is quite correct in his observations and I appreciate his raising this issue at this time. Indeed, there are dramatic differences in the outlay estimates associated with the highway and transit firewalls, as scored by CBO and OMB.

The Budget Act provides that the budget resolution cannot set outlay levels in excess of the amounts set forth in TEA–21 as adjusted by OMB. The difference between OMB and CBO outlay estimates presents a problem for meeting the highway and transit outlay limits under CBO's estimates.

I thank the Senator for raising this issue. We need to find some way to address this issue prior to the Senate taking up the Transportation Appropriations bill.

Mr. LEVIN. Mr. President, I cannot support the budget resolution which the majority has presented to the Senate. In my judgement, this budget represents the wrong priorities. It places too great an emphasis on tax breaks which largely benefit the wealthiest among us and too little on the protection of Medicare.

Just six years ago, the nation was faced with annual deficits of more than $300 billion as far as the eye could see. In 1993, President Clinton presented and Congress approved by one vote in each House a deficit reduction plan that continues to pay dividends. Instead of billions of dollars of federal deficits, surpluses are forecast for the next fifteen years. This is a remarkable accomplishment. It presents us with the opportunity to make critical investments in the nation's future and to reduce the national debt. However, we must act wisely.

We have seen many federal budget estimates, and we know well that as quickly as these surpluses appeared, they could disappear. The estimates of both the Congressional Budget Office and the Office of Management and Budget have frequently been far off the mark in recent years. That is not their fault. We have some of the brightest economists in the country working at CBO and at OMB and they do a very good job, but they have a difficult task to do. Forecasting the performance of the economy, particularly over the course of several years is more art than science. For instance, last August CBO estimated that the unified budget surplus for fiscal year 2000 was $79 billion. Just four months later in a January 1999 CBO document, the surplus for fiscal year 2000 is estimated at $130 billion. This is a change of over 60% in just four months and early indications are that in August the surplus amounts will rise even higher. I believe that if most Americans were confronted with such uncertainty over their own budget situation, they would recommend a cautious course. I agree.

The President has established the framework for this new budget debate by his determination to strengthen Social Security. There is no more important or effective program. Two-thirds of those who collect Social Security rely on it for more than 50% of their income. The President's plan to save Social Security through debt retirement is largely intact in this resolution. This is a significant victory for the President and the American people, and it has broad support in the Senate. I look forward to supporting the legislation to implement this policy of debt reduction .

Unfortunately, the majority party has not included the President's policy of debt reduction to shore up Medicare in this resolution. The President set aside fifteen percent of the surplus for Medicare, but this resolution does not. This omission is crucial when one considers that although Social Security is already solvent through 2033, Medicare is solvent only until 2008. We all know how important the Medicare program is. Today the Medicare program provides health care to 39 million Americans. By 2032, the number of Medicare beneficiaries will double to 78 million as the baby boomers retire. Considering these demographics, it is unwise not to use part of our current budget surplus to help shore up the Medicare program, which will also need structural reforms. Unfortunately, the budget resolution before us does not shore up existing commitments to Medicare and our seniors. Instead this resolution takes us back to the bad old days of backloaded tax breaks whose real costs explode several years after enactment. For example, the GOP tax plan uses $177 billion of the surplus in the first five years after enactment and actually has no cost in the first year. But, in the second five years, the cost of the tax cut more than triples to $664 billion. This budgetary time bomb is set go off at the same time as the Medicare trust fund is expected to be bankrupt. Senator KENNEDY's amendment, which I supported, would have set aside part of the surplus for the Medicare trust fund and avoided this outcome. The KENNEDY amendment was defeated. The Republican majority, unfortunately, seems headed yet again this year for a showdown with the President and Democrats in the Congress over the budget.

AMENDMENT NO. 145

Mr. SMITH of New Hampshire. Mr. President, yesterday, I joined Senator ASHCROFT and others in offering an amendment to the budget resolution for Fiscal Year 2000. Our amendment addresses a troubling aspect of the President's Social Security proposal, about which I would like to say a few words.

President Clinton's plan calls for government-controlled investment of a sizeable portion of the Social Security trust funds. Our amendment expresses the sense of the Senate that the Federal government should not be directly investing the Social Security trust funds in private financial markets.

Enabling the Federal government to own millions of dollars worth of private shares in corporations is a recipe for disaster. No matter how much care is taken to avoid bias in government-controlled investment decisions, the potential for abuse would always be present. Even if an independent board is charged with making the investment decisions on behalf of the government, there is always the risk that the board would be overwhelmed by political pressure from lobbyists, lawmakers and others.

Inevitably, special interest groups or politicians would seek to influence the investment decisions. Questions such as whether or not a particular investment would benefit a corporation that hires union workers or is located in a certain state might become important considerations. The result would be that the rate of return on an investment would become secondary to numerous political or other concerns.

Also, under the President's plan, the government would eventually own private stocks worth $600 billion or more. That could have perverse effects on the free market.

Government-controlled investment of the Social Security trust funds would make possible what some have called ''crony capitalism.'' In a recent paper on this subject, Daniel Mitchell of the Heritage Foundation warned that government-controlled investment would give lawmakers power to control the economy indirectly by attempting to pick winners and losers.

The Federal Reserve Chairman, Alan Greenspan, is one of the more noteworthy critics of President Clinton's idea for government-controlled investment. Chairman Greenspan has said that it ''would arguably put at risk the efficiency of our capital markets and thus, our economy.'' Mr. President, the Senate should heed his words and reject any plan to have the government directly involved in the investment of Social Security trust funds.

Mr. MOYNIHAN. Mr. President, Senator SCHUMER and I have offered this amendment to strike Sec. 314 of S. Con. Res. 20, the Fiscal Year 2000 budget resolution. Sec. 314 expresses the Sense of the Senate that Governors Island will be sold during Fiscal Year 2000. The underlying assumption is that it will be sold for $500 million. Another assumption—not stated in Sec. 314—is that the $500 million will be used as an off-set to help pay for Federal crop insurance reform.

At the outset, I must say that I support crop insurance reform. Our farmers are the most productive in the world. I wonder, from time to time, if we appreciate just how affordable—and plentiful—food is in this country. If crop insurance reform will help our farmers to weather natural disasters and low commodity prices, I'm for it. But I have a serious problem with using the sale of Governors Island to pay for it for two reasons. The first is based on principle; the second, on practicality.

There is a question of fairness here. Governors Island was part of New York before the United States existed. In 1800, New York State rather magnanimously gave jurisdiction—but not title—over Governors Island to the Federal government. Then, New York spent its own monies to construct Fort Jay and other harbor fortifications and batteries, such as Castle Clinton and Castle William. These fortifications successfully deterred the British from attempting to enter New York Harbor during the War of 1812. Governors Island has served our nation well. It is the site, after all, where Operation Overlord was planned fifty-five years ago.

On June 18, 1958, a Federal district court determined that the Federal government needed to take title to the Island and awarded New York one dollar as ''just compensation''. Since then, the Army moved out, and the Island's most recent tenant, the Coast Guard, left in 1997. Now, the 173-acre island sits vacant in New York Harbor.

On October 22, 1995, President Clinton invited me to join him at the 50th anniversary of the United Nations' General Assembly. On the helicopter flight from Kennedy Airport we flew over the Lower Harbor; I pointed out Castle William, Fort Jay, and some other fortifications and buildings, starting with Cornbury's Queen Anne mansion built in 1708. I noted that the Coast Guard was about to leave and that, presumedly, all would agree that the Island should revert to New York. President Clinton said that was fine with him, providing it would be used for public purposes. I demurred somewhat—that would involve a whole lot of public purpose—but accepted the offer. We left it there with sufficient accord.

Governors Island belonged to New York. New York lent it to the Federal government. Now that the Federal government is no longer using it, New York should get it back, for no more than a nominal sum.

Unfortunately, and rather to my surprise, when President Clinton submitted his Fiscal Year 1998 budget request, he proposed selling Governors Island in Fiscal Year 2002 for $500 million. Congress seized on the idea—so much so, in fact, that we have ''sold'' Governors Island a couple of times already!

Now Members propose that we sell Governors Island, in Fiscal Year 2000, to pay for crop insurance reform. Even if we put principle and fairness aside, there are real practical problems with this proposal. I guess the first is that there are no buyers. None. Certainly not at the asking price. We don't know how the Island will be zoned. There is no regular ferry service. It costs about $12 million to $15 million each year just to maintain the buildings, many of which are historic.

Back in 1997, the Congressional Budget Office (CBO) estimated fair market value to be between $250 million and $1.0 billion. That's a pretty big range. There was no appraisal. Any appraisal would be highly speculative since the impact of zoning decisions and ultimate disposal of the Island remain unknown. Moreover, I do not believe that any CBO officials ever contacted anyone at the General Services Administration (GSA) who would be, perhaps, more knowledgeable about what sort of price the Island might fetch. I can tell you this: New York State, or New York City, won't pay a dime more than a dollar. So, in this instance, the CBO estimate is highly suspect. The site is magnificent, but it will be a considerable achievement to combine some public and private uses that preserve the historic portion of the Island. The combination eludes us still. In the meantime, we could lose it all if it should go unused for a few more New York winters.

So I repeat what I said at the outset: I am for crop insurance reform. But Governors Island won't pay for it, because the Island will not be sold for $500 million next year. It won't be sold for any price because there are no buyers. We haven't figured out what to do with it yet.

Governors Island belonged to New York, and New York ought to have it back. It is, at the same time, a national treasure for the historic value of its fortifications, buildings, and what has taken place there. I hope that Congress, and the Administration, will stop this tiresome tendency of ''selling'' it whenever some other program or initiative—laudable, I'm sure—needs an off-set. I thank the Senator from New Mexico (Senator DOMENICI) and the Senator from New Jersey (Senator LAUTENBERG) for their willingness to accept the amendment Senator SCHUMER and I have offered to strike Sec. 314 from S. Con. Res. 20.

GOVERNORS ISLAND AND THE FEDERAL BUDGET

Mr. SCHUMER. Mr. President, I am proud to join with Senator MOYNIHAN to offer an amendment to strike Section 314 of S. Con. Res. 20, the Fiscal Year 2000 Budget Resolution. Section 314 expresses the Sense of the Senate that Governors Island will be sold during Fiscal Year 2000.

While the intention of the sale, to provide an offset for crop insurance reform, is a worthy one, it is an illusory offset and will seriously undermine New York's efforts to turn this historic gem into an economically viable site. It is also a matter of fundamental fairness—President Clinton made the offer to Senator MOYNIHAN to give the Island back to New York for one dollar—the very sum the Federal Government paid to the State for the Island back in 1958. Now that the Island's last tenant, the U.S. Coast Guard has gone, Governors Island should be returned to New York, not sold to provide offsets for other programs across the country, however well-intentioned those programs might be.

I thank Senator DOMENICI and Senator LAUTENBERG for their willingness to accept the amendment Senator MOYNIHAN and I have offered. We will continue to strongly resist all attempts to thwart New York's efforts to develop Governors island for use by our own citizens, who are understandably anxious to reclaim this unique treasure.

MEDICARE

Mr. GRAMS. Mr. President, as we begin debating the budget which takes us into the twenty first century, I am disappointed that my colleagues on the other side of the aisle continue to practice the Medicare politics of the past.

Over the course of the last week, I've heard member after member come to the Senate floor to decry the Republican budget for allegedly throwing our nation's seniors into destitution by sacrificing Medicare in order to pay for tax cuts.

Mr. President, as we listen to this discussion about the budget and the Medicare provisions contained within it, I keep coming back to one simple question. If the President's budget plan was so good for the country and saved Medicare, why did every member of his party on the Budget Committee vote against it? There is only one answer: President Clinton's so-called Medicare set-aside of 15 percent of the budget would do absolutely nothing to address the very real problems facing Medicare and we all know that.

Indeed, the General Accounting Office (GAO), which we depend upon to provide impartial testimony, investigations and research, has concluded President Clinton's Medicare plan is meaningless in terms of either the budget or the Medicare program. This corroborates the conclusions reached by the Congressional Budget Office.

Mr. President, Medicare has always used the 2.9 percent payroll tax on a worker's wages to pay for current benefits. It has been so since the program was enacted in 1965 and its crafters intended it to stay that way.

The president, by promising to use projected surpluses and general funds to shore up the Medicare program, is in fact promising to use ''IOU's'' to shore up ''IOU's'' and altering the premise under which Medicare was enacted.

I was and is supposed to be a self-sustaining program paid for by payroll taxes. It is not funded by general revenues, therefore Democrat charges that our tax relief out of the non-Social Security surplus comes at the expense of Medicare is just not true. Our tax relief returns overpaid income taxes. It does not cut the Social Security or Medicare payroll tax that funds Social Security or Medicare. The use of general funds to prop-up the program reverts it to a general welfare-type program which was soundly rejected in the early 1960's.

So adding more IOU's, as the President would like us to do, does nothing but add more meaningless pieces of paper which don't represent any new cash within the program to pay for health care services. In short, it is a hoax played upon the American people by its government which doesn't save Medicare.

The budget resolution before us today provides for $10 billion more for the Medicare program than the President requested. It locks away Social Security surpluses to protect them from being spent on non-Social Security programs. It also prepares us for the real task at hand—reforming Social Security and Medicare to ensure they will be self-sustaining for future beneficiaries.

Under our plan, all of the projected Social Security surpluses are saved solely for Social Security. Of the non-Social Security surplus, over $100 billion is set-aside in the event it is needed during the important process of reforming the Medicare program we will soon address. The $100 billion set-aside is real money, not paper promises. It represents real assets which can put us on the road to modernizing a crucially important health care program that has been struck in the 1960's.

The practice of medicine has changed dramatically since the Medicare program was enacted. It's time we reformed Medicare to more accurately reflect our health care system, which still provide the most efficient and sought-after care in the world.

Mr. President, I look forward to working with Senator BREAUX, who ably co-chaired the Bipartisan Commission on the Future of Medicare, to address the long term solvency crisis in Medicare. I whole-heartedly agree with my colleague from Louisiana when he said that ''Medicare cannot, should not, and must not be a 'wedge' issue. That is old politics and the old way of looking at this problem. Looking at it in that fashion has led us to never solve it with any serious reform since it was passed in 1965. The issue for the 1990's and the 21st century cannot be a tax cut versus saving Medicare. That is an improper statement of the problem facing this Congress. . . . It is not an either/or situation and should not be made to be so.''

Clearly, Senator BREAUX and my colleagues have the best interest of the Medicare program in mind as we consider this budget. He understands tax relief does not conflict with our goal to reform Medicare. By setting aside over $100 billion for the express purpose of funding the reformation of the Medicare program, we do more to ensure the viability of the health care program for our nation's seniors than the President's budget full of empty promises.

Mr. President, I am pleased to support this responsible, truthful and meaningful budget resolution. It protects Social Security and Medicare, provides major tax relief and debt reduction and it continues important spending priorities. It represents a tremendous step in the right direction for the United States and its people.

Mr. LIEBERMAN. Mr. President, I rise to express my dissapointment with S. Con. Res. 20, the FY 2000 Budget Resolution. After our economy has enjoyed seven years of strong growth, I had hoped that this year's Budget Resolution, the first in the new millenium, would set policy priorities that would strengthen our economy. After seven years of phenomenal economic growth, it is a shame that we cannot convert our gains into ensuring a more secure economic future.

This Budget Resolution fails to take positive steps by trying to do too much. The Resolution calls for using surplus funds for tax cuts, while maintaining the statutory spending caps.

The Budget Resolution fails to protect Medicare or Social Security, fails to increase national savings, and cuts important spending priorities. It is neither financially prudent nor economically sound.

It could endanger our sound economy and squander an historic opportunity to raise the living standards of all Americans and to ensure a dignified retirement for our seniors.

S. Con. Res. 20 favors massive tax cuts over paying down the massive national debt, over protecting Medicare and Social Security, and over key important domestic initiatives. By keeping the statutory caps and using the surplus for tax cuts, the Budget Resolution makes deep cuts in science technology, in research and development, in important environmental protection initiatives, while failing to protect Medicare and the retirement security of our workers and families.

THE BUDGET RESOLUTION UNDERMINES CURRENT AND FUTURE ECONOMIC GROWTH.

The fiscal policies outlined in the Budget Resolution threaten the health of our growing economy. The Budget Resolution calls for using all surplus funds for tax cuts and nothing for reducing our federal debt. For the past several years, a declining federal debt has contributed to a decline in interest rates. Less government debt has translated into lower interest rates and lower interest rates have promoted greater investment and growth in our economy. It is no coincidence that of the G–7 countries, we are the only country with a balanced federal budget and strong economic growth. Using surplus funds for debt reduction sustains the virtuous cycle of lower interests rates, higher investment in our economy, and job creation. By choosing tax cuts over any debt reduction, this Budget Resolution has put us back to the era of the same trickle down economics that led to inflation and stagnation.

Achieving a budget surplus has required some very strong measures and has come at some cost. It was not long ago that Congress adopted the Budget Enforcement Act to curb our appetite for spending. Since then we have better managed our spending and tax cutting through a number of important rules and statutes. Unfortunately, this Budget Resolution repeals the pay-as-you-go rule, the very rule that has been most responsible for bringing fiscal discipline to this body.

THE BUDGET RESOLUTION FAILS TO PROTECT MEDICARE AND SOCIAL SECURITY

The budget proposal for FY2000 does nothing to restore the Social Security and Medicare trust funds back to solvency. It is unfortunate that at this time of robust economic growth and projected surpluses, the Republican budget does nothing to solve the looming Medicare and Social Security problems. The Budget Resolution calls for saving the Social Security surplus for Social Security. This is far from an adequate solution to the Social Security problem.

The resolution also fails to address the more immediate problem of Medicare. Projected to go into deficit in 2008, the Medicare trust fund is in desperate need of funds. While the President has dedicated $350 billion dollars for Medicare, the Budget proposal dedicates nothing. Here again, I cannot understand why we do not take advantage of budget surpluses to help extend the solvency of Medicare.

THE BUDGET RESOLUTION FORCES DEEP CUTS IN NON-DEFENSE DISCRETIONARY SPENDING

I would support a decision to adhere to the overall levels of discretionary spending established in the Budget Enforcement Act.

The Budget maintains the current statutory spending caps and then chooses tax cuts over spending increases in several key areas. The Budget makes a major cut—7.5%—in all non-defense spending. Combined with using surplus funds for tax cuts, this means that many important domestic priorities such as environment and technology research have to be cut.

REDUCTION IN RESEARCH AND DEVELOPMENT FUNDING

In the proposed budget before us, the small and declining accounts in R&D are a direct prescription for long term economic decline. There have been at least a dozen major economic studies, including those of Nobel Prize winner Robert Solow, which conclude that technological progress accounts for 50 percent or more of total growth and has twice the impact on economic growth as labor or capital. Ironically, we have spent far more time in Congress debating the economic impact of labor and capital, in the form of jobs and tax bills, than we have ever devoted to R&D. This Budget follows in that trend. Mr. President, by cutting R&D funding this budget provides us with another chance to fall behind. It does a disservice to both our well-being as a society, and our well-being as an economy. I hope my colleagues will reconsider the measure.

ENVIRONMENT

I am also concerned that funding for natural resources and environmental protection is being cut too steeply to make way for tax cuts. The proposed budget resolution reduces funding for priority domestic environmental programs to roughly 11% below current levels. This cut hurts programs that are critical for building clean, livable communities and protecting natural resources and wildlife. Ongoing efforts to enforce existing public health protections in drinking water would be curtailed. Energy efficiency and clean energy technology initiatives that save consumers money, reduce dependence on foreign oil and curb air pollution would be slashed. Funds for states to preserve open space, coast land, and urban parks would be cut. And the list goes on and on. The direction of these cuts runs directly counter to the needs of our neighborhoods and our nation, and ignores the reality that a clean environment is integral to building a sustainable and strong economy. We should not allow important public health and environmental protections to be sacrificed. Future generations and the public trust will ultimately pay the price.

DEFENSE SPENDING

The President recently took action to add money to the defense budget, halting a 14-year slide. That slide seriously stressed the ability of our armed forces—which are almost 40 percent smaller now than they were during the cold war—to meet present day commitments. The President's increase is enough to stop the decline in the readiness of our forces, but it is not enough to modernize the aging military equipment that is so important to ensuring that our forces are ready in the future. The additional money this budget adds to the defense budget is an essential investment for the future.

CONCLUSION

This budget. While there are some bright spots in, ultimately there are just too many weaknesses for me to support it.

Mr. ASHCROFT. Senator DOMENICI, first let me reiterate my admiration for the remarkable budget you have produced. You have produced a budget that, in the first decade of the new millennium, balances the entire federal budget, protects Social Security, increases funding for education by 40%, seeks to protect the Social Security surplus from paying for other government operations, reduces federal debt, provides funds requested by the Joint Chiefs of Staff to strengthen our national defense, and provides an $800 billion tax cut. This is a strong budget that I will support.

As you know, I intended to offer an amendment that would eliminate a $2.9 billion deficit currently projected for FY 2000. It appears likely, however, that when the final budget resolution is written and we have the latest budget and economic forecasts, that this deficit will be eliminated and, in fact, the budget will be in surplus. As I understand, the budget resolution, as reported by the committee, provides that any FY 2000 surplus should be devoted to tax cuts.

Mr. DOMENICI. I appreciate your support for this budget. Given current estimates the budget resolution will show a $2.9 billion deficit. That $2.9 billion represents only 1.7% of the entire $1.7 trillion budget, and even that small deficit will probably be eliminated when we get CBO's updated estimates this summer. With the numbers available at the time of the production of this resolution, specifically CBO's February baseline, it was impossible to declare that the budget we produced would be fully in balance according to those numbers.

I want to salute the Senator from Missouri's efforts to make absolutely certain that we balance the budget excluding the Social Security surplus and I look forward to working with him to bring about that result.

Mr. ROCKEFELLER. Mr. President, as the Ranking Member of the Committee on Veterans' Affairs, I would like to comment on S. Con. Res. 20, the Concurrent Resolution on the FY 2000 Budget. Specifically, I will address the funding allowances for Function 700—Veterans Benefits and Services.

At the outset, let me note that this budget resolution is a departure from past budget resolutions which have cut veterans' spending. The resolution emanating from the Senate Budget Committee includes total spending for an additional $0.9 billion in new budget authority and $1.1 billion in outlays for FY 2000. I am grateful for this increase. It is a valid attempt to infuse the VA with badly needed resources. However, the spending needs of the Veterans Health Administration exceed this recommended level. I believe we can and should do better.

The VA health care system is being squeezed by lack of funding. It's high time that we realized that if this track continues, we will see the closure of VA hospitals. Many VA hospitals are already on the brink; another year of no-growth budgets will close hospitals. Small rural hospitals in New York State and Arizona will be closed. Large urban hospitals, like the ones in Illinois and California, will not be immune and will be shut down.

Various estimates exist about what amount VA would need to simply maintain the level of current services. Conservatively, we are talking about an increase of $850 million to cover payroll inflation, increases in the costs of goods, and other increases beyond the control of VA. So despite VA's efforts to mitigate the increasing cost of pharmaceuticals, for example—efforts which have been lauded by others as the model for Medicare to follow—VA must budget for $850 million just to maintain current services. The concurrent budget resolution before us today fully addresses these uncontrollable costs. It does not, however, make allowances for increased growth of any kind.

In our Committee Views and Estimates, Chairman SPECTER and I outlined the costs associated with unanticipated VA spending requirements, as well as those costs linked to unmet needs. I refer my colleagues to Committee on Veterans' Affairs Views and Estimates for a more complete listing of these substantial costs. However, I do want to highlight some of these areas.

Caring for veterans with the Hepatitis C virus is certainly one of those unanticipated spending requirements. VA studies now indicate that at least 20 percent of hospitalized veteran-patients test positive for the virus. This is twice the rate reported in the general population. VA anticipates that to fully screen and treat these patients, $625 million will be necessary in FY 2000.

A second priority is to provide veterans with access to the same health care services as other Americans. VA cannot now provide emergency care services to all veterans. Many veterans have gone to community emergency rooms believing that VA would reimburse them. Of course, in most cases, VA would not and they were left with substantial medical bills. Providing emergency care and the subsequent hospital admission to veterans would cost the VA $548 million in FY 2000.

Third, a funding need which should not be overlooked is long-term care. We know that the percent of veterans over the age of 65 years will grow from 35 percent of the total veteran population to approximately 42 percent of the total population over the next ten years. Does VA have the necessary resources to care for this influx of aging veterans? Under the current financial construct, the answer is a resounding ''no.'' A funding increase of at least $1 billion is required to meet this unmet need.

It should come as no surprise to my colleagues that the financial constraints that have been placed upon the VA are also having a negative effect on the health care provided to our veterans.

Through our oversight efforts on the Committee on Veterans' Affairs, we have documented serious problems with quality which are the result of staffing shortages. The increase of dangerous pressure ulcer sores in VA nursing homes is only one example of deteriorating inpatient care. A recent report issued by the VA Medical Inspector's office clearly states that at the DC Medical Center, ''bedside patient care, such as turning patients at frequent intervals to prevent pressure ulcers, was affected by the shortage of staff.'' These staffing shortages exist at medical centers all across the country.

With regard to outpatient treatment, the trend points to a disturbing lack of access. VA is rightly moving more patients into ambulatory care settings; however, the system as it is currently funded cannot handle the increased workload.

In some cases, waiting times for routine clinic appointments—like cardiology and gastroenterology—reach 100 days or longer. Mental health services are simply unavailable at 60 percent of VA's outpatient clinics. Finally, while other health care providers and payers are seeing increased per patient costs, the VA must live within forecasts which assume a drop in per patient expenditures. This cannot continue without drastically impacting quality.

I think many of my colleagues would also be disturbed to learn that VA's specialized health care services—blind rehabilitation, traumatic brain injury care, post traumatic stress disorder services, spinal cord injury care, and mental health services—have buckled under the strain. We have spent a tremendous amount of time visiting hospitals and looking deeply into these mandated programs. We have seen budgets for VA PTSD services in Ohio and New York cut at the expense of services. We have found VA substance abuse programs in Delaware, Alabama, New Jersey, and Ohio virtually decimated.

In my home State of West Virginia, we have four small, rural VA medical centers. And I can tell you that simply covering the cost of current services won't help much. In fact, the continued financial stress of the VA budget will have devastating effects on services and veterans at each of these VA hospitals in my State.

In one hospital alone we could be faced with the elimination of audiology and speech pathology, the reduction of dental services, the complete closures of the inpatient surgery, outpatient surgery, and the outpatient mental health programs.

I believe that West Virginia veterans, and veterans across the country, deserve quality health care—and I, for one, will not allow these reductions and program closures.

And I can assure you, my friends, that if these situations exist in the small VA hospitals in my state of West Virginia, then they exist in other VA hospitals—whether they are small rural VA hospitals or large urban VA hospitals.

Mr. President, I would like to take this opportunity to comment on another aspect of the VA budget. On the benefits side, I was very pleased to see the President request and the Budget Committee accept the increase of $49 million in the General Operating Expenses account to provide for an increase of 164 FTE in FY 2000. These new 164 FTE will join FTE shifted over from other duties to provide an additional 440 adjudication FTE.

The Veterans Benefits Administration (VBA) has experienced an increase in pending compensation and pension workload of close to 50,000 cases per year, over the last two years. This is a reversal of the downward trend from FY 92–96. The age of those cases is also growing, with an average in FY 98 of 168 days to process original compensation claims, resulting in 33 percent of cases pending over six months, up from 26 percent in FY 97. This increase in the backlog is in spite of a small decrease in the number of claims being filed. VBA also has real problems with the quality of their decision making. Their own review (STAR) revealed an error rate of 36 percent.

VBA is taking measures to address its quality and workload problems, but they need more resources to deal with some of their biggest challenges, such as: the loss of their most experienced decision makers as they become retirement eligible; the lack of training and the lack of uniformity of that training; the struggle to improve customer service through case management and the reduction of blocked call rates.

It is critical that VBA not only improve their quality and timeliness, but also ensure the integrity of the measures of those factors. They must require accountability in the effort or failure to achieve those goals. These are things that VBA has not been particularly motivated or driven to do in the past. I look to VBA to strive for data integrity and accountability and hope that additional staffing resources will aid in these efforts.

In conclusion, Mr. President, we must do more to restore quality and access to health care for America's veterans today and those service members who will be veterans tomorrow.

FEDERAL R&D INVESTMENT

Mr. FRIST. Mr. President, I would like to focus for a minutes on an important, yet often ignored aspect of the federal budget—our investment in R&D. While I strongly support the Chairman's contention that we must strive to stay within the budget caps, I also firmly believe that funding for research and development should be allowed to grow in fiscal year 2000 and beyond. Many economists argue that such an investment, through its impact on economic growth, will not drain our resources, but will actually improve our country's fiscal standing.

A dozen economic studies, including those of Nobel Prize winner Robert Solow, have demonstrated that technological progress has historically been the single most important factor in economic growth, having more than twice the impact of labor and capital. In today's booming economy, this fact is particularly evident. Our high tech companies provide one third of our economic output and generate one half of our economic growth. More amazing is the realization that communications and technology stocks now comprise 80% of the value of the stock market.

But it is crucial for everyone to understand that our prosperous high tech companies and revolutionary applications of today were created by scientific advances that occurred in the 1960's, when the U.S. government was prioritizing its resources on R&D. In 1965, the federal government spent 2.2% on civilian and defense R&D, as a fraction of GDP. Now in 1999, we spend approximately 0.8 percent—almost one third of its value. If Congress were to follow the President's current budget, the number would dramatically decrease in the next five years.

We simply cannot afford not to invest in R&D. Our future prosperity depends on maintaining an innovative environment—with a solid research base and robust talent pool. If we allow our investment in our innovative capacity to continue to slip, current policy commitments and rates of reinvestment may not be high enough to sustain future improvements in our standard of living.

I urge each of you to join me in cosponsoring this Sense of the Senate that outlines budgetary goals for increasing the federal investment in R&D in a fiscally responsible manner over time.

Thank you.

IDEA AMENDMENT TO BUDGET RESOLUTION

Mr. HARKIN. Mr. President, in the early seventies, two landmark federal district court cases—PARC versus Commonwealth of Pennsylvania and Mills versus Board of Education of the District Court of Columbia—established that children with disabilities have a constitutional right to a free appropriate public education.

In 1975, in response to these cases, the Congress enacted PL 94–142, the precursor to IDEA, to help states meet their constitutional obligations.

When we enacted PL 94–142, the Congress authorized the maximum state award as the number of children served under the special education law times 40% of the national average per pupil expenditure.

Congress has fallen far short of this goal. Indeed, in fiscal year 1999, Congress appropriated only 11.7 percent of the national average per pupil expenditure for Part B of IDEA.

Congress needs to do much more to help school districts meet their constitutional obligations. Indeed, whenever I go home to Iowa, I am besieged by requests for additional federal funding for special education.

These requests increased in intensity following the Supreme Court decision in Cedar Rapids Community School District versus Garrett F. That decision reaffirmed the court's long-standing interpretation that schools must provide those health-related services necessary to allow a child with a disability to remain in school.

This is a terribly important decision, which reaffirms that all children with disabilities have the right to a meaningful education. As Justice Stevens wrote, ''Under the statute, [Supreme Court] precedent, and the purpose of the IDEA, the District must fund such 'related services' in order to help guarantee that students like Garret are integrated into the public schools.''

The child in this case, Garret Frey, happens to come from Iowa. He is a friendly, bright, articulate young man, who is also quadriplegic and ventilator-dependent. Twenty years ago, he probably would have been shunted off to an institution, at a terrible cost to taxpayers. Instead, he is thriving as a high school student, and will most likely go off to college and become a hard-working, tax paying citizen.

An editorial in USA Today summed up the situation well.

We've learned a lot about the costs of special education over the past 24 years. In addition to the savings realized when children can live at home with their families, we also know there are astronomical costs associated with not educating students with disabilities. Research shows that individuals who did not benefit from IDEA are almost twice as likely to not complete high school, not attend college and not get a job. The bottom line: Providing appropriate special education and related services to children saves government hundreds of thousands of dollars in dependency costs.

The Garrett Frey decision, however, also underscores the need for Congress to help school districts with the financial costs of educating children with disabilities. While the excess costs of educating some children with disabilities is minimal, the excess of educating other children with disabilities, like Garrett, is great.

The pending amendment, of which I am pleased to be a cosponsor, would take two important steps. First, it would fully fund IDEA at the 40 percent goal. Secondly, the amendment would provide a mandatory stream of funding for this important program. Finally, the amendment is paid for by taking a portion of the funds set-aside for tax breaks and instead invest those funds in IDEA.

Mr. President, my amendment would provide real money to help school districts meet their constitutional obligations. Local school districts should not have to bear the full costs of educating children with disabilities.

Again, the USA Today editorial said it well.

Let's be clear: The job of educating all children is no small feat. But kids in special education and kids in ''gifted and talented'' programs are not to blame for tight resources. We, as a nation, must increase our commitment to a system of public education that has the capacity to meet the needs of all children, including children with disabilities.

Of course, in providing increased funding for IDEA, we must make sure we do not do so at the expense of other equally important education programs. We need to fully fund Head Start so that all children start school ready to learn. We need to fully fund Title I so that all children get the extra help they need in reading and math. We need to fully fund Pell Grants so that all students have a chance to go to college. There are many other important education initiatives, such as reducing class size, improving teacher training, and modernizing our crumbling schools, that will also help children with disabilities.

Finally, I'd like to point out that when we reauthorized IDEA in 1977, we made clear that the cost of serving students with disabilities should fall not just on school districts, but should be shared by all responsible states agencies, including state Medicaid agencies and state health departments. While Garrett does not qualify for any state programs, many children in his situation do, and the school districts can and should avail themselves of that money.

Mr. President, this amendment is about setting rational national priorities. We must make education our nation's top priority since the real threat to our national security is an inability to compete in the global marketplace. We must have the best-educated, most-skilled, healthiest workers in the world to secure our nation's future. Investments in education are essential if we are to reach that goal.

The amendment targets one important area—special education—and fully funds this important program. As an editorial in the March 15 edition of the New York Times explained, ''Educating disabled youngsters is a national responsibility. The expense should be borne on the nation as a whole, not imposed haphazardly on states or financially strapped districts that happen to serve a large number of disabled students.''

By providing these additional resources for special education, we would free up funds both here and in local school districts for other important education priorities. I urge my colleagues to support this important amendment to fully fund IDEA by reducing the tax breaks in the budget.

ELIMINATION OF MARRIAGE TAX PENALTY AND UNIFORM ACROSS THE BOARD TAX CUTS

Mr. LEWIS. Mr. President, this amendment states that it is the sense of the Senate that the marriage penalty should be eliminated and that Congress should provide equal, across the board reductions in the individual income tax rates as soon as we have a non-Social Security surplus.

Mr. President, this amendment will put the Senate on record as favoring or opposing the elimination of the marriage penalty. Every year, married couples pay a total of $29 billion per-year in extra taxes for getting married with an average penalty of $1,400 per couple for those married couples affected. Any tax system that discourages the time-honored institution of marriage is unjust and counterproductive. After all, the society of tomorrow is only as good as the families of today.

This amendment calls on Congress to eliminate the marriage penalty in a manner that respects all married couples: couples with two-wage earners and those in which only one spouse works outside the home.

The second part of this sense of the Senate calls for an across the board and equal reduction in each income tax rates as soon as we get a real budget surplus. This proposal is fair, feasible, and responsible. First, it compliments the lock box proposal which saves all of the social security surplus for future social security beneficiaries.

Second, it is fair since it calls for a uniform tax rate reduction for all taxpayers. This proposal would actually provide a greater percentage cut for lower income taxpayers. For example, if we cut each of the income tax rates by 1 percentage point, taxpayers in the highest bracket would receive a 2.6 percent reduction in their marginal tax rate, while those taxpayers in the lowest bracket would receive a 6.5 percent reduction in their tax rate. Over 5 years, the 15 percent rate would become 10 percent the 39.6 percent rate would become 34.6—each rate dropping by 5 percentage points, but the 15 percentage rate getting a 33 percent reduction—really a full ⅓ reduction.

If each of the rates was cut 1 percent per year over a five year period, the final result would be a 33.3 percent reduction in the income tax burden of those in the lowest rate and a 12.7 percent reduction in the top tax rate. But each bracket, each rate, gets the same reduction. Such a plan provides substantial tax relief for all taxpayers and would keep congress on track for fiscal discipline and responsible budgeting.

I want to emphasize the wording that says, as soon as we have a non-social security surplus. I ask my colleagues to join me in supporting this sense of the senate that honors marriage and families and calls for uniform tax rate cuts for all Americans.

I thank the chair and yield the floor.

AMENDMENT NO. 168

Mrs. FEINSTEIN. Mr. President, I have introduced in the Senate a sense of the Senate amendment to the budget resolution to provide funds for a grant program to build new schools.

The goal of this amendment is to first, reduce the size of schools; and second, reduce the size of classes. The amendment would give the Senate's support for grant funding to enable states to build new schools.

THE PROBLEM

Why do we need this amendment?

First, many of our schools are too big. In particular, schools in urban areas are huge. The ''shopping mall'' high school is all too common. ''It's not unusual to find high schools of 2,000, 3,000, or even 4,000 students and junior high schools of 1,500 or more, especially in urban school systems,'' writes Thomas Toch in the Washington Post. In these monstrous schools, the principal is just a disembodied voice over the public address system.

Second, another serious problem is that our classes are too big for effective learning and as public school enrollment soars, the problem will only worsen. Even though we have begun to reduce class sizes in my state, California still has highest pupil-teacher ratios in the nation, says the National Center for Education Statistics.

THE SOLUTION

This amendment supports legislation providing flexibility in grant funding so that school districts can build new schools and reduce both school size and class size.

The U.S. Department of Education estimates that we need to build 6,000 new schools just to meet enrollment growth projections. This estimate does not take into account the need to cut class and school sizes. The needs are no doubt huge.

CALIFORNIA'S SCHOOLS ARE TOO BIG

My state that has some of the largest schools in the country. Here are some examples: Roosevelt High School, Fresno, 3,692 students; Clark Intermediate School, Clovis, 2,744 students; Berkeley High School, Berkeley, 3,025 students; Rosa Parks Elementary School, San Diego, 1,423 students; Zamorano Elementary School, San Diego, 1,424 students.

California also has some of the largest classes sizes in the nation. In 1996–1997, California had the second highest teacher-pupil ratio in the nation, at 22.8 students per teacher. Fortunately since 1996, the state has significantly cut class sizes in grades K–3, but 15 percent or 300,000 of our K–3 students have not benefitted from this reform. And students have grade 3 have not been touched.

EXAMPLES OF LARGE CLASSES

Here are some of the classes in my state: Fourth grade, statewide, 29 students; sixth grade, statewide, 29.5 students. National City Middle School San Diego, English and math, 34 to 36 students. Berryessa school District in San Jose—fourth grade, 32 students; eighth grade, 31 students. Long Beach and El Cajon School Districts, tenth grade English, 35 students. Santa Rose School District—fourth grade 32, students. San Diego City Schools, tenth grade biology, 38 students. Hoover Elementary and Knox Elementary in E. San Diego Elementary, grades 5 and 6, 31, to 33 students. Hoover High School 10th grade Algebra, 39 students.

To add the problem, California will have a school enrollment rate between 1997 and 2007 of 15.7 percent, triple the national rate of 4.1 percent. We will have the largest enrollment increase of all states during the next ten years. By 2007, our enrollment will have increased by 3.3. percent. To put it another way, California needs to build seven new classrooms a day at 25 students per class just to keep up with the surge in student enrollment. The California Department of Education says that we need to add about 327 schools over the next three years, just to keep pace with the projected growth.

SMALLER SCHOOLS, SMALLER CLASSES, BETTER LEARNING

Studies show that student achievement improves when school and class sizes are reduce.

The American Education Research Association says that the ideal high school size is between 600 and 900 students. Study after study shows that small schools have more learning, fewer discipline problems, lower drop-out rates, higher levels of student participating, higher graduation rates (The School Administrator, October 1997). The nation's school administrators are calling for more personalized schools.

California's education reforms relied on a Tennessee study called Project STAR in which 6,500 kindergartners were put in 330 classes of different sizes. The students stayed in small classes for years and then returned to larger ones in the fourth grade. the test scores and behavior of students in the small classes were better than those of children in the larger classes. A similar 1997 study by Rand found that smaller classes benefit students from low-income families the most.

Take the example of Sandy Sutton, a teacher in Los Angeles's Hancock Park Elementary School. She used to have 32 students in her second grade class. In the fall of 1997, she had 20. She says she can spend more time on individualized reading instruction with each student. She can now more readily draw out shy children and more easily identify slow readers early in the school year.

The November 25, 1997, Sacramento Bee reported that when teachers in the San Juan Unified School Districts started spending more time with students, test scores rose and discipline problems and suspensions dropped. A San Juan teacher, Ralphene Lee, said, ''This is the most wonderful thing that has happened in education in my lifetime.''

A San Diego initiative to bring down class sizes found that smaller classes mean better classroom management; more individual instruction; more contact with parents; more time for team teaching; more diverse instructional methods; and a higher morale.

Teachers say that students in smaller classes pay better attention, ask more questions and have fewer discipline problems. Smaller schools and smaller classes make a difference, it is clear.

MANY OLD SCHOOLS

Other amendments and other bills that I am supporting provide mechanisms to modernize old schools and we have many old schools. One third of the nation's 110,000 schools were built before World War II and only about one of 10 schools was built since 1980. More than one-third of the nation's existing schools are currently over 50 or more years old and need to be repaired or replaced. The General Accounting Office has said that nationally we need over $112 billion for construction and repairs to bring schools up to date.

CALIFORNIA'S SCHOOL BUILDING NEEDS CRITICAL

My state needs $26 billion from 1998 to 2008 to modernize and repair existing schools and $8 billion to build schools to meet enrollment growth. In November 1998, California voters approved state bonds providing $6.5 billion for school construction.

In addition to the need to reduce school and class sizes, there are several key factors driving our need for school construction:

1. High Enrollment: California today has a K–12 public school enrollment at 5.6 million students which represents more students than 36 states have in total population, all ages. We have a lot of students.

Between 1998 and 2008, when the national enrollment will grow by 4 percent, in California, it will escalate by 15 percent, the largest increase in the nation. California's high school enrollment is projected to increase by 35.3 percent by 2007. Each year between 160,000 and 190,000 new students enter California classrooms. Approximately 920,000 students are expected to be admitted to schools in the state during that period, boosting total enrollment from 5.6 million to 6.8 million.

California needs to build 7 new classrooms a day at 25 students per class between now and 2001 just to keep up with the growth in student population. By 2007, California will need 22,000 new classrooms. California needs to add about 327 schools over the next three years just to keep pace with the projected growth.

2. Crowding: Our students are crammed into every available space and in temporary buildings. Today, 20 percent of our students are in portable classrooms. There are 63,000 relocatable classrooms in use in 1998.

3. Old Schools: Sixty percent of California's schools are over 40 years old. 87 percent of the public schools need to upgrade and repair buildings, according to the General Accounting Office. Ron Ottinger, president of the San Diego Board of Education has said; ''Roofs are leaking, pipes are bursting and many classrooms cannot accommodate today's computer technology.''

4. High Costs: The cost of building a high school in California is almost twice the national cost. The U.S. average is $15 million; in California, it is $27 million. In California, our costs are higher than other states in part because our schools must be built to withstand earthquakes, floods, El Nino and a myriad of other natural disasters. California's state earthquake building standards add 3 to 4 percent to construction costs. Here's what it costs to build a schools in California: an elementary school (K–6), $5.2 million; a middle school (7–8), $12.0 million; a high school (9–12), $27.0 million.

5. Class Size Reduction: Our state, commendably, is reducing class sizes in grades K through 3, but this means we need more classrooms.

And so to exacerbate the need to build smaller schools and to reduce class sizes, our school districts are saddled with overwhelming construction demands.

CONCLUSION

Big schools and big classes place a heavy burden on teachers and students. They create an impersonal learning environment.

The American public supports increased federal funding for school construction. The Rebuild American Coalition this month announced that 82 percent of Americans favor federal spending for school construction, up from 74 percent in a 1998 National education Association poll.

Every parents knows the importance of a small class where the teacher can give individualized attention to a student. Every parents knows the importance of the sense of a school community that can come with school.

I hope my colleagues will join me today in supporting this important education reform.

FEDERAL ANTI-DRUG STRATEGIES

Mr. GRAMS. Mr. President, I rise today in support of sending a strong anti-drug message during consideration of the Fiscal Year 2000 Budget Resolution.

As we approach the new millennium, one of the most difficult challenges facing our country is the sale, manufacture and distribution of illegal drugs. Drug abuse is a daily threat to the lives of young people and the health and safety of our families. We must strengthen our resolve to developing and innovative and effective drug strategy.

The National Institute on Drug Abuse recently reported that 54 percent of high school seniors reported illegal use of a drug at least once in their lives, 42 percent reported use of an illegal drug in the past year and 26 percent reported use of an illegal drug in the past month. Clearly the American people need Congress to recommit this nation to ridding our schools and streets of drugs.

I believe that our nation can reverse these troubling trends in drug abuse and decrease the number of Americans who use drugs. First and foremost, we must enforce our existing drug laws. Second, we must make a commitment to public education and community-based prevention programs, as well as effective treatment for those drug abusers who are motivated enough to accept treatment. We must ensure that local communities and law enforcement agencies have the tools to develop effective drug prevention and education programs. In my view, adequate funding for programs such as the Byrne grant program, the federal ''Weed and Seed'' initiative and the ''Drug Free Communities Act'' program is critical to providing resources and guidance to local communities in my home state of Minnesota to help develop solutions to this problem and expand their anti-drug education and prevention programs.

And finally, we must actively support the eradication and interdiction of drugs before they reach our borders. Illegal drugs are easy to find and cheap to buy. And there is no doubt that contributes to the high rate of drug use among our nation's children. We've got to invest this nation's resources in making sure more of these drugs never reach our shores. If we can reduce the supply of drugs, the price will go up. If we can reduce the supply of drugs, they'll be harder to find, and fewer American children will fall into drug use. That is why the Western Hemisphere Drug Elimination Act and the Drug Free Century Act is so important. A counter-drug strategy which does not give sufficient weight to international interdiction and eradication efforts cannot succeed.

The federal government must continue to work closely with local officials to combat the threat of illegal drug use, trafficking, and manufacturing to our children's future. A united commitment by Congress, parents, schools, city councils, faith-based organizations and medical institutions will help to create a drug-free America. Failure to act will only increase the likelihood that we will lose control of our neighborhoods to drug-related crime and violence.

SENSE OF THE SENATE ON FEDERAL RESEARCH AND DEVELOPMENT

Mr. LIEBERMAN. Mr. President, I rise to support the Sense of the Senate regarding Federal Research and Development, Section 310 of the Concurrent Budget Resolution.

The past few years of economic growth have led us to a remarkable stage in this country's history. For the first time, we have both low inflation and low unemployment, a stock market which seems boundless and, more germane to the discussion at hand, a historic budget surplus. However, the budget we have prepared for the turn of the new millenium is not one which promotes growth. Specifically, the small and declining accounts in research and development (R&D) are a direct prescription for long term economic decline. Let me explain.

There have been at least a dozen major economic studies in recent years, including those of Nobel Prize winner Robert Solow, which conclude that technological progress is the primary ingredient in economic growth, accounting for 50% or more of total growth. These studies further show that technological progress has twice the impact on economic growth of labor or capital. Ironically, we have spent far more time in Congress debating the economic impact of labor and capital, in the form of jobs and tax bills, than we have ever devoted to R&D, which is the true workhorse of economic growth. Today, the relationship between technological progress and economic growth is apparent even to the lay person. The Internet, cancer drugs, cellular phones, and computer-related services are ubiquitous. Communications and technology stocks now account for 80% of the value of today's booming $1.4 trillion stock market. Furthermore, the productivity improvements generated by leap-ahead advances in communications and computers have translated into an economic strength that makes us the envy of the world.

Because it takes 20–30 years for fundamental discoveries to evolve into market products, we happen to be benefitting handsomely from the government's large investment in R&D in the mid-1960's. However, we have historically been poor guardians of that investment. This year is no exception. The Budget Committee's proposed cuts in research in R&D, totaling as much as 40% in some areas, sit atop a long historical decline which has already more than halved our total R&D investment (as a percent of GDP) over the past 34 years. In 1965, we spent an amount equivalent to 2.2% of our GDP on R&D; in 1998, that amount was 0.8%. Commenting on our nation's 34 year decline in R&D investments, the investment guru Peter Lynch has said, ''If I saw a business with an R&D trend like this, I wouldn't buy the stock.''

Almost every other country understands the rationale for R&D, and is especially conscious of the government's unique role in supporting basic research. As a result, thirteen countries now spend more on basic R&D as a percent of GDP than do we. What is the result of that investment? One result is that these countries maintain their base of excellence in science. If one looks at the set of nations with ''significantly higher'' high school science achievement scores than the US, eight of the top eleven nations which comprise that list are the same eight nations which are in the top ten of basic science funding as a fraction of GDP. Exactly why there is such a strong correlation between research investment and high school science scores is not clear, but the correlation there, it is strong, and it bears investigation.

Last year, the Senate began to recognize the value of R&D to the economy and to our innovation base. We passed, without opposition, S. 2217, which sought to double R&D spending over the next decade. The bill was bipartisan, had 36 cosponsors, and passed without dissent. A Sense of the Senate amendment was also unanimously passed during this year's budget committee mark-up, calling for greater R&D investment. In contrast to these mandates for more R&D spending, the budget we see here today cuts R&D substantially.

Although much of the discussion regarding R&D investment has focused on civilian R&D, I would like to point out the special and troubling case of military R&D. Historically, DoD has funded the lion's share of research in mathematics, engineering, and the physical sciences, both in our military laboratories and in our university system. The output of this innovation enterprise is unmatched. If one looks at the U.S. cadre of Nobel Prize winners, 58% of the physics laureates and 43% of the chemistry laureates were funded by DoD prior to winning their Nobel prizes. What I find disturbing is the fact that we are dismantling this engine of innovation through dramatic cuts in DoD R&D, even as we are in the process of transforming from the Cold War Era to the much more technologically demanding era of—if I may use the term—''techno-warfare.'' Every scenario of future military dominance by the U.S. assumes that we will inevitably have superior technology. However, if we are dramatically cutting military R&D, and we are simultaneously not supporting civilian R&D, exactly where is that technological superiority going to come from? Each of our services currently spends 60–80% of its funds on readiness issues (i.e., operations and maintenance) and 20–40% of their funds on modernization tasks for incremental improvements (i.e., procurement, testing and evaluation). The obligation authority for science and technology—the military of the future—is currently less than 2% of the military budget. Even this minute fraction is destined to decline further under the budget we see before us today. Though we face daunting readiness problems in the present, we are far less ready for the future.

The president's budget for military R&D proposed significant cuts, on the order of 6%, that the budget committee's budget will probably worsen. The budget committee's 19 billion increase for DoD is unlikely to accommodate all of DoD's readiness, modernization, retention, recruitment, and ballistic missile defense needs. The Armed Services'

Committee's probable response will be to squeeze the already small R&D budget enormously. DoD itself has requested extensive cuts in S&T (science and technology) which contrast sharply with its request for $112 billion in increases for readiness and modernization over the next 5–6 years. The DoD budget requests, in conjunction with the budget committee's actions, make it clear that the problems the military is experiencing at present—though undoubtedly pressing—are actively preventing adequate long-term strategic planning.

A recent Council on Competitiveness report shows that, as a nation, we are currently unmatched in our potential to innovate, due to our past investments in R&D through our military, industry, and university systems, and due to our vibrant venture capital sector. Let us not make the mistake of starving the system that gives us our greatest strength, just as we embark on the ''Innovation Economy'' of the new millenium.

The budget resolution before us dramatically fails in its commitment to nourish R&D, which is the key to our future economy, our future security, and our future well being. The major cuts it makes in both civilian and military R&D—in our innovation system—are not supportable.

Ms. SNOWE. Mr. President, today marks a dramatic turning point for the Senate. Because, although Senators THURMOND, HOLLINGS, BYRD, and a handful of others were members of this body the last time the Federal Government ran a unified budget surplus in 1969, no member of the Senate has even been involved in the crafting of a budget resolution under these all too unique fiscal circumstances.

Furthermore, the consideration of this budget resolution is not only a significant moment for the Senate, but for more than a generation of Americans who never lived in a time without federal budget deficits.

Mr. President, in light of the unified surpluses we are now enjoying—and the on-budget surpluses we are projected to soon enjoy—I would like to thank the Chairman of the Senate Budget Committee, PETE DOMENICI, for his unwavering commitment to a balanced budget and fiscally responsible decision-making over the years. Thanks, in part, to his leadership and efforts, the turbulent waves of annual deficits and mounting debts have been temporarily calmed. And, if we are willing to adhere to these principles in this year's budget resolution and others yet to come, we may be able to maintain the current budgetary calm for many years in the future.

Mr. President, the budget resolution reported by the Senate Budget Committee—and that we are now considering on the floor—not only maintains fiscal discipline, but it also ensures that critical priorities are protected and addressed in fiscal year 2000 and beyond.

Specifically, the Senate budget resolution contains the following key provisions:

First, it protects every penny of the Social Security surplus in upcoming years by devoting it solely to reducing publicly-held debt.

Second, through an amendment I offered in the Budget Committee markup, it provides monies from the on-budget surplus for a new Medicare prescription drug benefit—something that President Clinton failed to include in his own budget proposal after touting the need for this benefit in his State of the Union address.

Third, it adheres to the spending levels established just two years ago in the Balanced Budget Act of 1997, while increasing funding for critically needed prioties including education and defense.

Fourth, it provides tax relief for Americans at a time when the typical family's tax burden exceeds the cost of food, clothing, and shelter combined. And as a result of another amendment I offered during markup, it places marriage penalty relief as a top priority in any tax cut package that is ultimately crafted. When considering that 42 percent of all married couples incurred a marriage tax penalty averaging $1,400 in 1996, I think of no tax cut that would be more appropriate in any upcoming tax package.

Collectively, I believe these principles and priorities reflect those of most Americans—especially the protection of Social Security's monies. Accordingly, I believe this resolution deserves broad bipartisan support in the Senate and, ultimately, by the entire Congress.

Mr. President, to truly appreciate what is contained in this budget resolution, I believe it is appropriate to compare it with the only other major proposal on the table: the budget proposal put forth by President Clinton on February 1.

As mentioned, the first priority that is protected in the Senate budget resolution is Social Security and the annual surpluses it is currently accruing.

As my colleagues are aware, the Social Security surplus was responsible for the unified budget surplus of $70 billion we accrued in FY98. In fact, without the Social Security surplus, the federal government actually ran an on-budget deficit of $29 billion last year.

By the same token, Social Security's surpluses will account for the bulk of our unified budget surpluses in coming years as well. Specifically, over the coming 5 years, Social Security surpluses will total $769 billion and account for 82 percent of CBO's projected unified surpluses—and over 10 years, they will total $1.7 trillion and account for 69 percent of unified surpluses.

To protect Social Security's surpluses, the Senate budget resolution sets the stage for ''lock-box'' legislation that will accomplish what many of us have desired for years: a bonafide means of taking Social Security off-budget. Put simply, this resolution ensures that Social Security surpluses will no longer be raided and used to fund other government programs in any upcoming year. Instead, every dollar of Social Security's current and projected surpluses will be set aside and used to bury-down publicly held debt.

In contrast, President Clinton's budget offers no protection for the Social Security surplus and, in fact, would spend it on other federal programs in upcoming years.

Specifically, as the chart behind me indicates over the coming five years, the President proposes we take a $158 billion ''bite'' out of Social Security surpluses and spend these monies on other federal programs. That means that, under the President's budget, fully 21 percent of Social Security's upcoming surpluses would be spent on other programs over the next five years.

Although the President has proposed that we spend a portion of the Social Security surplus on other programs, I was pleased that an overwhelming majority of my Democratic colleagues on the Senate Budget Committee voted for an amendment I offered during markup that rejected the President's proposed use of Social Security's surpluses.

Specifically, my amendment outlined that fact that the President's budget would spend $40 billion of the Social Security surplus in FY2000; $41 billion in FY01; $24 billion in FY02; $34 billion in FY03; and $20 billion in FY04. Furthermore, the amendment called on Congress to reject any budget proposal that spent Social Security surplus monies on other federal programs. Appropriately, after my amendment was adopted by a vote of 21 to 1, the President's budget proposal—which spends Social Security's surplus monies—was unanimously rejected by the Committee when offered as an amendment later in the markup.

Mr. President, not only does the President's budget propose that we spend Social Security's money at the same time as he expresses a desire to save the program, but he also fails to achieve the goals he laid out in the State of the Union address regarding the utilization of the unified surplus.

First, it's worth nothing that—based on that goals he laid out in the State of the Union address—the President apparently double-counts the surplus and proposes that we spend 151 percent of the surplus over the coming 15 years! That's 51 percent than you or I could spend, Mr. President, and 51 percent more than would ever exist.

The next chart—taken from the February 1 article in Newsweek—shows how this ''double counting'' would occur. As you can see, the President proposed that we spend $500 billion for the new Universal Savings Accounts, $500 billion for other federal spending, $700 billion for Medicare, and $2.8 trillion for Social Security. In total, these five items would run $4.5 trillion—the total projected surplus over the 15 year period.

However, what the President forgot to mention is that $2.3 trillion of this amount is already Social Security's money because it is the total of the annual Social Security surpluses that will accrue over the coming 15 years. As a result, the true total of the Clinton proposals would be $6.8 trillion—which is $2.3 trillion more than the surpluses we would accrue over the same period of time!

Setting aside the questionable math of the President's proposals, it's also worth noting that there is a significant difference between how the President portrays his proposals, and what they actually accomplish.

Specifically, as my next chart indicates, there is a gap between the ''rhetoric'' and the ''reality'' of the President's plan. In fact, in light of this gap, I believe the President's budget should have earned an Oscar for ''Best Actor'' during Sunday's Academy Award presentation!

As we can see on this chart, the President claimed that his budget would give 62 percent of the unified surplus to Social Security, 15 percent to Medicare, 12 percent to new Universal Savings Accounts (USAs), and 11 percent to new spending.

However, in reviewing CBO's analysis of the President's budget—and by removing the rhetoric from the various proposals and identifying them for what they truly are—it's clear that the ''reality'' of the President's budget is far different from how it has been presented.

Specifically, instead of devoting a combined 77 percent of the unified surplus to Medicare and Social Security—65 percent to Social Security and 12 percent to Medicare respectively—the truth of the matter is that the President is simply proposing that we artificially increase the number of IOUs held by the Social Security and Medicare Trust Funds.

Furthermore, we find that the President's goal to set-aside 77 percent of the unified surplus will not even be met. Specifically, over the coming five years, only 65 percent of the unified surplus would be set aside—and that is only achieved if we assume that the President's proposal to have Social Security monies invested in the stock market is ultimately used for the same purpose.

Also, the new Universal Savings Accounts (USAs) proposed by the President are just another name for a tax cut—and would utilize 11 percent of the surplus accordingly. As I mentioned earlier, I believe reducing the marriage penalty should be the top priority of any tax cut package, and already had an amendment included in the budget resolution accordingly.

Finally, over the coming five years, the President would actually spend 24 percent of the surplus on other federal programs—far above the 11 percent target that he laid out to the American people.

Mr. President, as mentioned, for all the talk about devoting 62 percent of the surplus to Social Security and 15 percent to Medicare, the President really is proposing that we simply increase the number of IOUs held by the Social Security and Medicare Trust Funds to make them more solvent on paper.

Not only does this accounting scheme give the false impression that saving these critically needed programs can occur without lifting a ''fiscal finger,'' but it could also lead to a false sense of complacency that will lead to true reforms being put off until it's too late. If that happens, the changes that will need to be made to these programs will need to be draconian—and all because we chose to give the public the false belief that nothing needed to be done to legitimately strengthen these programs today.

Of note, the President's own budget highlights the futility of simply increasing trust fund balances without true reforms, and discredits his accounting scheme accordingly. On page 337 of the President's ''Analytical Perspectives'' book for the FY 2000 budget, we read

> (Trust Fund) balances are available to finance future benefit payments and other trust fund expenditures—but only in a bookkeeping sense . . . They do not consist of real economic assets that can be drawn down in the future to fund benefits. Instead, they are claims on the Treasury that, when redeemed, will have to be financed by raising taxes, borrowing from the public, or reducing benefits or other expenditures. The existence of large trust fund balances, therefore, does not, by itself, have any impact on the Government's ability to pay benefits.

So, what does this mean? In a nutshell, the President isn't putting a penny of real money into these programs—he's simply increasing the number of IOUs held by the Trust Funds and hoping that someone figures out how to pay them back with real money in the future. There's absolutely no commitment of a single dollar from the surplus to these programs today.

As I said during the Budget Committee markup this past week, the President should win a Pulitzer prize for fiction by claiming that this plan somehow ''saves'' Medicare!

In contrast, the Senate budget resolution contains a mechanism and money to truly strengthen and improve Medicare. Specifically, an amendment I offered during the Committee markup—that was subsequently adopted by a bipartisan vote of 21 to 1—would allow a portion of remaining on-budget surpluses to be used for the creation of a new Medicare prescription drug benefit. As my colleagues are aware, the need for such a benefit was one of the key sticking points in the discussions of the Bipartisan Medicare Commission—so my provision ensures that this critically needed benefit can be funded.

Yet even as it allows for the creation of a new prescription drug benefit, it also will encourage the development of a comprehensive plan to truly save Medicare without accounting gimmicks. Specifically, to access the on-budget surplus to pay for this new benefit, my provision requires that the Senate consider legislation that will ''significantly increase the solvency'' of the Medicare Trust Fund without artificially extending it in the manner prescribed by the President. While this provision in no way endorses one type of reform over another, it provides tantalizing ''carrot'' for Congress and the President if they are willing to sit down and legitimately work to strengthen Medicare.

Mr. President, now that we've separated the rhetoric from the reality of the President's budget, it's possible to do an honest comparison of the President's budget proposal and the Senate budget resolution we are now considering.

As my next chart indicates, the Senate budget resolution handily beats the President's budget at reducing publicly-held debt over the coming five years. In fact, by walling-off the Social Security surplus, the Republican plan would ensure that 82 percent of the unified surplus is used for debt reduction, versus 65 percent in the President's plan.

Why is the President's debt reduction so much lower? In a nutshell, because of the magnitude of his new spending proposals. While the Senate budget resolution exercises fiscal austerity by only using 18 percent of the surplus over the next five years for purposes other than debt reduction, the President uses 35 percent of the surplus for other purposes—the vast majority of which is increased spending.

Mr. President, the bottom line is that whether you compare these budgets based on reality or on rhetoric, the Senate budget resolution is superior to the Clinton plan, especially in terms of protecting Social Security's money.

As a result, I hope that the partisan attacks against the Senate budget resolution will end.

Mr. President, by maintaining fiscal discipline, protecting Social Security surpluses, buying down debt, providing funds for a Medicare prescription drug benefit, and enhancing funding for shared priorities such as education, I believe the Senate budget resolution deserves strong support by the full Senate.

Ultimately, while members from either side of the aisle may disagree with specific provisions in the resolution that has been crafted, the simple fact is that this is a budget framework—or ''blueprint''—that establishes parameters and priorities, but is not the final word on these individual decisions. Rather, specific spending and tax decisions will initially be made in the Appropriations and Finance Committees, and ultimately by members on the floor.

Therefore, I am hopeful that amendments offered to this framework do not harm the broad and reasoned parameters that have been set, and that keep in mind that—unlike the President's proposal—the budget resolution should not be about rhetoric, but about fiscal reality.

AMENDMENT NO. 169

Mrs. FEINSTEIN. Mr. President, this is a sense of the Senate amendment to make room in the FY 2000 budget for remedial education funds for schools to end social promotion.

My amendment would assume enactment of legislation or competitive grants to school districts to help provide remedial education, after school and summer school courses for needy and low-performing students who are not making passing grades.

The purpose is to provide federal incentives and federal help to school districts that abolish and do not allow social promotion and provide interventions to help students meet state achievement standards in the core curriculum.

This amendment seeks the endorsement of the Senate for providing remedial education that help students meet achievement standards and help school systems end social promotion.

THE PROBLEM

Why do we need this amendment? In short, our students are failing.

I truly believe that the linchpin to education reform is the elimination of the path of least resistance whereby students who are failing are simply promoted to the next grade in hopes that somehow they will learn, by virtue of sitting in the classroom.

To promote youngsters when they are failing to learn has produced a generation of young people who cannot read or write, count change in their pockets or fill out an employment application. It has been called ''educational malpractice.'' It is inexcusable for our education system to hand out a high school diploma to a youngster who does not have the skills to get a job.

It is that bad. And California is just about the worst.

On March 5, we received the bad news that California ranked second to last among 39 states in fourth-grade reading skills.

This report by the National Assessment of Educational Progress, also showed that in California:

Eighty percent of fourth-graders are ''not proficient readers,'' meaning they do not have a solid command of challenging reading materials.

Fifty-two percent of the fourth-graders scored below the basic level, meaning they had failed to even partially master basic skills.

The news was not must better for California eighth-graders who ranked 33rd out of 36 states and only 22 percent were proficient readers.

In a December 1998 study by the Education Trust, California ranked: last in the percent of young adults with a high school diploma; 37th in SAT scores; and 31st (of 41 states) in 8th grade math.

And nearly half of all students entering the California State University system require remedial classes in math or English or both.

U.S. STUDENTS LAGGING AS WELL

The news is grim throughout the United States, where students are falling behind their international peers:

The lowest 25 percent of Japanese and South Korean 8th graders outperform the average American student (source: Organization for Economic Cooperation and Development study, November 1998).

In math and science, U.S. 12th grade students fell far behind their counterparts, which is especially troubling when we consider the skills that will be required to stay ahead in the 21st Century. (Source: Third International Mathematics and Science Study, 1998).

Specifically, U.S. 12th graders:

Were significantly outperformed by 14 countries and only performed better than students in Cyprus and South Africa.

Scored last in physics and next to last in math.

WHAT IS SOCIAL PROMOTION?

Social promotion is the practice of schools' advancing a student from one grade to the next regardless of the student's academic achievement.

It is time to end social promotion, a practice which misleads our students, their parents and the public.

And apparently, the American Federation of Teachers agrees. Let me quote from their September 1997 study:

> Social promotion is an insidious practice that hides school failure and creates problems for everybody—for kids, who are deluded into thinking they have learned the skills to be successful or get the message that achievement doesn't count; for teachers who must face students who know that teachers wield no credible authority to demand hard work; for the business community and colleges that must spend millions of dollars on remediation, and for society that must deal with a growing proportion of uneducated citizens, unprepared to contribute productively to the economic and civic life of the nation.

That is well said, from those faced with the problem everyday.

REMEDIAL EDUCATION NEEDED FOR STUDENT ACHIEVEMENT

Merely ending social promotion and holding students in grade will not solve the problem. We cannot just let them languish without direction and without help in a failing system.

Instead, ongoing remedial work, specialized tutoring, after-school programs and summer school all must be used—intensively and consistently.

That is why I am proposing a new federal infusion of funds for remedial education, as embodied in this amendment.

HOW WIDESPREAD IS SOCIAL PROMOTION?

Social promotion is widespread. Although there is no hard data on the extent of social promotion, most authorities, in the schools and out, know it is happening—and in some districts it is standard operating procedure.

In fact, 4 in 10 teachers reported that their schools automatically promote students when they reach the maximum age for their grade level (Source: Los Angeles Times, January 14, 1998).

And the September 1998 American Federation of Teachers study says social promotion is ''rampant.''

This study involved 85 of the nation's 820 largest school districts in 32 states—representing one-third of the nation's public school enrollment. It found most school districts:

Use vague criteria for passing and retaining students.

Lack explicit policies of social promotion, but have an implicit practice of social promotion, including a loose and vague criteria for advancing students to the next grade.

View holding students back as a policy of last resort and often put explicit limits on retaining students.

Also, the study found that only 17 states have standards in the four core disciplines (English, math, social studies and science) which are well grounded in content and that are clear enough to be used.

SOCIAL PROMOTION IN CALIFORNIA

In July 1998, I wrote 500 California school districts and asked about their policy on social promotion.

Their responses, which are vague and often misleading, include the following:

Some school districts say they do not have a specific policy.

Some say they simply figure what is ''in the best interest of the student.''

Some say teachers provide recommendations, but final decisions on retention can be overridden by parents.

And some simply promote regardless of failing grades, non-attendance, or virtually anything else.

In short, the policies are all over the place.

SOCIAL PROMOTION IS ENDING IN CALIFORNIA

Last year, in California, the Legislature passed and the Governor signed into law a bill to end social promotion in public education.

This new law requires school districts to identify students who are failing based on their grades or scores on statewide performance tests.

The schools have to hold back the student unless their teachers submit a written finding that the student should be allowed to advance to the next grade.

In such a case, the teacher is required to recommend remediation to get the student to the next level, which could include summer school or after-school instruction.

In one example, the Los Angeles Unified School District is currently working to develop a plan to end social promotion.

The LAUSD Board plans to identify those students who are at risk of flunking and require them to participate in remedial classes.

The alternative curriculum will stress the basics in reading, language arts and math through special after-school tutoring. The district's plan would take effect in the 1999–2000 school year and target students moving in the third through sixth grades and into the ninth grade.

THE COST OF SOCIAL PROMOTION

Here are some of the painful results of social promotion:

Half of California's students—3 million children—perform below levels considered proficient for their grade level.

One third of college freshmen nationwide take remedial courses in college and three-quarters of all campuses, public and private, offer remediation.

More than two-thirds of students entering California State University campuses in Los Angeles lack the math or English they should have mastered in high school. At some high schools, not one graduate going on to one of Cal State's campuses passed a basic skills test.

And these numbers represent an increase. In the fall of 1998, almost 50 percent of freshmen needed remedial help. In 1997, it was 47 percent, compared to 43 percent in each of the previous three years.

THE PUBLIC RECOGNIZES THE FLAW IN SOCIAL PROMOTION

President Clinton called for ending social promotion in his last two State of the Union speeches. Last year, he said, ''We must also demand greater accountability. When we promote a child from grade to grade who hasn't mastered the work, we don't do that child any favors. It is time to end social promotion in America's schools.''

Seven states have a policy in place that ties promotion to state level standards. They are California, Delaware, Florida, Louisiana, North Carolina, Ohio, and Virginia.

The Chicago Public Schools have ditched social promotion. After their new policy was put in place, in the spring of 1997, over 40,000 students failed tests in the third, sixth and eight and ninth grades and then went to mandatory summer school.

In my own state, the San Diego School Board in February adopted requirements that all students in certain grades must demonstrate grade-level performance.

And they will require all students to earn a C overall grade average and a C grade in core subjects for high school graduation, effectively ending social promotion for certain grades and for high school graduation. For example, San Diego's schools are requiring that eighth graders who do not pass core courses be retained or pass core courses in summer school.

CONCLUSION

A January 1998 poll by Public Agenda asked employers and college professors whether they believe a high school diploma guarantees that a student has mastered basic skills. In this poll, 63 percent of employers and 76 percent of professors said that the diploma is not a guarantee that a graduate can read, write or do basic math.

California employers tell me that many applicants are unprepared for work and they have to provide very basic training to make them employable.

High tech companies say they have to recruit abroad. For example, last year, MCI spent $7.5 million to provide basic skills training.

On December 17, 1998, the California Business for Education Excellence announced that they were organizing a major effort to reform public education.

This group includes the State's major corporations and organizations like the California Business Roundtable, the California Manufacturers Association, and the American Electronics Association, and companies like Hewlett-Packard, IBM, Boeing and Pacific Bell. They had to organize because they see firsthand the results of a lagging school system.

I offer this amendment today to get the Senate, officially, on record, to support the notion that we have to provide our students and teachers the resources they need to help students achieve.

The amendment is not meant as an indictment of our schools and the many able educators who work hard everyday.

This amendment is being offered because we must face up to these deficiencies and do the hard work that reform requires.

We can no longer tolerate doing what is ''politically correct'' or the latest teaching fad. It takes hard, proven, concentrated work by students, teachers, and families. And we have to have the ability to know the difference.

I urge my colleagues to accept this amendment, to give educators the resources they need to help students achieve and to tie federal resources to real results.

Mr. BURNS. I stand in support of the Senate's Concurrent Budget Resolution for Fiscal Year 2000 since I believe it establishes the right priorities and balance for the Federal Government going into the next millennium. It preserves the future retirement and health care for our aging population by ensuring the financial integrity of the Social Security and Medicare Programs. It reduces the financial burden of the Federal Government on American taxpayers by reducing the national debt and returning excess taxes to them. And finally it limits the growth of the Federal Government by adhering to the statutory spending caps agreed to between Congress and the President in 1997.

Saving Social Security is not a partisan issue. Principles, not politics should guide us when it comes to providing for our senior citizens who have been our guide through life thus far. We need to fix this program not only for our parents but also our grandchildren. We need to trust the American people that they can make their own choices on how their retirement will be financed. I believe all Americans should be given the opportunity to invest in a personalized savings account to control their own future. I do not agree that we should mandate the creation of a politically constituted Federal commission to control the investments of Social Security trust funds in the stock markets.

The President's plan doesn't add up. His FY 2000 budget projects a $4.5 trillion surplus over the next 15 years. One half of that $2.3 trillion, is the surplus for the Social Security trust fund. That leaves us with a working surplus of $2.2 trillion. I just don't understand where we come up with the $2.8 trillion for the Social Security trust fund out of this non-Social Security surplus of $2.2 trillion especially after the President proposes to spend $1.7 trillion of the remaining $2.2 working surplus. His plan just doesn't add up. As we say in Montana—looks like it, smells like it, taste like it, glad we didn't step in it.

Medicare is another tricky issue that we need to fix. I want the record to show that Republicans have never proposed cutting Medicare. Rather Republicans have allowed Medicare to grow at twice the rate of inflation. Our FY 2000 Budget Resolution assures that Medicare is fully funded—every dollar that is projected to go to beneficiaries will do so instead of what the President proposes with $9 billion in cuts to Medicare. This means that the Republican plan will continue to preserve Medicare for our seniors in this FY 2000 Budget Resolution.

In the State of the Union, the President proposed that $1 out of every $6 of the surplus will be used to guarantee the soundness of Medicare until the year 2020. What he claims actually is to set aside $700 billion—15 percent of the $4.5 trillion total budget surplus of the next fifteen years—and then credit this with another $300 billion in interest payments.

While this sounds attractive, the President doesn't have the money to implement this plan plus his claims are based on IOUs and phony numbers. However, the worst part is that his plan still wouldn't help Medicare.

Since the total Federal budget deficit was eliminated in FY 1998, the FY 2000 Budget Resolution will focus now on eliminating the on-budget deficit in FY 2001—the first time this has occurred since the 1960s. Furthermore, the FY 2000 Budget Resolution will cut the public debt over the next 10 years by 50 percent versus the 20 percent reduction proposed in the President's budget. Correspondingly, Federal interest payments on the national debt will be cut in half—from $229 billion this year to $115 billion in 2009—releasing capital previously set aside to pay for interest on the national debt to more productive private economic activities, such as helping our struggling farmers and ranchers. Also we will not have to make the American public go further into debt. The statutory debt limit for the total government (currently at

$5.95 trillion) will not have to be increased until 2004 as opposed to the President's budget which would have to raise the statutory debt limit as early as 2001.

The FY 2000 Concurrent Budget Resolution further accommodates a tax cut of $15 billion in the first year and $142 billion over the first five years from the non-Social Security surplus. Congress is not only receptive to paying down the national debt, but also to refund excess taxes to the American people.

Let me assure you that the Republican tax cut will have no effect on Social Security or Medicare because they are not funded by general revenues but by dedicated payroll taxes. Also, tax cuts from a surplus discretionary budget have no impact on Social Security or Medicare.

With a budget surplus well over $100 billion, I believe it is arrogant for the Administration to believe it has the best perspective on how to spend the American taxpayers money. Furthermore it is even harder to believe tax increases are justified as the President proposes. Our nonpartisan Congressional Budget Office estimates, under current law, American taxpayers will overpay their taxes by $787 billion over the next 10 years which is the equivalent of $7,000 for every American taxpayer.

However, two areas of importance to me in the Budget Resolution are increased spending for education and agriculture. I support the increase of $47.4 billion over the Senate Budget Committee baseline and by $21.2 billion over the President's request for the next ten years. The FY 2000 Budget Resolution also provides for a $28 billion over five years and an $82 billion over ten years net increase in discretionary spending for elementary and secondary education. Overall discretionary spending for education increases by $2.4 billion in 2000—double the President's request—and $31 billion over the next five years—five times the President's request.

The President's budget for the coming fiscal year contains 66 new programs and $45 billion in tax increases. His budget plans for the next 15 years call for over $500 billion in new spending and not one dollar in non-credit tax cuts.

I am pleased that the FY 2000 Budget Resolution contains a mandatory spending allocation of $6 billion for the next 5 years (FY 2000–2004) based upon legislation proposed by the Committee on Agriculture, Nutrition and Forestry. I am also pleased that the Committee-reported Resolution provides a total of over $4 billion more in budget authority for mandatory programs. Farmers need protection against the weather related and economic losses they have sustained this past year. It is critical that Congress provide adequate Federal funding in the FY 2000 Budget Resolution so the Agriculture Committee can address the severe problems faced by our nation's farmers and ranchers.

Unfortunately, every credible economic forecast indicates the farm economy will recover slowly at best. The Agriculture Committee needs adequate budget authority to develop and strengthen programs which provide production credit, risk management, and economic assistance to farmers and ranchers.

Beyond these concerns, I call upon my colleagues to support the Budget Resolution for FY 2000 to continue the progress Congress has made to strengthen our financial future into the 21st Century.

Thank you Mr. President. I yield the floor.

Mr. FEINGOLD. Mr. President, I rise to offer a few observations on the budget resolution, and on some recent developments that relate closely to our budget position.

In particular, I want to sound a note of caution to my colleagues, and urge that we refrain from basing our budget on the assumption that we will have significant budget surpluses in the near future.

Mr. President, the last six years or so have seen some dramatic improvements in our Federal budget position.

In part, this has been due to some tough budget discipline on the part of the White House and Congress.

In part, it has come as a result of a strong economy, itself the beneficiary of our budget discipline.

In January of 1993, I don't think anyone would have seriously predicted that we would be on the brink not only of balancing the unified budget, but also of eliminating the on-budget deficit, producing a balanced budget without having to rely on the Social Security Trust Fund balances to make up the difference.

Now that we are so close to actually balancing the government's books without using Social Security, some recent developments are all the more troubling to me.

I'll just note a few of them.

Let me begin with last year's half trillion dollar omnibus appropriations bill.

That measure was not only loaded up with special interest provisions, it ended up spending $20 billion over budget by using the emergency spending exceptions to our budget caps.

There were a number of reasons the bill ended up the way it did, and let me say that I hope the biennial budget measure offered by the distinguished Chairman of the Budget Committee (Mr. DOMENICI) can help prevent such situations from arising again.

I served in the Wisconsin State Legislature for 10 years using a biennial approach to budgeting, and I think such a structure at the Federal level might help prevent the kind of last minute omnibus appropriations bill we had last year where abuse of the budget process is almost inevitable.

Mr. President, I had hoped the new Congress would start off on a more fiscally responsible foot after having produced the omnibus appropriations bill last fall.

But I was disappointed that the first major piece of legislation we took up was just more of the same.

The bill that passed the Senate recently, S. 4, was another giant budget buster, providing spending increases of more than $50 billion over the next 10 years without a penny of offsetting savings elsewhere.

And it did so before Congress has had a chance to pass a budget resolution, even before this committee has produced a budget resolution for floor debate.

Mr. President, there was no reason to rush that bill through.

A pay hike for our armed forces would have received solid support as part of an overall budget plan. S. 4 was a politically popular bill, and rightly so.

There are good arguments for providing members of our armed forces and the national guard and reserve a pay hike.

Indeed, I very much want to support a pay hike for them.

But not outside of an overall budget plan, and not in a measure that busts the budget.

Mr. President, this brings me to the President's budget, the budget resolution reported out of the Budget Committee, and the alternative budgets various interests have proposed.

Each of these budget proposals is centered around the use of projected budget surpluses.

Indeed, it is the use of those very surpluses that in a sense defines the goals of these budget proposals, and distinguishes one from another.

Mr. President, as I noted before, we have come a long way in the last 6 years.

We now have the opportunity to achieve a truly balanced budget, one that does not rely on Social Security Trust Fund balances.

We are within striking distance of producing genuine surpluses.

But let me emphasize, we may be within striking distance, but we aren't there yet.

Mr. President, we do not have a budget surplus now, and I am concerned that for several reasons we may not achieve one.

While subsequent estimates may change, the most recent CBO estimates show we do not have a budget surplus this year, and CBO does not project a genuine on-budget surplus of any significant size until FY2002, when a $55 billion on-budget surplus is projected.

Mr. President, even those modest surpluses are based on assumptions that may prove to be overly optimistic.

CBO currently projects non-Social Security surpluses of slightly over $800 billion over the next ten years.

But in making those projections, CBO assumes that total discretionary spending will remain under the caps we agreed to in 1997, and that after 2002, total discretionary spending will be held to inflationary increases only.

Mr. President, according to the Center for Budget and Policy Priorities, these assumptions mean that discretionary spending over the next 10 years will be $580 billion below current levels in real terms.

Put another way, if we simply held discretionary spending at a level which reflects current services, and adjusted only for inflation, nearly three-quarters of the projected surpluses over the next 10 years will vanish.

Mr. President, some will argue Congress and the White House will hold to the spending caps, and will cut the amount of spending necessary to produce the projected surpluses.

Let me suggest that given the omnibus appropriations bill of last fall, the military pay increase bill of last month, and the desire of so many to focus on the surpluses we hope for, those assumptions about limiting our spending appear to be extremely fragile.

Beyond our ability to live up to the spending and tax assumptions that produce the projected surpluses, we know that projections can change quickly.

Just since last August, the CBO projections for unified budget surpluses over the next 10 years have increased by about $1 trillion—a change that is itself larger than the non-Social Security surplus over that same period.

Estimates that can grow by $1 trillion in a few months can shrink by the same amount just as quickly.

Altogether, Mr. President, the projected surpluses are far from a sure thing, and we should not be writing budgets that commit us to spending and taxing policies that are so utterly dependent on them.

AMENDMENT NO. 211

Mr. HUTCHINSON. Mr. President, I rise today to inform my colleagues about some of my thoughts about Amendment 211 that was authored by my good friend from Pennsylvania, Senator SANTORUM. This Amendment to S. Con. Res. 20, was accepted by the Senate by unanimous consent.

Mr. President, I know that I am not alone in stating that many of us in the Senate believe that, first and foremost, we believe that the Davis-Bacon Act should be repealed. If full repeal is not possible at this time, there are meaningful steps we should take in the meantime to get us to that end.

Mr. President, we must allow widespread use of ‘‘helpers’’ on federal construction projects. Considering our nation's changing welfare-to-work environment and with the importance of revitalizing disadvantaged communities, it is particularly critical that the government not limit opportunities for entry-level jobs.

Congress should exempt schools from the outdated rules and restrictions and give local school districts the flexibility to spend resources where they will most effectively meet students' educational needs.

The Davis-Bacon wage process has been shown to be inaccurate, subject to bias, and used as a tool to defraud taxpayers. In March 1997, a DOL Inspector General's report confirmed that 2/3 of the wage surveys were inaccurate. In January 1999, a General Accounting Office report found errors in 70% of the wage forms, and confirmed frequent errors go undetected and the high proportion of erroneous data ‘‘poses a threat to the reliability’’ of prevailing wage determinations.

Mr. President, again, I know that I am not the only Senator who would prefer repealing Davis-Bacon, but in light of the spirit of Senator SANTORUM'S Amendment to the FY2000 budget measure, I ask that we at least consider the reform points I outlined above.

VETERANS HEALTH CARE

Mr. JOHNSON. Mr. President, I was pleased that I was able to join with my colleague Mr. WELLSTONE from Minnesota in passing an amendment to the Fiscal Year 2000 budget resolution to increase funding for veterans health care. This amendment will help correct a serious injustice to our nation's veterans that I believe demands urgent attention by Congress and the Clinton Administration.

This will be the fourth consecutive year, that the Clinton Administration has proposed a flat-line appropriation for veterans' health care in its FY 2000 budget request. The VA's budget includes a $17.3 billion appropriation request for the Veterans Health Administration (VHA). Although, the Clinton Administration's request includes allowing the VA to collect approximately $749 million from third-party insurers—$124 million more than in FY 1999, this cap on medical spending places a greater strain on the quality of patient care currently provided in our nation's VA facility, especially when meeting the needs and high health costs of our rapidly aging World War II population.

In a memo to VA Secretary Togo West, Under Secretary for Health Dr. Kenneth Kizer expressed concern that the Administration's FY 2000 requested budget ‘‘poses very serious financial challenges which can only be met if decisive and timely actions are taken.’’ He indicates that cuts must be made now to preclude even deeper cuts such as ‘‘mandatory employee furloughs, severe curtailment of services or elimination of programs, and possible unnecessary facility closures.’’ Dr. Kizer also states that ‘‘. . . changes are absolutely essential if we are to prepare ourselves for the limitations inherent in the proposed FY 2000 budget.’’

I have met with several representatives of South Dakota's veterans' organizations who have expressed their justifiable fears and frustrations that the VA's flat-lined health care budget is causing mandatory reductions in outpatient and inpatient care and VA staff levels. Since 1992, over 150 full-time employees at the Ft. Meade VA facility have been cut do to insufficient budgets. There are legitimate fears in South Dakota that inpatient care will be eliminated from one of our VA facilities if an immediate solution is not found to augment the VA's budget.

Peter Henry, Director of the Ft. Meade/Hot Springs VA facilities has been raiding from other budgets and has been forced to close other services in order to provide health care for veterans in western South Dakota. If the FY 2000 VA budget is not increased, Dr. Henry will soon be forced to reduce inpatient care and could result in possible denial of certain category veterans.

South Dakota's veterans are tired of hearing what the VA cannot do for them. It is time for Congress and the VA to tell veterans ‘‘Yes, we can and will help you.’’

Many of South Dakota's 70,000 veterans contend that four years of flat-lined budgets for VA health care has left the system in danger of losing as many as 8,000 employees nationwide, eliminating health care programs and possibly closing VA facilities like the one in Sioux Falls. I have heard from people like Harry VandeMore, a Korean war veteran, who said, ‘‘There was plenty of money to send me to Korea. There was plenty of money for hand grenades, plenty of money for rifle shells. I guess the government would like to throw me out in the weeds. I don't know where I would go for health care [without the VA]. The days of the hospital here in Sioux Falls are numbered if this keeps up.’’

Gene Murphy, a former national commander of the Disabled American Veterans and now state adjutant for the South Dakota DAV, feels that ‘‘. . . our government is always happy to send us off to war, but apparently they're not so happy to take care of us when we come back.’’

Since I began my service in Congress over twelve years ago, I have held countless meetings, marched in small town Memorial Day parades, and participated in Veterans Day tributes with South Dakota's veterans. As the years go on their concerns remain the same. To ensure that Congress provides the VA with adequate funding to meet the health care needs for all veterans. Without additional funding South Dakota VA facilities will continue to face staff reductions, cutbacks in programs, and possible closing of facilities.

Too often, I have received letters from veterans who must wait up to three months to see a doctor. For many veterans who do not have any other form of health insurance, the VA is the only place they can go to receive medical attention. They were promised medical care when they completed their service and now many veterans are having to jump through hoops just to see a doctor.

Our nation's veterans groups have worked extensively on crafting a sensible budget that will allow the VA to provide the necessary care to all veterans. They have offered an Independent Budget that calls for an immediate $3 billion increase for VA health care to rectify two current deficiencies in the VA budget. First, the VA has had to reduce expenditures by $1.3 billion due to their flatlined budget at $17.3 billion. These were mandatory reductions in outpatient and inpatient care and VA staff levels that the VA had to make due to their flatlined budget.

The remaining $1.7 billion is needed to keep up with medical inflation, COLAs for VA employees, new medical initiatives that the VA wants to begin (Hepatitis C screenings, emergency care services), long term health care costs, funding for homeless veterans, and treating 54,000 new patients in 89 outpatient clinics.

Mr. President, as a member of the Budget Committee I was encouraged that an additional $1 billion was added for veterans health care. Although this will help relieve some of the VA's budgetary constraints, I believe that more needs to be done. The veterans community has requested that VA health care needs to be augmented by $3 billion to ensure the provision of accessible and high quality services to veterans. That is why I offered an amendment during the Budget Committee mark up of the budget resolution that would have raised VA health care by an additional $2 billion. The nation's top veterans groups (AMVETS, Blinded Veterans Association, Disabled American Veterans, Paralyzed Veterans of America, Veterans of Foreign Wars and Vietnam Veterans of America) voiced their strong support for my amendment in a letter that I shared with members of the Committee. Unfortunately, my amendment failed 11–11.

Therefore, I along with Senator WELLSTONE offered an amendment that once again increased veterans health care by $2 billion. I was pleased that the Senate accepted my amendment by a vote of 99–0. The future of health care for veterans at the Sioux Falls, Hot Springs, and Ft. Meade VA facilities and in VA hospitals across the country will be sustained by this $3 billion total increase for veterans health care. The VA must be provided with every resource to provide quality care for all eligible veterans who walk into a VA facility.

Mr. President, I feel that our VA facilities are on the verge of a catastrophic collapse if we continue to remain idle on this issue. In 1972, the Sioux Falls VA medical facility contained 269 beds for inpatient care. Today, they are down to 44 beds. This is a facility that saw 75,000 people walk through their doors last year. Some veterans have told me that when they go to the VA they see more janitors than nurses. This is unacceptable. If we want to provide care for all eligible veterans who walk into a VA facility Congress needs to act now.

The funding required for this amendment represents a minute fraction of the total federal budget that we are debating here today. However, the funding we set aside to improve accessibility and quality of care within our veterans health care system will provide a tremendous boost for an already stretched and fractured VA medical system.

As we enter the twilight of the Twentieth Century, we can look back at the immense multitude of achievements that led to the ascension of the United States of America as the preeminent nation in modern history. We owe this title as world's greatest superpower in large part to the twenty-five million men and women who served in our armed services and who defended the principles and ideals of our nation.

From the battlefields of Lexington and Concord, to the beaches of Normandy, and to the deserts of the Persian Gulf, our nation's history is replete with men and women who, during the savagery of battle, were willing to forego their own survival not only to protect the lives of their comrades, but because they believed that peace and freedom was too invaluable a right to be vanquished. Americans should never forget our veterans who served our nation with such dedication and patriotism.

Mr. President, I want to thank Senator WELLSTONE and my Senate colleagues for supporting my amendment. Acceptance of my amendment was just one victory in the war to provide decent, affordable health care for South Dakota's veterans. By passing this amendment we live up to our obligation to our nation's veterans and ensure that they are treated with the respect and honor that they so richly deserve.

MEDIA COVERAGE OF FEDERAL COURT PROCEEDINGS

Mr. SCHUMER. Mr. President, I am pleased to join Senator GRASSLEY in introducing this legislation to permit federal trials and appellate proceedings to be televised, at the discretion of the presiding judge.

Former Chief Justice Warren Burger once said of the U.S. Supreme Court, ''A court which is final and unreviewable needs more careful scrutiny than any other. Unreviewable power is the most likely to indulge itself and the least likely to engage in dispassionate self-analysis . . . In a country like ours, no public institution, or the people who operate it, can be above public debate.''

I believe that these words are applicable to the entire federal judiciary. As such, I strongly support giving federal judges discretion to televise the proceedings over which they preside. When the people of this nation watch their government in action, they come to understand how our governing institutions work and equip themselves to hold those institutions accountable for their deeds. If there are flaws in our governing institutions—including our courts—we hide them only at our peril.

The federal courts are lagging behind the state courts on the issue of televising court proceedings. Indeed, 48 out of the 50 states allow cameras in their courtrooms in at least some cases. Moreover, a two-and-a-half year pilot program in which cameras were routinely permitted in six federal district courts and two courts of appeals revealed near universal support for cameras in the courtroom.

Our bill would simply afford federal trial and appellate judges discretion to permit cameras in their courtrooms. It would not require them to do so. Furthermore, to protect the privacy of non-party witnesses, the legislation would give such witnesses the right to have their voices and images obscured during their testimony.

A version of this legislation passed the House in the previous Congress. I eagerly anticipate Senate passage and the day when openness is the norm in our federal courtrooms, not the exception.

Mr. JOHNSON. Mr. President, I oppose the Republican Budget Resolution because it supports the wrong priorities.

1998 was an exceptional year in this country's modern economic history. We enjoyed the first budget surplus in 29 years and the economy exceeded expectations and continued to expand in the face of international instability—unemployment remained low; wages continued to increase; welfare recipients declined; home ownership increased; and interest rates remained low. All of is good news has allowed the White House, the Congress, and the American people to begin debating how to use future surpluses which are projected for the foreseeable future.

As a Member of Congress who arrived in Washington when the annual federal budget deficit was over $220 billion and still growing, I am extremely pleased and a little amazed that we have gotten to where we are today. That said, I think it is extremely important that Congress proceed carefully in the coming years to ensure we make wise choices that will keep this country's budget running in the black for years to come.

Writing the FY 2000 budget is our first test of how we will handle existing and future surpluses to ensure long-term economic growth and stability, and it is a test too important to coming generations for us to fail. I believe that this year's budget resolution should follow four principles: first, we must save Social Security and Medicare; second, we should pay down the national debt; third, we should support targeted tax relief to low and middle-income Americans; and finally, we should identify and support critically needed discretionary priorities.

Unfortunately, the Republican Budget Resolution doesn't follow these principles, which I believe are critical to balancing the many pressing needs of this nation. First, the Republican Budget Resolution does nothing to preserve Medicare. Second, while I support targeted tax cuts, I cannot support the use of essentially all future on-budget surpluses for tax cuts at the expense of Medicare solvency and other critical discretionary investments such as veterans health care. Third, the Republican budget resolution reduces non-defense discretionary spending by $20 billion in FY 2000. Finally, while the resolution increases funding for some programs and protects others from cuts, the bottom line is that discretional programs such as agriculture, head start, law enforcement, and many other critically important programs could be cut by more than 12% under the Republican Budget Resolution. I support preserving the discretionary caps and acknowledge that the caps force many tough decisions on decisions on discretionary spending priorities. However, I firmly believe that we can do a better job of balancing discretionary priorities than what is included in the Republican Budget Resolution.

AMENDMENT NO. 197

Mr. LIEBERMAN. Mr. President, I rise today to offer a Sense of the Senate resolution as an amendment to the Budget Resolution. I am pleased to be joined in this endeavor by Senators SANTORUM, BINGAMAN, and ABRAHAM. As my colleagues know, saving is empowering. It allow families to weather the bad times, to live without aid, and to deal with emergencies. But more than just being a safety net, savings offer families a ladder up. That is because saving is the first step towards developing assets. And assets beget assets. Having them can actually change a family's economic station and set a better course for generations to come.

Yet, despite our booming economy we know that fully a third of all American households have no financial assets to speak of. For those with children the outlook is even worse. Almost half of all American children live in households that have no financial assets. This, in my view, is an untenable situation that should be changed.

Mr. President, we in the Senate have produced some innovative legislation in recent years that are designed to encourage Americans to build assets for retirement. That is due in no small part to the leadership of Senator ROTH and Senator MOYNIHAN; Senate leaders who understand the importance of savings. However, I believe that we have been remiss in neglecting the American that assets can benefit the most: the working poor. They need to build assets not just for retirement, but also for the betterment of their lives and those of their children.

So Mr. President I, along with my distinguished colleagues offer this Sense of the Senate. It simply says that the tax laws should encourage low-income workers and their families to build assets. Similar language was offered by Representative THOMPSON, and passed unanimously in the House Budget Committee mark-up. I hope that this resolution will also be accepted here unanimously. Thank you and I cede the remainder of my time.

AMENDMENT NO. 224

Mr. ASHCROFT. Mr. President, I rise today to pose a question to my colleague, Mr. BAUCUS. I would like to thank my colleague, Mr. BAUCUS for working with me on our amendment concerning Korea's compliance with their trade agreements. For our beef and pork producers, this couldn't come at more pressing time. Particularly since the South Korean Government reportedly has been subsidizing its pork exports to Japan and these subsidies are hindering U.S. pork producers from capturing their full potential in the Japanese market.

However, I would like to take a moment to pose a question to Mr. BAUCUS in order to clarify paragraph (4). My question is what kind of report do we intend to request? And how shall we define what ''resources'' shall be reported upon?

Mr. BAUCUS. I thank you for working with me on this measure and agree with you that it is critical that South Korea live up to its trade agreements concerning beef and pork. For that reason, I agree that we should clarify the implications of paragraph (4). In answer to your questions, I would respond that reporting to Congress is meant to say that any reporting will: be in verbal form. And, second, that reports on resources used to stabilize the South Korean market will be provided by the Department of Treasury and the Department of Agriculture as appropriate.

Mr. ASHCROFT. I concur with your suggestions and urge all of my colleagues to support the measure as defined.

Mr. ABRAHAM. Mr. President, I am joined today by Senator CRAPO in offering a Sense of the Senate amendment rejecting a new tax proposed by the Clinton Administration. I am very pleased that this amendment has been cleared on both sides of the aisle and will be accepted by the full United States Senate. This unanimous voice vote for the Abraham-Crapo amendment demonstrates beyond shadow of a doubt that this association tax increase proposal is dead on arrival here in the United States Senate.

As part of the Administration's fiscal year 2000 budget proposal, this tax would be levied on the investment income earned by non-profit trade associations and professional societies. This proposal, which would tax any income earned through interest, dividends, capital gains, rents and royalties in excess of $10,000, imposes a tremendous burden on thousands of small and mid-sized trade associations and professional societies currently exempt under 501(c)(6) of the Internal Revenue Code.

The Administration would like us to believe that this tax is targeted to a few large associations, affecting only those ''lobbying organizations'' which exist as tax shelters for members and to further the goals of special interests. Mr. President, nothing could be further from the truth.

This new tax would affect an estimated 70,000 registered trade associations and professional societies. The bulk of these associations operate at a state and local level, many of whom perform little, if any, lobbying function. In fact, associations rely on investment income to perform such vital services as education, training, standard setting, industry safety, research and statistical data, and community outreach. Through association organized volunteer programs, Americans contribute more than 173 million volunteer hours per year, at a value estimated at over $2 billion annually.

These organizations already contribute millions in taxes for any activities which place them in competition with for-profit businesses. Yet the Administration would like to impose a new tax on income earned outside of the competitive business environment, income which is used to fund functions serving the public welfare. Unlike for-profit corporations, investment income does not go to shareholders, individuals, or other companies. Associations do not have the liberty of simply raising prices, as do ordinary corporations, to cover increased costs.

Mr. President, faced with an additional increase in taxes of $1.44 billion over the next five years, many trade associations will be forced to cut back on important services, and some may not survive an economic downturn without the small cushion their investments provide. Without such services provided by associations, the government will be forced to step in, increasing expenditures and creating additional government programs and departments.

During a time when the government is projecting on-budget tax surpluses of more than $800 billion over the next 10 years, it is unconscionable that we allow the Administration to levy a new tax on these non-profit organizations.

Mr. President, in summary, the unanimous vote puts the entire Senate on record as rejecting this misguided tax increase on trade associations. Should this association tax proposal surface as a part of—or as an amendment to—tax reduction legislation reported by the Senate Finance Committee later this year, I will fight to ensure that the Senate adheres to the vote that we have taken today expressing the Sense of the Senate that it ought to be rejected outright.

Mr. ROBB. Mr. President, this is the third time this year that I've come to the floor to express my strong support to help states and localities build and repair our children's schools. I am concerned that this budget resolution, which often serves as our roadmap throughout the appropriations process, does not adequately take into account the urgent need that school districts are facing throughout the country. Not only do we have old schools in desperate need of repair, we also have a growing student population. States and localities simply cannot keep up with their school construction and repair needs. They cannot pay for major infrastructure projects without our help.

Mr. President, this is what we know. We know that the average school building in the country is 50 years old. We know that GAO estimates that we need $112 billion just to repair old buildings to make them safe. And Mr. President, we know that over the last ten years, public school enrollment has increased 16.4% and that GAO estimates that it will cost an additional $73 billion to build the new schools we need to accommodate this surge in enrollment.

Mr. President, in Virginia, there are over 3,000 trailers in use. These trailers are not wired to the Internet; they're not even wired to their own schools network. Over the last two years, 38% of our school districts have been forced to close at least one building in each district due to facility-related problems. The most commonly reported problem was the insufficiency of air-conditioning and ventilation. In fact, our students have lost 38 days of instructional time—that's seven weeks—because of problems with the air conditioning.

But these problems are not unique to Virginia. School infrastructure problems exist everywhere. In Alabama, it is reported that the roof of an elementary school collapsed just after the children had left for the day. In Chicago, teachers place cheesecloth over air vents to filter out lead-based paint flecks from getting into their classrooms. In Ohio, there are even some children who use outhouses instead of modern-day restrooms. Roughly forty percent of New Mexico schools have inadequate electrical wiring, and fifty percent of Delaware schools report inadequate plumbing systems.

The list goes on and on.

Developing a budget is about setting priorities. I have long believed that we have three basic priorities which should come before all others: we should provide for our citizens a strong national defense, we should provide quality education for our children, and we should not pass on debt to the next generation.

When we consider the federal role in education, we should focus on helping states and localities to meet their pressing needs. And Mr. President we have pressing needs when it comes to the condition of our schools. It is a pressing need when we see children fainting in school because the building has no air conditioning. It is a pressing need when we see a child attending class in a trailer. It is a pressing need when we see leaky, unsafe roofs. I don't believe that any parent would deny that their children's needs come first.

We should not procrastinate in finding a solution to this problem. This amendment is broadly worded. It doesn't target the money to any particular population. It doesn't impede stats' efforts to begin their construction projects. Where there are disagreements on how to allocate federal funds to the states, or whether or not to target a certain portion of those funds, or whether to have more private sector involvement, or what amount of federal dollars we can afford, let's talk about those issues. But let's at least agree that we in Congress do have an important role to play. This amendment is merely an attempt to determine whether this Congress is going to recognize our national school construction crisis. Our states and localities have recognized the crisis and are reaching out for our help.

Mr. President, last session Congress recognized another infrastructure need—our national transportation need—and appropriated $216 billion for roads and transit projects. If we can recognize this national need, come together on a bipartisan basis, and pass legislation to build roads, surely we can come together to build schools. Schools are more than just classrooms, they're community centers. Schools provide more than just classroom instruction, they provide the keys to the future.

Mr. President, this amendment is a starting point. Let's at least send the right message to this Nation: that we see the leaking roofs, that we see the cracked walls, that we see all the trailers—and that we are willing to help.

I thank my friends, Senator LAUTENBERG and Senator HARKIN, and all those who have co-sponsored this amendment and I urge its adoption. With that, Mr. President, I yield the floor.

Ms. COLLINS. Mr. President, I rise on behalf of Senator GREGG and myself to offer a Sense of the Senate Amendment to reaffirm the commitment of the United States government to make good on the promise it made in 1975 to fund special education and to reject the President's efforts to undermine this commitment.

When Congress passed the Individuals with Disabilities Education Act in 1975, the federal government promised states and local school districts that Washington would help them meet the cost of educating students with special needs. The federal government pledged to pay 40 percent of the average cost of providing elementary and secondary education for each student receiving special education. Unfortunately, the federal government has failed to meet this obligation, creating an unfunded mandate that must be borne by every state and community in America.

Due to the efforts of Senator GREGG and others, we are making progress. The appropriation for Fiscal Year 1999 contained a 13 percent increase in special education funding. As the Table behind me shows, the Budget Resolution before the Senate increases funding for K–12 education by $27.5 billion more than the President's budget over the next five years. This includes an increase of $2.5 billion dollars for special education over the next five years.

We must not retreat from our commitment to fund special education, as the President's budget proposes to do. This Sense of the Senate resolution will make clear that we reject the President's flat funding of special education grants to the states. Instead, it expresses the Senate's intention to fulfill the pledge made years ago.

What would this mean for our states and local school districts? Let's take my home State of Maine as an example. In the 1997–1998 school year, the total cost of special education was $189 million dollars. The Individuals with Disabilities Act promised Maine $2,318 per student receiving special education services, but the federal government only sent the states slightly more than $535 per student—which means that Maine received $57 million dollars less than what had been promised.

For the current school year, the increased appropriation for special education brings the federal payment to $638 per student but still leaves a shortfall that exceeds $55 million. The President's budget proposal for fiscal year 2000, however, reverses this progress and allows the federal shortfall in Maine alone to grow to almost $59 million. According the U.S. Department of Education, the unmet mandate will reach over $11 billion nationally. We can not continue to shift this burden to our local communities. We must meet the federal commitment to help pay for special education and end this unfunded mandate.

I want to quote briefly from a letter I received last week from the Governor of Maine. In the letter, Governor Angus King describes the consequence of this mandate on Maine's communities.

> The costs of special education (in Maine) . . . continue to grow dramatically, at nearly twice the rate of increase in overall education spending. The federal mandate to provide all children with a free and appropriate education is being met, but the rising costs of special education are borne by local property taxpayers. The fiscal pain of meeting this mandate is dividing our communities around an issue on which we should be united—helping every child meet this or her full potential, without regard to disability.

In Maine, meeting this mandate accounts for millions of dollars annually, dollars that otherwise could be used for school construction, teacher salaries, new computers, or any other state effort to improve the performance of our students.

We need to increase federal spending on education, but we do not need new federal categorical programs with more federal regulations and dollars wasted on administrative costs. Rather we need to meet our commitment to bear our fair share of special education costs. As Governor King told President Clinton several weeks ago, ''If you want to do something for schools in Maine, then fund special education and we can hire our own teachers and build our own schools.'' This is true for every state. The best thing this Congress can do for education is to move toward fully funding, the federal government's share of special education—not standing in place as the President's budget would have us do.

I urge my colleagues to support this commitment to give our states and local communities the financial help they have been promised and so desperately need. Let's finally keep the promise made more than 20 years ago.

Mr. SNOWE. I support the Chafee amendment that assumes funding of $200 million specifically for the stateside program of the Land and Water Conservation Fund to come out of Function 370. It is my understanding that no specific program in Function 370 has been designated as an offset for the Chafee amendment. The ultimate funding decision of course rests with the appropriators, but I wanted to take this opportunity to cast my support for funds for the LWCF stateside program, which has not received any funding since 1995.

Up until 1995, LWCF stateside program funds were used in my state to assist communities for planning, acquiring and developing outdoor recreation facilities that would not otherwise have been affordable, especially in the smaller communities in Maine.

The LWCF stateside program has funded such local projects in Maine as the community playground in Durham, the Mt. Apatite trails in Auburn, the Dionne Park Playground in Madawaska, the East-West Aroostook Valley trail in Caribou, the Williams Wading Pool in Augusta, multi-purpose fields in St. George, Hampden, Buxton, Calais, and Bradford, the skating rink in Bucksport, and wharf rehabilitation in Greenville.

By leveraging state dollars with critical LWCF stateside funds, Maine's communities have been able to enjoy recreational facilities such as neighborhood parks, swimming pools, and ball fields, and also have had the opportunity to conserve certain highly valued lands that the citizens of the state wish to save for outdoor recreational activities for themselves and for generations to come.

I thank the Chair.

Mr. JEFFORDS. Mr. President, I am proud to stand with my colleague from Maine in offering this important amendment to the Budget Resolution. Senator COLLINS has been a leader in the area of higher education and she has contributed a great deal as a member of the Health, Education and Labor and Pensions Committee.

Last year, the Health, Education, Labor, and Pensions Committee reported and Congress passed the Higher Education Amendments of 1998. We adopted the conference report to accompany that bill by overwhelming, bipartisan vote of 96–0. Throughout the process, we were determined to craft legislation that offered students more opportunities. We kept our sights clearly focused on the goal of increasing educational opportunities for all our nation's students.

We achieved our goal and as a result, students will receive significant benefits from the passage of that legislation. They will benefit from the lowest interest rate in 17 years on their new student loans. They will benefit from strengthened and improved student grant programs and campus based programs. They will benefit from the creation of a performance based organization housed in the Department of Education which will vastly improve the delivery of student financial aid. More of our nation's aspiring students will be prepared for and able to pursue higher education because of programs like TRIO and GEAR UP. Clearly, that bill went far in opening the door to all who dream of pursuing higher education.

We have an opportunity today to take another step forward in meeting the goals that we set out in the Higher Education Amendments of 1998.

The Sense of Senate offered by Senator COLLINS, myself and others follows the blueprint that we laid out during reauthorization and encourages the Appropriations Committee to increase funding for some of the most critical programs designed to help our neediest students succeed at the undergraduate level.

Earlier this year I called for a $400 increase in the maximum Pell grant. The importance of this program cannot be overstated—it is the cornerstone of our federal investment in need-based grant aid. It has helped millions of young people obtain a degree. The Pell grant has made a positive difference in the lives of individual students who received it and it is has made a positive difference in the well being of our nation. Thanks to the Pell grant, more Americans have received a post secondary degree, the knowledge base of our nation has been expanded and the earnings base of our nation has increased.

This Sense of the Senate also calls on Congress to increase funds for other programs that have as their goal increasing access to post secondary study for our nation's neediest students. The SEOG program, Perkins Loans, LEAP, Federal Work Study and TRIO all are targeted to provide additional assistance, both financial and educational, to students who really need it the most. These funds often times make the difference for a student between making it through school or dropping out. Therefore, our efforts today in support of these programs are critical.

We are pleased to have the support of nearly all the major higher education groups on this amendment. These organizations represent the students and institutions and they have a deep, first-hand understanding of how important this federal investment is to today's undergraduate students.

I applaud my colleague from Maine, Ms. COLLINS for her contributions to the Higher Education Amendments of 1998 and for the effort she is making today.

I urge all of my colleagues to support this amendment.

Mr. DEWINE. Mr. President, I am pleased to join with my distinguished colleague from New Mexico, Senator BINGAMAN, to introduce this amendment, which would once again put this Senate on record in support of restoring our nation's military science and technology base. Specifically, our amendment expresses the Sense of the Senate that the budgetary levels for the Defense Science and Technology program should be consistent with the 2% real increases in the budget request called for by Congress in last year's Defense Authorization Act.

Without question, our nation has built the most technologically superior military force in the history of mankind. During our recent demonstration of resolve against Saddam Hussein, the men and women who participated in Operation Desert Fox were virtually untouchable. The results of their efforts were amazing: we attacked over 100 separate targets in an effort to degrade Saddam Hussein's military infrastructure. We totally destroyed 85 percent of these targets, and partially damaged the remainder, all without so much as a scratched airplane.

Why are our aircraft so overwhelmingly dominant and untouchable on the battlefield? The answer: the Air Force made an investment many years ago in science and technology research and we are now reaping the returns of that investment.

Unfortunately, in recent years, the Air Force, as well as our other service branches, have made significant reductions in its investment in scientific research which may cast a long, dark shadow on the success of tomorrow's military. Over the last 10 years, the Air Force, for example, has reduced the S&T workforce by 2,375 people. A large number of these talented individuals came from Wright-Patterson Air Force Base in Dayton, Ohio. And unless we in Congress take action, Wright-Patterson and other similar bases across our country will continue to lose this unrivaled expertise.

Mr. President, this should be of great concern to all of us. Continued investment in Defense S&T research is crucial if we are to meet the challenges ahead. Yes, our nation's central security concern of the past half century—the threat of communist expansion—is gone. However, the world is far from being a safe place. Every day, our nation faces more and more diverse and complex challenges—as highlighted by recent events in the Middle East, Kosovo, international terrorism, proliferation of weapons of mass destruction and the means to deliver them, and the flooding of illegal drugs into our country. These threats to stability and security require an enduring commitment to diplomatic engagement and military readiness. In both instances, science and technology research plays a critical role.

Today we lead the world in virtually every measure of technological development, but we can't rest on our recent successes. To remain the best we have to continue to offer the best technology and employ the best scientists, engineers, technicians, and innovators. The brave men and women of tomorrow's military will have to fight with the technology we invest in today—what we do today will have a direct impact on our success tomorrow.

Since the founding of our great nation, scientific discovery and technological innovation have advanced our military capabilities and economic prosperity, ensuring the United States' position as a world leader. I must confess a great deal of personal pride in the dedicated men and women at Wright-Patterson Air Force Base—the Defense Department's largest research site—who play no small part in this endeavor.

Wright-Patterson, founded in 1917 and formerly known as McCook Field, has given the nation technological advancements too numerous to count. These include advanced lightweight aerodynamic designs, advanced jet engines, hypersonic lifting bodies, development of the first ''smart weapons,'' and many, many others.

It is doubtful we will see that kind of achievement in the near future. My colleagues and I are here offering this amendment because we are very concerned that the proposed level of funding for Defense S&T programs for next year is nearly $400 million below the level Congress provided this year.

I am very troubled about the Air Force's proposal to use Air Force S&T resources to fund the Space Based Laser and Discoverer II (space-based radar) program beginning in FY 2000. It is our understanding that these previously non-S&T programs were inserted into the FY 2000 Air Force late in the budget process, while providing no additional funding to cover the costs of current S&T programs. This represents a significant reduction in our Air Force S&T investment in FY 2000 and the outyears, and unless Congress acts, will result in drastic cuts in critical Air Force research programs, severe reductions in force, and weaken our overall Air Force technology base. In fact, earlier this month, the Air Force Research Laboratory at Wright-Patterson Air Force Base (WPAFB) announced it would lose 163 civilian positions as a result of the Air Force's proposed FY 2000 S&T budget.

Now that Congress has agreed to address emerging readiness issues and increase our investment in our national defense, our long term readiness requires Congress to reverse the dangerous decline in S&T funding. Last year, Congress recognized this downward trend in our S&T investments and passed legislation that called for an increase in the budget for Defense S&T programs in all the Services by at least two percent above the rate of inflation for each year for the next nine years.

Rebuilding Defense S&T is more than in investment in programs, but in people as well. Simply restoring funding for S&T will not automatically bring that lost expertise back. It has to be built up over time. In order to take advantage of next generation technology, we need to begin recruiting the next generation of innovators.

For these reasons, it's important that we pass a long-term budget plan that is consistent with the goal we set last year to rebuild our Defense S&T programs and personnel. We can start that effort by passing the amendment offered by the Senator from New Mexico. If we abide by the commitment embodied in this amendment, we will give tomorrow's military the tools it needs to ensure our national security needs are met. In addition, by investing in highly qualified personnel, we are making it possible to devote the best minds toward developing the best technology. We must invest now so our children can enjoy the peace and prosperity that comes with being second to none in military technological superiority.

I thank the Chair.

Mr. FITZGERALD. Mr. President, I rise today to introduce a sense of the Senate amendment to the budget resolution, S. Con. Res. 20.

As we prepare to work on this year's federal budget, everyone seems to be talking about what we should and should not do with the Social Security trust funds. There is a growing understanding that the federal government mixes the revenues of the Social Security trust fund in with the revenues of the general fund in order to cover-up continuing annual deficits. What many people may not know is that the government does the same thing with over 150 other trust funds, mixing them all in with the general fund.

The ''surpluses'' now being talked about are entirely fictitious, the result of misleading and deceptive accounting practices. The ''surpluses'' disappear once borrowing from the Social Security trust funds ($121.9 billion in the current fiscal year) and borrowing from all other trust funds ($67.9 billion in the current fiscal year) are subtracted. That's why the national debt will rise by $395.6 billion between FY 1998 and FY 2004.

I believe it is wrong for our government to use deceptive accounting practices. I believe it is wrong to encourage the perception that we are running annual surpluses, when in fact we are continuing to run annual deficits and continuing to add to the national debt. Anyone in the private sector who engaged in similar practices would, by our own laws, be subjected to prosecution and imprisonment. Why do we allow the government to use accounting shell games that would be illegal anywhere else?

To provide a more accurate picture of our country's financial situation to the American people, I have this amendment to the Budget Resolution. This Sense of the Senate amendment states that the Office of Management and Budget and the Congressional Budget Office should separate the revenues of all government trust funds from the general fund and report the budget deficit or surplus when all trust funds are excluded.

This is an incremental first step toward changing the way Congress and the President budget and spend taxpayer money.

I ask for your support in this effort to provide truthful budget numbers to the American people. This amendment is, in my judgment, completely nonpartisan. It makes no pre-judgments about tax cuts or spending increases. Instead, it simply seeks to expose a deceptive accounting practice long used by our federal government.

Thank you, Mr. President.

Mr. President, I rise to urge the passage of my Sense of the Senate amendment to the budget resolution, S. Con. Res. 20. This amendment will require truth-in-budgeting with respect to the on-budget trust funds.

There is a growing understanding that the federal government mixes the revenues of the Social Security trust fund in with the revenues of the general fund in order to cover-up continuing annual deficits. What many people may not know is that the government does the same thing with over 150 other trust funds, mixing them all in with the general fund.

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Mr. LIEBERMAN. Mr. President, this new era of budget surpluses presents us with a tremendous opportunity to expand our investment in education, particularly our efforts to improve our public schools and raise academic achievement. This opportunity could not come at a better time, given the growing importance of knowledge in this Information Age economy, the growing concerns parents have about the ability of our schools to adequately prepare America's children for the challenges ahead of them, and the growing interest here in Congress in retooling our Federal education policy this year through the reauthorization of the Elementary and Secondary Education Act.

The budget resolution before us makes an attempt to seize that opportunity providing for a $32 billion increase in elementary and secondary education programs over the next five years. But I am disappointed that the architects of this plan did not go further, that rather than making a dramatic statement about the priority we place on education quality, this resolution instead opts to devote far more resources to broad-based tax cuts. In particular, I am disappointed that, because of this preference for tax cuts, we have failed to fund the President's plan to help local school districts reduce elementary school class sizes by hiring 100,000 new teachers, a plan I am proud to have cosponsored. And I am disappointed that we have failed to fully fund our share of IDEA, to finally meet the pledge Congress made to cover 40 percent of the cost of providing a free and appropriate education to children with special needs. Eliminating this shortfall is by far the top priority of the teachers and principals and administrators in my state of Connecticut, whose budgets are being busted by the spiraling costs of meeting the requirements of IDEA, and who tell us that all children are suffering as a result.

It is my hope that we could rectify this imbalance, which is why I am joining many of my colleagues in cosponsoring an amendment that would significantly strengthen our investment in education. Specifically, it would shift one-fifth of the funding reserved for tax cuts, $156 billion over the next 10 years, into education accounts. This shift would enable us to fully fund the class-size initiative and meet our IDEA obligations, as well as provide additional resources to several important K–12 programs. This amendment is broadly supported by a wide array of education groups, and I believe that it truly reflects the will of the American, people who have repeatedly expressed their preference for using the surplus to lift up our schools over broad-based tax cuts.

I would strongly urge my colleagues on both sides of the aisle to support this amendment and send a clear signal to the American people about the priorities of this Congress, about our willingness to seize the unique opportunity this new budget environment affords to invest in our children's future.

Mr. KOHL. Mr. President, I rise today to express my strong support for the Kennedy-Dodd amendment. This amendment helps right a wrong that was committed during the Senate Ed-Flex debate several weeks ago. During that debate, the Senate adopted an amendment that effectively forces our school districts to choose between hiring teachers and providing services for students with special needs. This was unfair and unnecessary, and I am still hopeful that the amendment will be dropped in conference. However, I believe we need to do more than that—we need to send a strong signal to our school districts that we are committed to fulfilling our obligations to fully fund both IDEA and hiring teachers. The Kennedy-Dodd amendment does just that.

School districts in Wisconsin and across the nation are working hard to improve public education for all children. However, we in Congress must also live up to our obligation to assist them. Although the Federal government has the responsibility to fund 40% of the costs of special education, we are currently only funding about 10%. In addition, school districts will need to hire 2 million new teachers over the next decade, and we should continue to provide funding for them to do that.

The Kennedy-Dodd amendment provides full funding for the next six years for both IDEA and the hiring of teachers. This amendment sends a strong message—backed up by real dollars—that we will continue to be partners with local communities in improving education. It tells them we will not tie their hands and force them to choose between hiring teachers and serving students with special needs. It is our duty to live up to our obligations and fully fund both. I strongly urge my colleagues to support the Kennedy-Dodd amendment, and I yield the floor.

Mr. DEWINE. Mr. President, I am pleased to offer an amendment along with Senators, ABRAHAM, COVERDELL, BURNS, SANTORUM, SMITH of Oregon, GRAMS, BAUCUS, and ASHCROFT to the budget resolution on the importance of counter-narcotic funding. I offer this amendment because I want to make it crystal clear that this budget, and this Congress, should make a serious investment in anti-drug activities.

This amendment expresses a Sense of Senate that funding for federal drug control activities should be at a level higher than that proposed in the President's Budget Request for Fiscal Year 2000 and that funding for federal drug control activities should allow for investments in programs authorized in the Western Hemisphere Drug Elimination Act and in S.5, the proposed Drug Free Century Act, which I introduced earlier this year.

Mr. President, history has proven that a successful anti-drug strategy is balanced and comprehensive in three key areas: demand reduction—such as education and treatment; domestic law enforcement; and international supply reduction.

This is why last year, I introduced the Western Hemisphere Drug Elimination Act, a $2.6 billion authorization initiative over three years for enhanced international eradication, interdiction and crop alternative programs.

Two factors motivated me to launch this bi-partisan effort: a significant rise in teen drug use and a significant decline in our investment to seize drugs outside our borders. This dramatic decrease in our international efforts is one of the reasons why drugs have become more available and more affordable.

This wasn't always the case. The budget numbers tell an alarming and undeniable story. In 1987, the federal government's drug control budget of $4.79 billion was divided as follows: 29% for demand reduction programs; 38% for domestic law enforcement; and 33% for international supply reduction. This funding breakdown was the norm during the Reagan and Bush Administrations' efforts against illegal drugs, from 1985–92.

And during that time, our investment paid off. From 1988–1991, total drug use was down 13%. Cocaine use dropped by 35%. Marijuana use was reduced by 16%.

After President Clinton took office in 1993, this Administration pursued an anti-drug strategy that upset this careful funding balance. And by 1995, the federal drug control budget of $13.3 billion was divided as follows: 35% for demand reduction programs; 53% for domestic law enforcement, and only 12% for international supply reduction. The share of our anti-drug investment dedicated to stopping drugs outside our country dropped from 33% in 1987 to 12% in 1995.

Mr. President, our country is paying the price for this unfortunate change in strategy. Since 1992, overall drug use among teens aged 12 to 17 rose by 70 percent. Drug-abuse related arrests more than doubled for minors between 1992 and 1996. And the price of drugs also decreased during this time period.

Last year we passed the Western Hemisphere Drug Elimination Act and also provided a down payment of $829 million to get this initiative started.

Today, however, it is clear that the Administration is not yet ready to exercise the leadership Congress demanded on this Act. First, the Administration's Fiscal Year 2000 budget would invest less in our anti-drug efforts than what Congress provided this year. Second, regardless of repeated efforts to work with the Administration to get serious about eradication and interdiction, not one of the top priorities outlined in our bi-partisan Act were funded in the Administration's proposed budget.

So, once again, it is up to us in Congress to set the example and provide the leadership to ensure we implement a serious and balanced drug control policy.

Let me conclude by thanking the Chairman of the Budget Committee, Senator DOMENICI, and his staff, for their efforts to make sure this budget resolution represents the commitment we must make if we are truly serious about reducing drugs. It will take that kind of commitment to help us achieve once again a comprehensive and balanced drug control strategy. Most important, it will put us back on a course toward ridding our schools and communities of illegal and destructive drugs.

Mr. President, I urge my colleagues to support this important and timely amendment.

Mr. KENNEDY. Mr. President, earlier this month, under the impressive bipartisan leadership of Senator ROTH and Senator MOYNIHAN, the Finance Committee approved the Work Incentives Improvement Act of 1999 by a 16–2 vote. This important legislation sends a strong message that all Americans with disabilities have access to the affordable health care they need in order to work and live independently.

The Jeffords amendment endorses that legislation as part of the budget resolution, and will put the Senate on record that now is the time for barriers that prevent disabled people from obtaining employment to come down.

Despite the extraordinary growth and prosperity the country is now enjoying, people with disabilities continue to struggle to live independently and become fully contributing members of their communities. We need to do more to see that the benefits of our prosperous economy are truly available to all Americans, including those with disabilities. Children and adults with disabilities deserve access to the benefits and support they need to achieve their full potential.

Large numbers of the 54 million Americans with disabilities have the capacity to work and become productive citizens but they are unable to do so because of the unnecessary barriers they face. For too long people with disabilities have suffered from unfair penalties if they go to work. They are in danger of losing their cash benefits if they accept a paying job. They are in danger of losing their medical coverage, which may well mean the difference between life and death. Too often, they face a harsh choice between eating a decent meal and buying their needed medication.

The goal of the Work Incentives Improvement Act is to reform and improve existing disability programs so that they do more to encourage and support every disabled person's dream to work and live independently, and be productive and contributing members of their society. That goal should be the birthright of all Americans—and when we say all, we mean all.

It is a privilege to be part of this bipartisan effort with Senator JEFFORDS, Senator ROTH, Senator MOYNIHAN, and sixty-six other Senate colleagues. Work is a central part of the American dream, and it is time for Congress to give greater support to disabled citizens in achieving that dream. This legislation is the right thing to do, it is the cost effective thing to do, and now is the time to do it. I urge the Senate to make this commitment a part of the budget resolution.

Mr. LEAHY. Mr. President, I have worked for many years to try to keep the costs of prescription drugs down. Too many Americans are unable to afford the costly medications they need to stay healthy. Seniors in Vermont living on fixed incomes should not be forced to choose between buying food or fuel for heat, and paying for prescription drugs.

As part of this continuing effort, I am pleased to cosponsor the Prescription Drug Fairness for Seniors Act of 1999, which is being introduced today. This bill is an important step toward increasing the access of older Americans to the prescription drugs they need for their health and well-being. The Prescription Drug Fairness for Seniors Act will allow pharmacies to purchase prescription drugs for Medicare beneficiaries at the same discounted rates available to the federal government and large insurance companies. Seniors should no longer foot the bill for generous discounts to the favored customers of pharmaceutical companies. Under this legislation, seniors could see their medication costs decrease by more than 40 percent.

This is only the first step. We must begin to address the greater problem that the costs of most prescription drugs are not covered by Medicare. As drug costs skyrocketed 17 percent in the last year alone, paying for prescription drugs has become a tremendous out-of-pocket burden for seniors, who fill 18 prescriptions a year on average. I am encouraged by the debate on the Senate floor on the Budget Resolution which has focused on addressing the lack of a drug benefit. I will support efforts to include coverage of prescription drugs in the Medicare program. This is the right thing to do for seniors, and this is the right time to do it.

Mr. FEINGOLD. Mr. President, I rise to join my colleagues, Senators KENNEDY, JOHNSON, LEAHY, WELLSTONE, INOUYE, KERRY, and others in introducing the Prescription Drug Fairness for Seniors Act.

Mr. President, the sky-rocketing cost of prescription drugs has long been among the top 2 or 3 issues my constituents in Wisconsin call and write to me about. The problem of expensive prescription drugs is particularly acute among Wisconsin senior citizens who live on fixed incomes. Nationally, prescription drugs are Senior Citizens' largest single out-of-pocket health care expenditure: the average Senior spends $100–$200 month on prescription drugs.

As you may know, Mr. President, last fall, a study by the House Government Reform and Oversight Committee found that the average price seniors pay for prescription drugs is twice as high as that enjoyed by favored customers—big purchasers such as HMOs and the federal government. The Committee's report found a price differential in one case was 1400%, meaning that the retail price a typical senior citizen paid was $27.05, while the favored customer was charged only $1.75.

To be sure, Mr. President, the Committee's report did find that Wisconsin had lower price differentials compared to other parts of the country, an 85% differential compared to a high of 123% in California. But I think my constituents would find that a pretty hollow distinction. There's not doubt in my mind that paying 85% more than others are charged for the same product is unfair, plain and simple.

Mr. President, as we all know, traditional Medicare does not cover prescription drugs. While some Medicare managed care plans offer a prescription drug benefit, few of those managed care plans operate in Wisconsin or in other largely rural states. So, while pharmaceutical companies give lower prices to favored customers who buy in bulk, small community pharmacies such as we have throughout Wisconsin lack this purchasing power, meaning that Seniors who purchase their prescriptions drugs at those small pharmacies get the high prices passed on to them.

Mr. President, I regularly get calls from Seniors on tight, fixed incomes who tell me that they have to choose between buying groceries and buying groceries and buying their prescription drugs. I would guess that many of my colleagues receive similar calls from their constituents. Calls like these, and the fact that prices are only getting higher as scientific advances develop new medications, tell me that we must take action to make prescription drugs more affordable to Seniors.

The legislation my colleagues and I are introducing today will require that pharmaceutical companies offer senior citizens the same discounts that they offer to their most favored customers. Through this legislation, we take an important step in making costly but vitally important prescription drugs more affordable to the Seniors who need them. I thank the chair.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader.

UNANIMOUS CONSENT AGREEMENT

Mr. LOTT. Mr. President, with a little assistance, I believe we can finish this bill within the next 45 minutes.

I commend Senators on both sides of the aisle who have worked hard to work out these amendments and accept them by voice vote. The managers have been doing an excellent job, and Senator REID, and Senator DORGAN, so that we can do this.

But I want to try to explain where we are. The votes are still taking close to 10 minutes. But there is a physical problem with just how long it takes to call the roll. We will continue to try to do those as quickly as possible.

I believe we have no more than five amendments left. We have two that we already had ready to go, and we have possibly three more, and two more on that side. We could be down to, I think, no more than five. I don't want to say fewer than that until we are sure what we have done. But let me ask unanimous consent and see if we can identify this properly.

I ask unanimous consent that the following amendments be the only amendments remaining in order, other than those previously in order by Senator DOMENICI, and except those agreed to by the two managers, and, following the disposition of the amendments, the Senate proceed to the consideration of H. Con. Res. 68, the House companion bill.

I further ask that all after the enacting clause be stricken in the House resolution, the text of the Senate resolution be inserted, passage occur immediately, and the Senate resolution be placed back on the Calendar.

The amendments are as follows. I believe we have two that are still pending.

Robb, No. 181. I believe we are going to be able to do that one by voice vote.

Lautenberg, No. 183, which I believe will very likely take a recorded vote. Voice vote? All right. We will do those two by voice vote.

Then Kerry No. 190;

Kennedy, No. 196;

And Chafee, No. 238.

I further ask that the votes occur in sequence, as provided in the previous consent, with all provisions of the previous consent still in order.

I want to emphasize, we may still work out one or two of those that are on the list. But we are locking it down to the two that we are going to do by voice vote and the three that may require a recorded vote.

I yield to the manager.

Mr. LAUTENBERG. We have a question. Mr. President, I understand a vote will be asked for on the amendment of the Senator from Illinois.

Mr. DOMENICI. We have another list of ones we will accept, that the leader hasn't mentioned, that we agreed on.

Mr. LAUTENBERG. All right.

Mr. REID. There is also No. 182, the Robb amendment. Whatever the body decides on that by voice vote will do.

Mr. LOTT. Right.

I renew my unanimous consent request.

Mr. BYRD. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. My question is, does the leader's request preclude a vote up or down on the resolution itself?

Mr. LOTT. Mr. President, my understanding is it does not. It would not be my intent to do that.

Mr. BYRD. I have no objection.

The PRESIDING OFFICER. Is there objection?

The Senator from Rhode Island.

Mr. CHAFEE. I believe that I have 236. I believe that has been cleared.

Mr. LOTT. Yes. I believe it has. No. 236 is on the list.

Mr. President?

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. LOTT. I yield the floor.

Let's proceed.

Mr. ROBB addressed the Chair.

The PRESIDING OFFICER. The Senate will now proceed to the question on the Robb amendment No. 182.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator in New Mexico.

Mr. DOMENICI. Mr. President, could I do the house cleaning? That will get us to the unanimous consent agreement.

AMENDMENT NO. 164, AS MODIFIED

Mr. DOMENICI. Mr. President, Graham No. 164, as modified. We ask that it be accepted. We send the modification to the desk.

The PRESIDING OFFICER. The amendment is so modified.

The amendment (No. 164), as modified, is as follows:

AMENDMENT NO. 164, AS MODIFIED

At the appropriate place, insert the following:

SEC. ____. SENSE OF THE SENATE CONCERNING RECOVERY OF FUNDS BY THE FEDERAL GOVERNMENT IN TOBACCO-RELATED LITIGATION.

(a) SHORT TITLE.—This section may be cited as the ''Federal Tobacco Recovery and Medicare Prescription Drug Benefit Resolution of 1999''.

(b) FINDINGS.—The Senate makes the following findings:

(1) The President, in his January 19, 1999 State of the Union address—

(A) announced that the Department of Justice would develop a litigation plan for the Federal Government against the tobacco industry;

(B) indicated that any funds recovered through such litigation would be used to strengthen the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.); and

(C) urged Congress to pass legislation to include a prescription drug benefit in the medicare program.

(2) The traditional medicare program does not include most outpatient prescription drugs as part of its benefit package.

(3) Prescription drugs are a central element in improving quality of life and in routine health maintenance.

(4) Prescription drugs are a key component to early health care intervention strategies for the elderly.

(5) Eighty percent of retired individuals take at least 1 prescription drug every day.

(6) Individuals 65 years of age or older represent 12 percent of the population of the United States but consume more than ⅓ of all prescription drugs consumed in the United States.

(7) Exclusive of health care-related premiums, prescription drugs account for almost ⅓ of the health care costs and expenditures of elderly individuals.

(8) Approximately 10 percent of all medicare beneficiaries account for nearly 50 percent of all prescription drug spending by the elderly.

(9) Research and development on new generations of pharmaceuticals represent new opportunities for healthier, longer lives for our Nation's elderly.

(10) Prescription drugs are among the key tools in every health care professional's medical arsenal to help combat and prevent the onset, recurrence, or debilitating effects of illness and disease.

(11) While possible Federal litigation against tobacco companies will take time to develop, Congress should continue to work to address the immediate need among the elderly for access to affordable prescription drugs.

(12) Treatment of tobacco-related illness is estimated to cost the medicare program approximately $10,000,000,000 every year.

(13) In 1998, 50 States reached a settlement with the tobacco industry for tobacco-related illness in the amount of $206,000,000,000.

(14) Recoveries from possible Federal tobacco-related litigation, if successful, will likely be comparable to or exceed the dollar amount recovered by the States under the 1998 settlement.

(15) In the event Federal tobacco-related litigation is valid, undertaken and is successful, funds recovered under such litigation should first be used for the purpose of strengthening the Federal Hospital Insurance Trust Fund and second to finance a medicare prescription drug benefit.

(16) The scope of any medicare prescription drug benefit should be as comprehensive as possible, with drugs used in fighting tobacco-related illnesses given a first priority.

(17) Most Americans want the medicare program to cover the costs of prescription drugs.

(c) SENSE OF THE SENATE.—It is the sense of the Senate that the assumptions underlying the functional totals in this resolution assume that funds recovered under any tobacco-related litigation commenced by the Federal Government should be used first for the purpose of strengthening the Federal Hospital Insurance Trust Fund and second to fund a medicare prescription drug benefit.

The PRESIDING OFFICER. Without objection, the amendment, as modified, is agreed to.

The amendment (No. 164), as modified, was agreed to.

AMENDMENT NO. 165, AS MODIFIED

Mr. DOMENICI. GRAHAM of Florida, No. 165, with a modification.

The PRESIDING OFFICER. The amendment is so modified.

The amendment (No. 165), as modified, is as follows:

At the end of title III, insert the following:

SEC. ____. SENSE OF THE SENATE ON OFFSETTING INAPPROPRIATE EMERGENCY SPENDING.

It is the sense of the Senate that the levels in this resolution assume that—

(1) some emergency expenditures made at the end of the 105th Congress for fiscal year 1999 were inappropriately deemed as emergencies;

(2) Congress and the President should identify these inappropriate expenditures and fully pay for these expenditures during the fiscal year in which they will be incurred; and

(3) Congress should only apply the emergency designation for occurrences that meet the criteria set forth in the Congressional Budget Act.

The PRESIDING OFFICER. Without objection, the amendment, as modified, is agreed to.

The amendment (No. 165), as modified, was agreed to.

Amendments Nos. 227, 230, 185, 214, As Modified, And 236.

Mr. DOMENICI. Senator ABRAHAM, 227; 230, Senator STEVENS; 185, Senator DURBIN; 214, Senator DEWINE, modification. I send the modification to the desk.

The PRESIDING OFFICER. Without objection, the amendments are agreed to.

Mr. DOMENICI. Senator CHAFEE, 236.

The PRESIDING OFFICER. Without objection, the amendment, as modified, is agreed to.

The amendments (Nos. 227, 230, 185, and 236) were agreed to.

The amendment (No. 214), as modified, was agreed to, as follows:

At the end of title III, insert the following:

SEC. ___. SENSE OF THE SENATE REGARDING FUNDING FOR COUNTER-NARCOTICS INITIATIVES.

(a) FINDINGS.—The Senate finds that—

(1) from 1985–1992, the Federal Government's drug control budget was balanced among education, treatment, law enforcement, and international supply reduction activities and this resulted in a 13-percent reduction in total drug use from 1988 to 1991;

(2) since 1992, overall drug use among teens aged 12 to 17 rose by 70 percent, cocaine and marijuana use by high school seniors rose 80 percent, and heroin use by high school seniors rose 100 percent;

(3) during this same period, the Federal investment in reducing the flow of drugs outside our borders declined both in real dollars and as a proportion of the Federal drug control budget;

(4) while the Federal Government works with State and local governments and numerous private organizations to reduce the demand for illegal drugs, seize drugs, and break down drug trafficking organizations within our borders, only the Federal Government can seize and destroy drugs outside of our borders;

(5) in an effort to restore Federal international eradication and interdiction efforts, in 1998, Congress passed the Western Hemisphere Drug Elimination Act which authorized an additional $2,600,000,000 over 3 years for international interdiction, eradication, and alternative development activities;

(6) Congress appropriated over $800,000,000 in fiscal year 1999 for anti-drug activities authorized in the Western Hemisphere Drug Elimination Act;

(9) the proposed Drug Free Century Act would build upon many of the initiatives authorized in the Western Hemisphere Drug Elimination Act, including additional funding for the Department of Defense for counter-drug intelligence and related activities.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the provisions of this resolution assume that—

(1) funding for Federal drug control activities should be at a level higher than that proposed in the President's budget request for fiscal year 2000; and

(2) funding for Federal drug control activities should allow for investments in programs authorized in the Western Hemisphere Drug Elimination Act and in the proposed Drug Free Century Act.

AMENDMENTS NOS. 226, 223, AND 167, WITHDRAWN

Mr. DOMENICI. The following amendments are withdrawn: 226, 223, and 167.

The PRESIDING OFFICER. Without objection, the amendments are withdrawn.

The amendments (Nos. 226, 223, and 167) were withdrawn.

AMENDMENT NO. 183

Mr. DOMENICI. Senator LAUTENBERG, do you have your amendment?

Mr. LAUTENBERG. I have my amendment.

Mr. DOMENICI. Can we accept it right now?

Mr. LAUTENBERG. We can accept it. This is on school modernization. It has my list of cosponsors.

Mr. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. There will be order in the Senate.

Mr. DOMENICI. We accept the Lautenberg amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 183) was agreed to.

Mr. LAUTENBERG. Mr. President, this amendment expresses the sense of the Senate that we should enact legislation to help local school districts modernize their schools. This is a critical need for our school districts.

This school modernization proposal is supported by the National School Boards Association, the National PTA, the National Association of Elementary School Principals, and the entire range of education advocates.

Mr. President, help with school modernization is what the education community wants from the Federal Government. They don't want lip service, they want action. Here is our chance. I ask for my colleagues' support.

I thank my principal cosponsor Senator ROBB for his support for this important amendment.

Mr. DOMENICI. That is it so far.

AMENDMENT NO. 182

The PRESIDING OFFICER. The question now is on agreeing to the amendment of the Senator from Virginia.

Mr. ROBB. Mr. President, I hope I may have the 60 seconds, even though I am going to have a voice vote, and I know the result of that vote.

Mr. President, may I simply say pay-as-you-go has served this institution and this country well. It has helped reduce deficits, and it has helped us not to spend money we did not have. Senator GRAHAM and I thought it would be appropriate to continue that discipline. Regrettably, in an effort to spend money that we do not have, it is being withdrawn in this amendment.

I yield to my distinguished friend from Florida to use up any time that I have not used.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, the threat to the surplus is not the threat that it will or will not be placed in a lockbox. It is a threat whether the surplus will be dissipated by expenditures that are not offset by either other spending or by sources of revenue to support those additional expenditures.

I believe if you are seriously committed to preserving the surplus so it can be used to strengthen our Social Security system, you should give strong support to the amendment offered by the Senator from Virginia.

Mr. ROBB. Mr. President, the fiscally responsible vote is yea. With that, Mr. President, I yield.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. DOMENICI. Mr. President, I don't believe we should vote yea. We should not be required to follow a pay-as-you-go that was there when we had big deficits and require we have 60 votes when you have a surplus or to spend any money when you have a surplus. We should not do that. We will not support the amendment.

The PRESIDING OFFICER. The question is now on agreeing to the amendment.

The amendment (No. 182) was rejected.

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote.

Mr. REID. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 196

The PRESIDING OFFICER. The next amendment up is the Kennedy amendment No. 196.

Mr. DOMENICI. We understand that amendment should be called a Rockefeller amendment. Is that correct?

Mr. ROCKEFELLER. Mr. President, that is correct.

The PRESIDING OFFICER. The amendment is the Rockefeller amendment. The Senator from West Virginia.

Mr. ROCKEFELLER. If I may have the attention of my colleagues.

The PRESIDING OFFICER. There will be order in the Senate.

The Senator from West Virginia.

Mr. ROCKEFELLER. Mr. President, our senior citizens in the United States deserve a Medicare prescription drug benefit. The amendment that I am offering, together with Senator KENNEDY, creates a credible reserve fund to accommodate such if a bill which reforms Medicare, in fact, passes. This will not add to the debt. There are no unacceptable conditions. There is no uncertainty about whether the funds will be there. The idea is clear and simple, and I urge my colleagues to vote for the amendment.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

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

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

There will be order in the Senate.

Mr. DOMENICI. Fellow Senators, this amendment sets up a reserve fund for any taxes that might be forthcoming from cigarettes without requiring any reform or any changes in the Medicare program. It just says that is out there to be used for Medicare. And whatever you want to call it, prescription drugs or what, it just doesn't seem to this Senator we ought to be doing that when we have a bipartisan Commission and many others saying let's reform Medicare and then let's see where we are.

So I don't believe we should be doing this, and I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second. The yeas and nays are ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 54, nays 45, as follows:

[Rollcall Vote No. 79 Leg.]

YEAS—54

Abraham	Fitzgerald	McConnell
Allard	Frist	Murkowski
Ashcroft	Gorton	Nickles
Bennett	Gramm	Roberts
Bond	Grams	Roth
Brownback	Grassley	Santorum
Bunning	Gregg	Sessions
Burns	Hagel	Shelby
Campbell	Hatch	Smith (NH)
Chafee	Helms	Smith (OR)
Cochran	Hutchinson	Snowe
Collins	Hutchison	Specter
Coverdell	Inhofe	Stevens
Craig	Jeffords	Thomas
Crapo	Kyl	Thompson
DeWine	Lott	Thurmond
Domenici	Lugar	Voinovich
Enzi	Mack	Warner

NAYS—45

Akaka	Edwards	Levin
Baucus	Feingold	Lieberman
Bayh	Feinstein	Lincoln
Biden	Graham	Mikulski
Bingaman	Harkin	Moynihan
Boxer	Hollings	Murray
Breaux	Inouye	Reed
Bryan	Johnson	Reid
Byrd	Kennedy	Robb
Cleland	Kerrey	Rockefeller
Conrad	Kerry	Sarbanes
Daschle	Kohl	Schumer
Dodd	Landrieu	Torricelli
Dorgan	Lautenberg	Wellstone
Durbin	Leahy	Wyden

NOT VOTING—1

McCain

The motion to lay on the table the amendment (No. 196) was agreed to.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, I move to reconsider the vote.

Mr. BREAUX. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Massachusetts.

AMENDMENT NO. 190

Mr. KERRY. Mr. President, we spent a lot of effort in the last years trying to assert discipline on the budget process. This amendment is an opportunity to continue that discipline and to vote against deficit spending. As my colleagues know, I think the vast majority of the Senate is in favor of a tax cut. But this tax cut is loaded in a way that of $780 billion, $630 billion is not until the last years. In fact, it will not even take effect until about 2005.

What we say is we do not take away the tax cut. We simply say if CBO says that will result in deficit spending, we delay for the 1 year until we know we are in surplus rather than having to deficit spend in order to fund a tax cut.

The vast majority of the American people want to get out of debt. They do not want a tax cut if it means deficit spending to provide it. The danger is that the economic statistics, or realities, could turn downwards, but the law will require a tax cut we cannot afford.

So, this is a way of saying there is an automatic delay. We do not take it away. It affects nothing on Social Security and guarantees no deficit spending.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, the simplest way I can explain this is this is the kind of tax cut we give, but we take it way. It is kind of a reverse trigger. Instead of putting a tax on, we put tax on and then we stop it in the event we get an estimate from the Congressional Budget Office that the surpluses are not quite what we figured out.

We do not do that for spending. Spending can go on up. We have no triggers on or off. But when it comes to tax cuts, we kind of give them, but we do not quite give them. I do not think that is the way we ought to treat the taxpayer.

Having said that, the amendment violates the Budget Act. It is not germane and I make the point of order it does not comply with the Budget Act.

The PRESIDING OFFICER. The Senator from Massachusetts.

MOTION TO WAIVE THE BUDGET ACT

Mr. KERRY. Mr. President, pursuant to section 904 of the Budget Act of 1974, I move to waive the provisions for consideration of this amendment.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to waive the Budget Act with respect to the amendment (No. 190). The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN) is necessarily absent.

The yeas and nays resulted—yeas 45, nays 54, as follows:

[Rollcall Vote No. 81 Leg.]

YEAS—55

Abraham	Fitzgerald	Murkowski
Allard	Frist	Nickles
Ashcroft	Gorton	Roberts
Bennett	Gramm	Roth
Bond	Grams	Santorum
Breaux	Grassley	Sessions
Brownback	Gregg	Shelby
Bunning	Hagel	Smith (NH)
Burns	Hatch	Smith (OR)
Campbell	Helms	Snowe
Chafee	Hutchinson	Specter
Cochran	Hutchison	Stevens
Collins	Inhofe	Thomas
Coverdell	Jeffords	Thompson
Craig	Kyl	Thurmond
Crapo	Lott	Voinovich
DeWine	Lugar	Warner
Domenici	Mack	
Enzi	McConnell	

NAYS—44

Akaka	Feingold	Lieberman
Baucus	Feinstein	Lincoln
Bayh	Graham	Mikulski
Biden	Harkin	Moynihan
Bingaman	Hollings	Murray
Boxer	Inouye	Reed
Bryan	Johnson	Reid
Byrd	Kennedy	Robb
Cleland	Kerrey	Rockefeller
Conrad	Kerry	Sarbanes
Daschle	Kohl	Schumer
Dodd	Landrieu	Torricelli
Dorgan	Lautenberg	Wellstone
Durbin	Leahy	Wyden
Edwards	Levin	

NOT VOTING—1

McCain

The PRESIDING OFFICER. On this vote, the yeas are 45, the nays are 54. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The point of order is sustained, and the amendment falls.

The question is now on the Chafee amendment.

CHANGE OF VOTE

Mr. REID. On vote No. 64, I voted ''nay,'' but I meant to vote ''aye.'' I ask unanimous consent that I be recorded as an ''aye.'' It will not affect the outcome of the vote.

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

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. With just a few amendments we have to clear up, we will be ready to vote on final passage.

I ask unanimous consent that Senator CRAPO be added as a cosponsor to amendment No. 227.

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

AMENDMENTS NOS. 233, 203, 201, 200, 198, 194, 184, 172, AND 168, WITHDRAWN

Mr. DOMENICI. I ask unanimous consent to withdraw amendment No. 233, Coverdell. And I ask unanimous consent to withdraw the following amendments. I will not name the Senator, just the number. These are what we know are around but nobody wants them called up: 203, 201, 200, 198, 194, 184, 172, and 168. I send that to the desk in case the scrivener did not get my vocabulary.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendments are withdrawn.

The amendments (Nos. 233, 203, 201, 200, 198, 194, 184, 172, and 168) were withdrawn.

AMENDMENT NO. 206, AS MODIFIED

Mr. DOMENICI. I ask unanimous consent that amendment No. 206 be modified with the modification I send to the desk.

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

The amendment, as modified, is as follows:

At the appropriate place, insert the following:

''SEC. . SENSE OF THE SENATE REGARDING SUPPORT FOR FEDERAL, STATE AND LOCAL LAW ENFORCEMENT AND FOR THE VIOLENT CRIME REDUCTION TRUST FUND

''(a) FINDINGS.—The Senate finds that—

"(1) Our Federal, State and local law enforcement officers provide essential services that preserve and protect our freedom and safety, and with the support of federal assistance such as the Local Law Enforcement Block Grant Program, the Juvenile Accountability Incentive Block Grant Program, the COPS Program, and the Byrne Grant program, state and local law enforcement officers have succeeded in reducing the national scourge of violent crime, illustrated by a violent crime rate that has dropped in each of the past four years;

"(2) Assistance, such as the Violent Offender Incarceration/Truth in Sentencing Incentive Grants, provided to State corrections systems to encourage truth in sentencing laws for violent offenders has resulted in longer time served by violent criminals and safer streets for law abiding people across the Nation;

"(3) Through a comprehensive effort by state and local law enforcement to attack violence against women, in concert with the efforts of dedicated volunteers and professionals who provide victim services, shelter, counseling and advocacy to battered women and their children, important strides have been made against the national scourge of violence against women;

"(4) Despite recent gains, the violent crime rate remains high by historical standards;

"(5) Federal efforts to investigate and prosecute international terrorism and complex interstate and international crime are vital aspects of a National anticrime strategy, and should be maintained;

"(6) The recent gains by Federal, State and local law enforcement in the fight against violent crime and violence against women are fragile, and continued financial commitment from the Federal Government for funding and financial assistance is required to sustain and build upon these gains; and

"(7) The Violent Crime Reduction Trust Fund, enacted as a part of the Violent Crime Control and Law Enforcement Act of 1994, funds the Violent Crime Control and Law Enforcement Act of 1994, the Violence Against Women Act of 1994, and the Antiterrorism and Effective Death Penalty Act of 1996, without adding to the federal budget deficit.

"(b) SENSE OF THE SENATE.—It is the Sense of the Senate that the provisions and the functional totals underlying this resolution assume that the Federal Government's commitment to fund Federal law enforcement programs and programs to assist State and local efforts to combat violent crime shall be maintained, and the funding for the Violent Crime Reduction Trust Fund shall continue to at least year 2005."

Mr. DOMENICI. I ask unanimous consent that amendment No. 206, as modified, the Hatch-Biden amendment, be adopted.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment, as modified, is agreed to.

The amendment (No. 206), as modified, was agreed to.

AMENDMENT NO. 247

(Purpose: To express the sense of the Senate on need-based student financial aid programs)

Mr. DOMENICI. We have an amendment that by mistake did not get called up and was misplaced somewhere. It is Senator COLLINS' amendment. I ask unanimous consent that it be in order to offer the amendment.

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

The legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI] for Ms. COLLINS, for herself, Mr. JEFFORDS, Mr. REED, Mr. DODD, Mr. KENNEDY and Mr. LIEBERMAN proposes an amendment numbered 247.

The amendment reads as follows:

Amend section 315 to read as follows:

SEC. 315. SENSE OF THE SENATE ON NEED-BASED STUDENT FINANCIAL AID PROGRAMS.

(a) FINDINGS.—The Senate finds that—

(1) public investment in higher education yields a return of several dollars for each dollar invested;

(2) higher education promotes economic opportunity for individuals, as recipients of bachelor's degrees earn an average of 75 percent per year more than those with high school diplomas and experience half as much unemployment as high school graduates;

(3) higher education promotes social opportunity, as increased education is correlated with reduced criminal activity, lessened reliance on public assistance, and increased civic participation;

(4) a more educated workforce will be essential for continued economic competitiveness in an age where the amount of information available to society will double in a matter of days rather than months or years;

(5) access to a college education has become a hallmark of American society, and is vital to upholding our belief in equality of opportunity;

(6) for a generation, the Federal Pell Grant has served as an established and effective means of providing access to higher education for students with financial need;

(7) over the past decade, Pell Grant awards have failed to keep pace with inflation, eroding their value and threatening access to higher education for the nation's neediest students;

(8) grant aid as a portion of all students financial aid has fallen significantly over the past 5 years;

(9) the nation's neediest students are now borrowing approximately as much as its wealthiest students to finance higher education; and

(10) the percentage of freshmen attending public and private 4-year institutions from families below national median income has fallen since 1981.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that within the discretionary allocation provided to the Committee on Appropriations of the Senate for function 500—

(1) the maximum amount of Federal Pell Grants should be increased by $400;

(2) funding for the Federal Supplemental Educational Opportunity Grants Program should be increased by $65,000,000;

(3) funding for the Federal capital contributions under the Federal Perkins Loan Program should be increased by $35,000,000;

(4) funding for the Leveraging Educational Assistance Partnership Program should be increased by $50,000,000;

(5) funding for the Federal Work-Study Program should be increased by $64,000,000;

(6) funding for the Federal TRIO Programs should be increased by $100,000,000.

Ms. COLLINS. Mr President, I rise to offer a Sense of the Senate amendment to express the commitment of the Senate to expand needs-based Federal student aid programs. I am joined in this effort by Senators JEFFORDS, REED, DODD, KENNEDY, and LIEBERMAN.

I am pleased by the large increase in funding for education included in the Budget Resolution and thank Senator DOMENICI and the other members of the Budget Committee for taking a forward-looking stance in favor of our children. I am offering this amendment to help ensure that as these increased funds for education are appropriated—and as the "hard decisions" are made about appropriations for specific programs—need-based student financial aid programs are given priority.

Although the federal government cannot guarantee that every American will complete a postsecondary education program, we can ensure that every qualified American has an equal opportunity to do so. This is the primary purpose of the student financial aid programs authorized by the Higher Education Act.

The evidence is overwhelming that individuals from low-income families pursue higher education at a significantly lower rate than individuals from middle- and upper-income families. This educational gap, which is rooted in economic disparity, threatens to divide our nation into two self-perpetuating classes: an educated class that participates fully in the tremendous economic opportunities that demand a postsecondary education and a class of "have nots" lacking the skills and education needed to be successful members of the modern work force.

Congress created need-based student financial aid programs to ensure that individuals from low-income families are not denied postsecondary education because they cannot afford it. These are the programs that assist the most disadvantaged Americans. They are the programs that help the students who come from families with no history of pursuing postsecondary education. They are the programs that will close the gap between educational "haves" and the "have nots"

Federal Pell Grants are the cornerstone of our country's need-based financial aid. These grants provide essential financial assistance to almost 4 million students a year. Eighty percent of the dependent students receiving Pell Grants come from families with annual family incomes of less than $30,000. Yet, over the last 20 years, while the cost of postsecondary education has grown at an unprecedented rate, the maximum Pell Grant has declined in constant dollars by 14 percent. This Sense of the Senate amendment states that we should increase the maximum Pell Grant by $400 dollars to $3525. We still will not be back to the 1980 level in terms of purchasing power, but we will be getting closer.

This amendment also urges an increase in two other important grant programs. The Federal Supplementary Educational Opportunity Grant and the Leveraged Educational Assistance Program (formerly SSIG) are grant programs managed by schools and states respectively. These programs leverage federal dollars through matching funds from schools and states and provide additional assistance for those students most in need of financial aid.

In addition to these important educational grants, my amendment calls for increased funding for two other need-based programs that assist students from low income families: the Federal Work Study Program and the Perkins Loan Program. These are campus-based programs in which the federal contribution is leveraged by matching funds from participating schools. Work Study is a self-help student aid program under which needy students pay some of the cost of their education through jobs that contribute to their education and often involve important community service. The Perkins Loan program allows schools to make low-interest loans to needy students. Both of these programs, along with the Supplementary Educational Opportunity Grants, give financial aid offices flexibility in creating individualized student aid packages that will minimize the student's debt burden upon graduation.

Unfortunately, during the last 20 years, funding for the work study program had declined by 25 percent in constant dollars and the capital contribution to Perkins Loans has declined by 78 percent. This Sense of the Senate Amendment expresses our support for these important programs, which aid our neediest students.

Providing financial aid is only one aspect of the challenge to equalize education opportunity. Before financial aid can help, a potential student must aspire to higher education. This is one of the goals of the TRIO programs. There is no question that thousands of individuals who would never have considered a college education have been identified by Talent Search and Upward Bound and gone on to college and successful careers. Thousands of other individuals have been assisted while in college by the Academic Support Services Program, while many non-traditional students have entered college because of the Educational Opportunity Centers.

Despite this strong record of success, the existing TRIO programs reach only a very small percentage of the individuals who are eligible for their services. The additional funds that this Sense of the Senate Amendments urges will extend the reach of these programs to more disadvantaged youth and adults who could so benefit from the support the TRIO programs provide.

I urge my colleagues to support this amendment so that more of our citizens can pursue the American dream of college education.

Mr. DOMENICI. I ask unanimous consent that the amendment be agreed to.

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

The amendment (No. 247) was agreed to.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

AMENDMENT NO. 170

Mr. REID. Amendment No. 170 was acceptable with a modification. It was cleared by both sides.

Mr. DOMENICI. Would you accept that as if I said it, please, so I do not have to say it. It has been accepted.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Without objection, the amendment is agreed to.

The amendment (No. 170) was agreed to.

Mr. DOMENICI. Mr. President, I thank all Senators for participating and for permitting us to get this bill done today. It has been a big struggle for many of us. And while we had a lot of fun with many of the amendments and many of the concepts, it is a serious budget resolution. It has been a pleasure serving you as chairman of the Budget Committee. And I thank all of those who vote for it. For those who do not vote for it, I think you are missing the boat, missing a great path. It is the best budget we have produced in an awful long time.

I thank Senator LAUTENBERG for all his cooperation and certainly all the good he has done in bringing this budget to the floor.

I yield the floor.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I say to Senator DOMENICI, I too had fun, not as much fun as the Senator had, but it was good working together. We put our most difficult disagreements to the side at times. Senator DOMENICI invented a new index for debate. And the index that Senator DOMENICI has is a ''red'' neck. When it gets above your collar, that is when you have to sit back.

So we have no ''red'' necks in the Budget Committee. We have had a good time in getting it done. I thank all of my colleagues, particularly the members on my side, who worked so arduously.

I do want to say a word about the staff while the Senators are here. I thank Bill Hogan and his team; but I also want to make particular mention of the fact that Bruce King, our chief of staff, Sue Nelson, Lisa Konwinski, Amy Abraham, Claudia Arko, Jim Esquea, Dan Katz, Marty Morris, Paul Saltman, Jeff Siegel, Mitch Warren, Ted Zegers, and Jon Rosenwasser—I thank all the staff. They worked very hard, on both sides, and they deserve our deep thanks and our appreciation.

With that, I surrender the floor.

The PRESIDING OFFICER. The Senate will be in order. The Senate will be in order.

The Senator from New Mexico.

AMENDMENT NO. 238

Mr. DOMENICI. Mr. President, I made a mistake. We have been working very hard to get Senator CHAFEE's amendment No. 238 accepted on the other side. It was. And we would like to offer it at this time. I think it is at the desk, amendment No. 238.

The PRESIDING OFFICER. The clerk will report.

Mr. DOMENICI. I do not believe there are any objections to it.

The legislative clerk read as follows:

Amendment No. 238 previously offered by the Senator from New Mexico [Mr. DOMENICI] for Mr. CHAFEE.

Mr. SMITH of New Hampshire. Mr. President, I am pleased to sponsor, along with the gentleman from Rhode Island and others, an amendment to increase funding for the Land and Water Conservation Fund (LWCF). Our amendment would accomplish two important goals.

First, the amendment authorizes $200 million in matching grants to states for their conservation and recreation programs. The amendment therefore would help fulfill a thirty-five year-old Federal commitment that has been largely ignored in recent years.

Second, our amendment maintains Congress' commitment to living within the budget agreement by offsetting the increased LWCF funding with an equivalent reduction in programs within the Department of Commerce.

Let me speak first about the LWCF. As most of my colleagues know, the Land and Water Conservation Fund was established in 1964, and it has been the main source of Federal funding for Federal and state recreational lands. The LWCF accumulates revenues from outdoor recreation user fees, the federal motorboat fuel tax, surplus property sales, and, most significantly, revenue from oil and gas leases on the Outer Continental Shelf. Due to early successes and strong support, authorized funding levels increased steadily from the initial authorization of $60 million to the program's current $900 million level—although appropriations have consistently fallen far short of authorized levels.

Until Fiscal Year 1995, about one third of the total $10 billion appropriated under this program went directly to the states. The rest of the revenue was split between four Federal agencies: the Park Service, the Forest Service, the Fish and Wildlife Service, and the Bureau of Land Management.

Matching grants to states have funded some 37,000 projects and helped conserve 2.3 million acres of land. While the law requires at least a 50% match from states receiving funds, in some cases the Federal grants enabled states to leverage up to seven times the grant amount.

The LWCF has enjoyed widespread support, both in my home State of New Hampshire and across the nation. The LWCF has truly been, up until recent years, a Federal-state partnership that works.

In the early years of the program, the bulk of the funding for LWCF went directly to the states. However, the state share of LWCF funding has declined dramatically since Fiscal Year 1978, when annual LWCF appropriations stabilized at between $200 and $300 million after fiscal year 1978, but the state portion of LWCF appropriations steadily declined until Fiscal

Year 1996, when grants to states were completely eliminated. Since Fiscal Year 1996, overall funding for LWCF has begun to increase again, but all of the money has been appropriated for the Federal-side of the program, and none for the states.

Mr. President, to put it simply: that is wrong. These revenues were originally intended to be shared between the Federal Government and the states. We should not penalize states like New Hampshire that can effectively manage these funds and that have critical needs which must be addressed. The idea that only the Federal government can be trusted to conserve resources is again, Mr. President, simply wrong.

Last month, more than 100 elected officials, community representatives and other New Hampshire citizens sent a letter to the Chairman of the Budget Committee, expressing their strong support for the LWCF and other conservation partnership programs. I ask unanimous consent that their letter be inserted into the RECORD, along with a letter that I and thirty-five of my colleagues sent to the Chairman on this topic as well.

Today's amendment will help bring back some balance to this program by providing $200 million for states from the LWCF. Our amendment will not reduce LWCF appropriations to Federal agencies, but will, as I stated earlier, offset this increased funding with a corresponding reduction in appropriations for certain Commerce Department activities within Budget Function 370.

Mr. LIEBERMAN. Mr. President, while I support the underlying Chafee amendment providing $200 million in increased funding for the state-side portion of the Land and Water Conservation Program, I object to the use of funds from Function 370 as an offset. The Land and Water Fund monies are of critical importance to communities in my state and around the nation, and I have pledged to work hard to ensure that the state-side portion of the Fund is revived. I believe that revival of the State-side Fund represents the commitment of all Americans to conserving natural treasures and preserving open space.

Nevertheless, Function 370 is not the place to target offsets. Important programs under this budget function in the Commerce Department are vital to small businesses around the country and to our economic growth and our global competitiveness. Function 370 contains cost-effective initiatives that directly contribute to our economic well-being. Clearly, it makes little sense to take funds from some of the numerous cost effective programs in this Function when other areas in other Functions could better serve as offsets. I will support the amendment because I trust that the conference and the appropriations process will locate preferable offsets to fund this important Land and Water Conservation initiative.

Mr. LEAHY. Mr. President, I am pleased to join Senators CHAFEE, BOB SMITH, and FEINGOLD in offering this amendment to restart the Land and Water Conservation Fund (LWCF) state assistance program. Our amendment will recognize the outpouring of support for open space conservation and urban revitalization demonstrated by the passage of 124 ballot measures dedicating tax revenues to these goals.

Our amendment will allocate $200 million to the state grants program of LWCF. More than thirty years ago Congress made a promise to future generations that we would use the revenues from offshore oil and gas leases to protect the ''irreplaceable lands of natural beauty and unique recreational value.'' The revenues would be placed into the Land and Water Conservation Fund and used by the federal government, states and local communities to build a network of parks, refuges, hiking trails, bike paths, river accesses and greenways.

Unfortunately, only half of that promise has been kept. For the past three years, Congress has not funded the state grants program of the Fund. Instead, we have been diverting these revenues for other purposes at a time when these investments are needed more than ever. We have all seen the impact of urban sprawl in our home states, whether it be large, multi-tract housing or mega-malls that bring national superstores and nation-sized parking lots. We are losing farm and forest land across the country at an alarming rate. If we are going to reverse this trend, Congress has to step in to the debate and start funding federal land conservation programs that help states address their land conservation priorities. The LWCF state grants program is one of the few federal programs available to do this—Congress now needs to make a commitment to fund it.

By funding the state grants program we will be investing in a proven success. The program has proved itself by helping to fund more than 37,000 projects across the country. As the National Park Service has testified, these projects are in ''every nook and cranny of the country and serve every segment of the public.'' I am sure every one of us have visited one of these places without even knowing that federal funds—which leveraged state and local funds—made it happen.

But it is not happening any more. By not funding the state grants program we are leaving state and local governments to fill the gap. In Vermont, we are fortunate. Most Vermonters are within a few hours of the Green Mountain National Forest or the Appalachian Trail. Most Americans, however, are much further away from a national park, national forest or wildlife refuge. They depend on their local parks and bike paths for weekend getaways or evening excursions.

I have seen the success of the state-side program in Vermont, where more than $27 million from the Fund has helped conserve more than 66,000 acres of land that was set aside as open space, parks and recreation places. I have a list of more than 500 projects that touch every corner of Vermont. However, there are still many special places in Vermont that remain unprotected. I constantly hear from Vermonters what are trying to protect their town green, a local wetland or access to their favorite fishing hole.

By restarting the state grant program we will be able to protect some of these special places in each of our states. In Vermont, I would like to see the Long Trail, which follows the spine of the Green Mountains through my state and attracts more than 200,000 hikers a year, completed. I would like to see better access to the banks of one of the premier fly-fishing rivers, the Battenkill. Although these will not become part of our federal network of conservation areas, we still have a federal responsibility to ensure they remain open and accessible for future generations to enjoy.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Without objection, the amendment is agreed to.

The amendment (No. 238) was agreed to.

Mr. DOMENICI. I yield to the majority leader.

The PRESIDING OFFICER. The Senate majority leader.

Mr. LOTT. Mr. President, we are ready now for the last vote of the night and the last vote on the budget resolution. I commend the chairman of the committee and the ranking member, the Senator from New Jersey.

This is a record handling of a budget resolution. I think, in at least the 5 years that I have been watching it closely, this is the shortest time—2 days—and a limited number of votes in the ''vote-arama.'' I think it makes more sense when you have a more limited number. We understand a little bit better about what we are voting on.

So you have done an exceptional job. But it would not have happened without the leadership and cooperation of Senator DASCHLE, his team, Senator REID and Senator DORGAN; on our side, Senator NICKLES, Senator CRAIG, and a lot of other people who cooperated and were willing to forgo votes on their amendments. So I think, sincerely, a lot of congratulations should be passed out for the cooperation on this concurrent resolution.

It has been a very good legislative period. Senator DASCHLE and I——

The PRESIDING OFFICER. The Senate will be in order. The majority leader has the floor. The Senate will be in order. Would the Senators suspend to my right. Thank you.

Mr. LOTT. This is actually so much fun, we might want to stay on and take up another bill. But I want to give a little more credit here because it has been a very productive legislative period. With this budget resolution, we have also passed the national missile defense bill; we passed the Ed-Flex bill; the Soldiers', Sailors', Airmen's, and Marines' Bill of Rights Act; the supplemental appropriations bill, on a voice vote; the Y2K small business bill; and the resolution supporting our men and women overseas in Kosovo.

Particularly this week, we took up the vote on Kosovo, the supplemental, and the budget resolution. It is one of the most productive weeks I have seen in a long time.

When we adjourn shortly, the Easter recess will, of course, begin tonight. There will be no recorded votes until Tuesday, April 13.

We will not be in session this Friday. We will be in session on Monday, April 12, but there will be no recorded votes. At that time, we expect to take up the supplemental appropriations conference report, if available, and a budget conference report, if available, and other legislation that may be cleared at that time.

Thank you all very much. Have a good Easter recess.

The PRESIDING OFFICER (Mr. SESSIONS). Pursuant to the previous order, the Senate will now proceed to the consideration of H. Con. Res. 68. All after the enacting clause is stricken and the text of S. Con. Res. 20, as amended, is inserted in lieu thereof.

The question is on agreeing to H. Con. Res. 68, as amended.

Mr. COVERDELL. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN) is necessarily absent.

The result was announced—yeas 55, nays 44, as follows:

[Rollcall Vote No. 81 Leg.]

YEAS—55

Abraham	Fitzgerald	Murkowski
Allard	Frist	Nickles
Ashcroft	Gorton	Roberts
Bennett	Gramm	Roth
Bond	Grams	Santorum
Breaux	Grassley	Sessions
Brownback	Gregg	Shelby
Bunning	Hagel	Smith (NH)
Burns	Hatch	Smith (OR)
Campbell	Helms	Snowe
Chafee	Hutchinson	Specter
Cochran	Hutchison	Stevens
Collins	Inhofe	Thomas
Coverdell	Jeffords	Thompson
Craig	Kyl	Thurmond
Crapo	Lott	Voinovich
DeWine	Lugar	Warner
Domenici	Mack	
Enzi	McConnell	

NAYS—44

Akaka	Boxer	Daschle
Baucus	Bryan	Dodd
Bayh	Byrd	Dorgan
Biden	Cleland	Durbin
Bingaman	Conrad	Edwards
Feingold	Kohl	Reed
Feinstein	Landrieu	Reid
Graham	Lautenberg	Robb
Harkin	Leahy	Rockefeller
Hollings	Levin	Sarbanes
Inouye	Lieberman	Schumer
Johnson	Lincoln	Torricelli
Kennedy	Mikulski	Wellstone
Kerrey	Moynihan	Wyden
Kerry	Murray	

NOT VOTING—1

McCain

The concurrent resolution (H. Con. Res. 68), as amended, was agreed to.

The text of H. Con. Res. 68 will be printed in a future edition of the RECORD.

Mr. ENZI. Mr. President, I ask unanimous consent that the Senate insist on its amendments and request a conference with the House.

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

Pursuant to the previous order, S. Con. Res. 20 is returned to the calendar.

MORNING BUSINESS

Mr. ENZI. Mr. President, I ask unanimous consent that the Senate now proceed to a period for morning business, with Senators permitted to speak therein for up to 10 minutes each.

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

NATIONAL TARTAN DAY

Mr. LOTT. Mr. President, today I rise to commemorate the first anniversary of National Tartan Day. While it is observed on April 6 of each year, I make this recognition today because Congress will be in recess on that day. I want to remind my colleagues that the resolution which establishes National Tartan Day was Senate Resolution 155. It passed by unanimous consent on March 20th of last year.

As an American of Scottish descent, I appreciate the efforts of individuals, clan organizations, and other groups such as the Scottish Coalition, who were instrumental in generating support for the resolution. These groups worked diligently to foster national awareness of the important role that Americans of Scottish descent have played in the progress of our country.

Mr. President, the purpose of National Tartan Day is to recognize the contributions that Americans of Scottish ancestry have made to our national heritage. It also recognizes the contributions that Scottish Americans continue to make to our country. I look forward to National Tartan Day as another opportunity to pause and reflect on the role Scottish Americans have played in advancing democracy and freedom. It is my hope that this annual event will grow in prominence. Scottish Americans have helped shape this nation. Their contributions are innumerable. In fact, three fourths of all American Presidents can trace their roots to Scotland.

Mr. President, in addition to recognizing Americans of Scottish ancestry, National Tartan Day reminds us of the importance of liberty. It honors those who strived for freedom from an oppressive government on April 6th, 1320. It was on that day that the Declaration of Arbroath was signed. It is the Scottish Declaration of Independence. This important document served as the model for America's Declaration of Independence.

In demanding their independence from England, the men of Arbroath wrote, ''We fight for liberty alone, which no good man loses but with his live.'' These words are applicable today to the heroism of our American veterans and active duty forces who know the precious cost of fighting for liberty.

Mr. President, Senate Resolution 155 has served as a catalyst for the many states, cities, and counties that have passed similar resolutions recognizing the important contributions of Scottish Americans.

I would like to thank all of my colleagues who supported this resolution last year and who helped to remind the world of the stand for liberty taken on April 6—almost seven hundred years ago—in Arbroath, Scotland. A call for liberty which still echoes through our history and the history of many nations across the globe.

I believe April 6th can also serve as a day to recognize those nations that have not achieved the principles of freedom which we hold dear. The example of the Scotsmen at Arbroath—their courage—their desire for freedom—serves as a beacon to countries still striving for liberty today.

ADMIRAL ROY L. JOHNSON

Mr. LOTT. Mr. President, the nation lost one of its most distinguished military leaders when Admiral Roy L. Johnson passed away on March 20. He was 93. His Naval career spanned 38 years, at the end of which he was Commander in Chief of the U.S. Naval Forces in the Pacific at the height of the Vietnam conflict in 1965–1967. Prior to that, as Commander of the U.S. Seventh Fleet, he had given the orders to the U.S.S. *Maddox* and U.S.S. *Turner Joy* to fire back at Viet Cong gunboats in the Tonkin Gulf incident.

The Admiral was a pioneer of Naval aviation. He received his wings in 1932 and served as a flight instructor at the U.S. Navy flight school at Pensacola, both in the era of the biplane in the early 1930s and at the dawn of the space age in the 1950s.

This remarkable man was born March 18, 1906 in Big Bend, Louisiana, the eldest of twelve children of John Edward Johnson and Hettie May Long. He graduated from the U.S. Naval Academy in the class of 1929 and devoted his life thereafter to the security of his country. During World War II, serving on the U.S.S *Hornet*, he was awarded the Bronze Star, the Air Medal and the Legion of Merit with gold star. He saw action in the places