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## Senate

The Senate met at 9:30 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. This morning's prayer will be delivered by our guest Chaplain, Hiram H. Haywood, Jr.

We are glad to have you with us.

### PRAYER

The guest Chaplain, Rev. Hiram H. Haywood, Jr., Archdiocese of Washington, Basilica of the National Shrine of the Immaculate Conception, Washington, DC, offered the following prayer:

Lord our God, Almighty King, Most Gracious Father, we offer You our humble thanks for Your past blessings. We offer You all praise, all honor, and all glory.

Heavenly Father, we humbly ask that we may always prove ourselves a people mindful of Your favor and glad to do Your will. Lord, please bless this great land of ours with honorable endeavor, sound learning, and pure manners.

Almighty and ever living God, may You infuse the women and men of this august body, the Senate of the United States of America, with the wisdom to discern Your will and the courage and fortitude to implement it. Grant them the tenacity, at all times and in every place, to stand steadfast in Your faith. Amen.

### RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader is recognized.

Mr. CRAPO. Mr. President, I thank the Chair.

### SCHEDULE

Mr. CRAPO. This morning the Senate will immediately begin the final 5 hours of debate on the budget resolu-

tion conference report. Therefore, Senators can expect a rollcall vote on adoption of the conference report at approximately 2 p.m. or earlier if time is yielded back. Under a previous order, the Senate may also expect a final vote on the House version of S. 767, the uniformed services tax filing fairness bill. That vote is expected to occur immediately following the vote on the budget conference report.

I thank my colleagues for their attention, Mr. President. I note the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CRAPO). Without objection, it is so ordered.

### CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2000—CONFERENCE REPORT

The Senate resumed consideration of the conference report.

Mr. GRAMM. Mr. President, I rise today in support of the budget that is before the Senate. I am sorry that our dear chairman, Senator DOMENICI, is not here, but I want to say some very strong, positive things about this budget, and I wish he were here to hear it. I want to say it mostly because it is true. It would just be a plus if he were here to hear it.

It has been my great privilege since I first came to Congress to be actively involved in budget debates. In fact, I remember the first debate I ever was involved in as a Member of the House was a debate about raising the debt ceiling, and I remember as if it were yesterday the House majority leader, Congressman Wright from Texas, stood up and said that we had no choice except to raise the debt ceiling of the

Government, that we were in a position that a man would be in if his wife went out and ran up all these debts on the credit card and the debt collector was at the door.

Today, in this era of political correctness, no one would ever suggest such a thing. They would say their spouses ran up these bills, and probably the reality would be the man did run up the bills in any case. But the point is that the then-majority leader of the House, in 1979, made the point that these bills had been run up and the bill collector was at the door, and so we didn't have any choice except to pay the bills as any good, honest family would.

And so I stand up and say that the first thing I ever said in debate in the Chamber of the House was, well, it is not really the way it works. It is true that honest families would pay their bills, but what they would do is they would sit down at the kitchen table, they would talk about how they got in this financial mess, they would get out the credit card, they would get out the butcher knife, they would cut up the credit card, they would get an envelope and pencil and they would work out a new budget on the back of an old used envelope, and they would start over again. The problem in Congress was we kept simply spending money, incurring debt, raising the debt ceiling, and nobody ever sat down around the kitchen table, nobody ever got out the butcher knife and cut up the credit cards, and so, as a result, we never changed anything.

So anyway, I opposed raising the debt ceiling. It failed. And then we tried to offer an amendment trying to tie the debt ceiling to the budget and saying you can only raise the debt ceiling if you balance the budget.

Well, to make a long story short, from that time in 1979 until today, I have been involved in debate about every budget that has passed in this Congress or been enforced in this Government since 1979. And let me say

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



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that of all those budgets, this is the best budget that has ever been written by American Government in that period.

Now it is probably not, certainly not the most profound budget. The most profound budget was the Reagan budget that was written in 1981. But in terms of what you want a budget to be, it would be very hard to improve on what this budget does. And it is one of my frustrations that everything is now so focused on the war in Kosovo and on many other issues, and we are not having any kind of adequate debate or focus of attention on the profound nature of the budget that is in front of us and what great promise this budget holds for America if we actually enforce this budget.

So let me begin by just ticking off some things this budget does, and then I want to get into a discussion of a comparison of this budget with what the President proposed. I want to get into some of these areas like Social Security and Medicare that have been talked about a lot and will be talked about again. But let me outline what this budget does.

First of all, this is a 10-year budget that, if enforced, will balance the budget every single year for 10 years. To sort of turn on its head the language of the 1980s, this is a budget that has surpluses as far as the eye can see. And it has those surpluses because it maintains a restriction on spending in a period where revenues are gushing into the Federal Treasury, a period where if we are not very careful we are going to see the launching of a massive new spending spree which could squander the surpluses of today that give us the opportunity to pay down debt, to rebuild Social Security, and do it right this time by basing it on wealth instead of debt, that give us the ability to let working men and women in America keep more of what they earn through a reduction in taxes. If we can keep these spending control measures in place, we can provide adequate Government—in fact, the highest levels of Government spending in American history. And yet by controlling the growth of spending, with the power of the American economy and our competitiveness on the world market and the attractiveness of our capital market with huge amounts of wealth flowing into our equity markets, inflating values, making American families richer, and inducing them to take income and capital gains and pay record levels of taxes on it, we can keep the budget balanced, we can rebuild Social Security based on wealth, and we can cut taxes for working Americans. This budget does all those things.

Now, a budget is like a marriage license. It gets you into the deal, but it doesn't make it successful. The easy part is saying "I do." The hard part of a successful marriage is what comes after the wedding. But you cannot have the successful marriage if you don't have the wedding. We are being

brought to the altar here with a document that promises all the right things. It is now going to be up to us to enforce those promises. But the key promise, the lynchpin of this budget, the element of this budget on which everything else hinges is it enforces the spending caps. If we do not control spending, we are not going to have the surplus. We are not going to be able to rebuild Social Security based on wealth instead of debt. We are not going to be able to preserve a balanced budget, and we are not going to be able to cut taxes.

Now, the second thing this budget does, which I rejoice in, is it strengthens our ability to do these things. Every Member of Congress, and I wish every American, understood what happened last year. The President stood up really on the opening day of Congress last year in the State of the Union Address and said save Social Security first. Don't spend a penny of the surplus on either Government programs or tax cuts. Save every penny of it for Social Security.

Well, we all know that the President was not telling the truth. We all know that in the end we ended up spending very much of that surplus. We ended up on the last day of Congress taking a third of the surplus that was meant for Social Security and spending it on other programs, and we did it in the name of emergency spending.

One of the most important features in this budget is that we have in this budget an enforcement mechanism that says that if someone wants to designate an emergency in nondefense spending, they are going to have to get 60 votes, if somebody raises a point of order. My basic view is, if something is not important enough or enough of an emergency that 60 out of the 100 Members of the Senate will vote for it, then it is not an emergency.

I say right now that I personally intend, if others don't, to raise a point of order against each and every emergency spending bill that would raid the Social Security trust fund. I give notice right now that anybody who has an idea that we are going to make all these wonderful promises, that we are going to promise to love, cherish, and obey in this little wedding we are having here on the budget, but that we are going to turn around and start cheating in the fall by breaking this budget by claiming all kinds of expenditures are an emergency, that they better be ready to get 60 votes in the Senate if they are going to be successful. They better be ready for a real battle, because I, for one, believe in this budget, and I intend to fight for it very, very hard.

This budget puts a focus on some priorities. It basically says that even in a tight budget not all spending is equal. It puts a focus on veterans' health care, and it does it by, quite simply, taking the position that in a time when you are trying to control spending, you have benefits and you have

earned benefits. The basic position of our budget is that those who have served the country, who have preserved its life by wearing with pride its uniform and fighting its wars and by keeping its peace, that even at a time when we have tight budgets, they ought to come first. So this budget provides more money for veterans' health care, and I support it.

This budget provides more money for education. It doesn't create the money magically. It takes it away from other programs, with the basic idea that we ought to let the States decide how to spend money on education rather than the Senate being a huge 100-member school.

This budget calls for an increase in defense. One of the great unknowns now, not knowing what the war in Kosovo is going to cost, is what is this going to do with our budget and where do we go from here. I want everybody to understand that this budget is written in such a way that we contemplate an increase in defense spending. We want to give a pay increase to everybody in the military. We want to try to provide the pay and benefits and recognition that will help us retain in uniform and recruit the finest young men and women who have ever worn the uniform of the country. Today they wear that uniform with pride, but we have grown increasingly concerned that we are falling behind in recruitment, in retention. We are having trouble, especially, keeping pilots. Now that the President has us deployed in some 30 different engagements around the world, where defense spending has been cut by over a third since its peak in real terms, and yet we have massive military deployments, what is happening is, people are beginning to leave the military.

This pay increase that we call for in this budget is vitally important in terms of helping us recruit and retain the best people. Having all these miracle weapons does us no good if we don't have quality people to man those systems. We have the best people in uniform today that we have ever had. We want to keep it that way. That is what this budget does.

That is the choice we have. The choice that is presented to us in this budget is, even though we are in a period of record prosperity, even though the level of revenue flows is a record level, what we call for is to limit the growth of Government spending, put a focus on areas like veterans' health care and education and defense, use the surplus to deal with the looming crisis that faces us in Social Security, and to the extent that we have surpluses flowing from the general budget instead of from Social Security, take the bulk of that money and give it back to working families in tax cuts.

That is what this budget does. I believe that it is an excellent budget. I think looking at the whole package, it is the finest budget presented in America in the 20 years that I have served in Congress.

Talking specifically about several different areas, I want everybody to understand that there is a shell game going on with Social Security. I want to explain, because people have trouble understanding what it is the President is doing on Social Security and what this budget does on Social Security. Let me first explain what this budget does on Social Security, and then explain the fraud that is perpetrated in the President's budget.

What this budget does on Social Security is very, very simple. It says every penny that we collect in Social Security taxes that we don't have to have to pay Social Security benefits should be dedicated to Social Security. It ought to be locked away, and it ought to be available to any effort to rebuild the financial base of Social Security. But we should not spend it on any other Government program, nor should we use it for tax cuts. In fact, Senator DOMENICI, in a proposal that is enshrined in this budget, but we will have to vote on separately, sets up a lockbox where we literally change the lending limits that the Government faces, the debt ceiling, so that we will not be able to spend one penny of the Social Security surplus.

This is vitally important because, as anybody in the Senate knows, and I wish every American knew, our Government has been stealing every penny of money coming in to the Social Security trust fund. We currently have IOUs for this money that are sent to West Virginia and put in a metal filing cabinet, but the Government then takes the money and spends it on everything but Social Security. None of that money is being used for Social Security purposes.

Senator DOMENICI's lockbox would change that permanently and say that this money would be set aside to reduce debt, and it would be available when we can agree with the White House on a way to rebuild the financial base of Social Security. That is a critically important proposal.

If the American people knew the extent that we have been stealing money out of the Social Security trust fund, there would be outrage in the country. That is exactly what is happening. The Domenici lockbox ends that forever, and it is vitally important. I hope every Member will support it.

Now, let me talk about this shell game the administration is playing on Social Security. Let me say, to begin with, that if you have been involved in every budget since 1979, you have seen phony assumptions, smoke and mirrors, shell games, or whatever the words are that we use. But let me say, so that no one is confused, that in Republican and Democrat administrations I have seen people make assumptions that were wildly unrealistic about the future, about what inflation was going to be, about what interest rates were going to be, about what economic growth was going to be, about what spending was going to be; but

those were always assumptions about what was going to happen in the future where at least people could say, well, it may be based more on hope than reality, but it could happen.

What the Clinton administration has done is they have brought phoniness, distortion and untruth into the budget at a level which has never existed in the American budget in the history of this country. And no better example exists than under Social Security.

I think I can explain it to you very simply. Here are the facts. In the year 2000, the first year of this budget, we projected a \$131 billion surplus in the unified Federal budget. If you take every penny we get from every source, and you take every penny we spend on every program or giveaway, or lose, or forget about, and you bring those two together, we are taking in \$131 billion more than we are spending. Now, Social Security is taking in \$138 billion more than it is spending. So while we show that we have a \$131 billion surplus, the reality is that if you don't count the Social Security trust fund, we are actually spending \$7 billion more than we take in.

So let me show it to you this way. We are taking in \$138 billion more than we are spending on Social Security alone. We are then spending \$7 billion of that money from Social Security on general government. Now, that would leave you with \$131 billion of money for Social Security.

What the administration does is it sends to West Virginia this piece of paper that actually prints out on a computer, and it says, "IOU Social Security \$138 billion." So they get this piece of paper, they tear it off—and it has actually been on television, and they won't let you photograph the bonds, interestingly—they tear off the perforated edges and they take that \$138 billion IOU and put it in the filing cabinet.

Now, what happens is, we then spend \$7 billion of it immediately, and that brings us down to \$131 billion. Now, the President says, well, let's take 62 percent of that and give it back to Social Security and we will spend 38 percent of it. So we started with \$138 billion, we spent \$7 billion, and then the President says let's spend 38 percent of what is left and then we will send another IOU to Social Security for \$81 billion. So out of the \$138 billion that they initially had, they send IOUs to Social Security for \$219 billion. Now, they started with \$138 billion and then they spent \$7 billion, and then of that \$131 billion that was left, they spent another \$50 billion, and then they give Social Security an IOU for \$219 billion.

Now, any freshman accounting student in any accounting class in America would be given an "F" if they proposed on an examination paper such an accounting system. Yet, some of the most highly educated people in America—men and women of great stature—stand up in front of God, a television camera, and everybody else in the

world and defend this totally phony, fraudulent, embarrassing proposal. I guess we all have our own standards, but I would not do it. I don't admire people who do it. I think it does a terrible injustice and disservice to the American public that this is happening.

I wanted to show this graph to sort of bring the whole thing together. What I have here is plotted between the years 2000 and 2009, the years where this budget is in effect, the Social Security surplus. It starts out at \$138 billion and it grows over the period to over \$200 billion a year. That is the amount of money that Senator DOMENICI locks away in his lockbox. Now, in addition to the Social Security surplus, because the economy is growing so quickly and because we are controlling spending, if we actually do it, we will get an additional surplus in the rest of the Government in this area that I call "B" on this chart.

Interestingly enough, what the President does is, he says let's take 38 percent of this unified budget, Social Security plus non-Social Security budget, and let's spend it and then give the rest to Social Security on top of the Social Security surplus that we have already measured. So that is how they start out with the Social Security surplus and then end up with these huge IOUs that they claim they are giving to Social Security. It is interesting because if you look at the President's plan—and this chart is from the Social Security Administration—if you look at their plan, they claim that under their plan they are building up the assets of Social Security from \$864.4 billion to \$6,697.8 trillion. Yet, when you look at the Office of Management and Budget figures—and all this is put out by the same administration—when you look at their actual level of paying down the debt, that level turns out to be only \$2,183.6 trillion. So the question is, What happened to the \$3.6 billion? What happened to it?

The President says that under his system, with all this double counting of money, he was putting \$5.8 trillion into Social Security; yet, his budget shows only \$2.163 trillion actually saved for Social Security. What happened? Well, what happened is that none of this money ever went to Social Security to begin with. It was all a paper, double-counting bookkeeping. Their own numbers show it. Yet, nobody is embarrassed enough about it to simply say, well, this is phony and we apologize and we should have never tried to perpetrate this fraud on the American people.

Now, I think we can be proud of the fact that in this budget every penny of the Social Security surplus is locked away to be used for Social Security. And when we decide how to save Social Security—and I wish we could decide today; maybe we will tomorrow—those funds will be there for that purpose. I think that is very important and I want to congratulate Senator DOMENICI

for his leadership on this issue. I want to address two other issues and I will speed it up if anybody else comes over and wants to speak. If not, I will give a fairly detailed description of both.

The next issue is tax cuts. The budget before us simply says that every penny of the Social Security surplus will be there for Social Security; that of the surplus that is left, we keep a reserve of money that is available for a contingency use which could be used for one of many purposes, and then after we set aside that contingency, we provide the rest of the money for tax cuts for working Americans. After all, the surplus we have is due to the fact that Americans are working harder, working smarter, working in a more productive way, earning more and paying more taxes.

There have been several proposals to cut taxes. None of them are endorsed in this budget. This budget simply gives to the Finance Committee the ability to cut taxes. And there have been a lot of proposals discussed. But the one that especially our Democrat colleagues have talked the most about is a proposal to cut taxes across the board. This has given rise to a debate in which I love to engage. Obviously, my Democrat colleagues love to engage in it as well. This is the debate that basically takes the view, as our Democrat colleagues often do, that investment is a good thing but investors are somehow bad people; that wealth is a wonderful thing but people who create it, that somehow there is something wrong with them, or that there is something wrong with letting them keep part of it. I don't understand how you can love investment and not love investors.

I view people who are successful as being public benefactors. I never got a job being hired by somebody who made less money than I did. Everybody who ever hired me was richer than I was, which is why they were hiring me rather than me hiring them. And I never resented the fact that people had gotten rich by working in America. But here is what you are going to hear all day today, and here is what you are going to hear as we debate the tax cut.

We have a very, very progressive tax system in America. "Progressive" is really a phony word. It is a made-up word that is meant to really cloud the issue so you don't really understand. Under our system, if you make more money, you not only pay more taxes proportionately, but the rate of taxes goes up. So that as you make more money, your taxes don't go up proportionately but they go up exponentially.

Our system of taxes is so progressive that roughly 50 percent of Americans pay virtually no income taxes. And they pay no income taxes because there are many provisions which were adopted when Ronald Reagan was President in terms of changing the Tax Code. We were able to make some changes with the child tax credit and in our tax cut of 2 years ago that fur-

ther exempted income from taxes. But the bottom line is that about 95 percent of income taxes are paid for by people who are in the upper half of the income distribution in the country.

What our Democrat colleagues have discovered is that we do have a progressive income tax. So that if I pay \$5,000 of income taxes, and someone else pays \$50,000 of income taxes, and we give a 10-percent tax cut, I get \$500 as a tax cut and they get \$5,000 as a tax cut. And our Democrat colleagues think that is somehow outrageous.

But the point is, the only way you are getting more of a tax cut is if you are paying more taxes. So that what they are really talking about is that the system is progressive.

Should it be progressive? You know there are many people who believe we ought to have a flat tax and that everybody ought to pay the same rate. But the point is, if we are going to cut taxes and Senator ROCKEFELLER pays 10 times as much in taxes as I do, or 100 times as much in taxes as I do—I don't know, and I hope he pays 100 times as much because then he is better off and so is America. But, whatever it is, the fact that he would get a bigger tax cut than I do from an across-the-board tax cut is the most reasonable thing on Earth to me if he is, in fact, paying more taxes than I am paying.

I believe our No. 1 priority in cutting taxes is we ought to cut everybody's taxes by 10 percent. So, if you do not pay any taxes, you should have learned in the third grade—since I repeated the third grade I remember it—that anything times zero is zero. So with a 10-percent tax cut, if you are not paying any taxes, you don't get a tax cut. You are going to hear our colleagues say, well, 50 percent, or 40 percent, or whatever the number is they choose or make up today, people will get no tax cut under a 10-percent tax cut. The only person in America who will get no cut in income taxes from a 10-percent tax cut by definition is a person who pays no income taxes.

Here is my point. Most Americans don't get Medicaid. Most Americans don't get food stamps. Most Americans don't get welfare. Why don't they get those things? They don't get those things because they are not poor. Tax cuts are for working people. Welfare is for poor people. Medicaid is for poor people who are sick. Medicare is for elderly people for their health care. We have many different programs that do not go to everybody. We have very few programs in America that everybody benefits from directly.

The point is, if not everybody gets welfare, why should we be shocked that if you do not pay income taxes, that when we cut income tax rates you don't get a tax cut? I don't find that to be shocking. I don't have any trouble saying to somebody in my State who says, "You cut income tax rates by 10 percent and I didn't get a tax cut." I know, because I understand arithmetic, that they are not paying any income

taxes anyway. So I don't have any problem saying, "Yes. That is right," because tax cuts are for one unique group of Americans, "wagon pullers," I call them—the people who are pulling the wagon in which so many other Americans are riding; the people who are paying for the Medicaid they don't get, for the welfare benefits they don't get, for the food stamps they don't get. Tax cuts are for the people who are pulling the wagon in which all other beneficiaries of Government are riding.

So I don't feel the least bit squeamish about saying that tax cuts are for taxpayers. If you do not pay income taxes, you don't deserve a cut in income taxes, because you are not paying any.

We have a surplus because Americans are working harder and paying more taxes. In fact, they are doing it today, tax day. I want everybody who is going to the post office today to send their taxes to the government—if you happen to be on mountain time, or if you are on Pacific time and you have nothing better to do than to turn on C-SPAN—I want you to remember this when you pay your taxes: I want you to remember, you didn't get food stamps, you didn't get welfare, you didn't get Medicaid, but I believe—and the party I am a member of, the Republican Party believes—that you ought to get a tax cut. Our Democrat colleagues are going to say—you are going to hear it, so pay close attention. They are going to say, yes, you get a tax cut. You—this person working in Los Angeles, CA, on your way to mail your check in right now—you get a tax cut.

Think of these people that don't get a tax cut. How is it fair that Joe Brown and Susie Brown, who make \$21,000 a year, pay no income taxes, and get an earned-income tax credit—which is really a welfare benefit—why is it they don't get a tax cut when you do? The answer is, they don't pay any income taxes and you do.

We have this basic viewpoint which our Democrat colleagues find to be radical. That point is, if you don't pay income taxes, you don't get a tax cut; if you do pay income taxes, you do get a tax cut. The more taxes you pay—and God bless you for doing it, because if people are paying record taxes it means they are earning record incomes—I believe, and the great majority of the Republicans in Congress believe, if you pay more taxes, you ought to get a bigger tax cut. That is what an across-the-board, 10-percent tax cut would do.

A final point: This used to be a bipartisan idea. John Kennedy proposed an across-the-board tax cut in 1961 which was adopted and became law. His famous words are, "A rising tide lifts all boats." That is still believed by one-half of the political spectrum in America. It is no longer believed by the other half—and that is the half that he was once a part of.

To conclude, let me talk a little bit about Medicare. There is no more fraudulent portion of the President's

budget than the proposal about Medicare. Let me give Members a tiny bit of history. We, through an act of Congress, signed by the President, set up a Medicare Commission. In a gesture toward bipartisanship, Republicans—who control both Houses of Congress—agreed to appoint a Democrat, Senator BREAX, as chairman of that Commission. Senator BREAX did a great job as chairman of the Medicare Commission. It was my privilege to serve on that Commission. I remember as if it were yesterday President Clinton called the whole Commission down to the White House and talked to us about the terrible problems we had in Medicare and challenged each of us not to let the work of the Commission fail because of us. He challenged each of us to find a way to be for the final proposal.

As it turned out, as most people now know, the final work of the Commission did fail. It failed by one vote. Not one single person appointed by President Clinton found a way to be for the final proposal, and they all voted against the Commission proposal. The President, in 3 months, had an opportunity to change American history on Social Security and Medicare, and in both cases he failed.

What did the President do in his budget? What the President did in his budget is literally this: He said we are going to pay off debt—though not as much as the Domenici budget—but we are going to name the debt reduction in honor of various programs. That is in essence what it was. In essence, what the President's budget does is send a little note to Medicare that says: You will be happy to know that Federal debt was reduced by such and such an amount and it was done in your name. It would be sort of like our Presiding Officer having someone send a check to his university saying, "We made a contribution in your name," and then you say, "When do I get the money?" You don't ever get the money.

What the President did in Medicare—which was one of the cruelest hoaxes I can imagine in public policy—the President didn't give Medicare a penny over 10 years, provided no additional money to Medicare. In fact, he cut Medicare, cuts that are not in the budget before the Senate. So he cuts Medicare funding over 10 years, and yet by sending this IOU to HCFA, the agency that runs Medicare, he somehow creates the impression that he has given Medicare more money, when none of this IOU can be spent. In fact, the only way we could ever provide money under this is to raise taxes, to cut Medicare or cut other Government programs. Yet the President creates this impression that he has provided this money that could be used for pharmaceutical benefits or all these other wonderful benefits. It is a cruel hoax.

What we do in our budget is set out a procedure where this reserve fund, this reserve money that we didn't use for tax cuts that we kept as a buffer

could, in part, be used for Medicare. Our problem in Medicare is we need to adopt the Breaux Commission report. We had a vote on instructing conferees for us to preserve our commitment to that. It is in this budget. We are going to bring that proposal to the Finance Committee. I hope we are going to adopt it.

What that proposal will do, in addition to planting the seeds to save Medicare, for moderate- and low-income retirees it will, for the first time, give them assistance on pharmaceuticals. For middle-income retirees and upper-income retirees, by expanding the options that are available, by literally letting them have the same health insurance that I have as a Member of the Senate, it will allow them for the first time to have an opportunity to buy into a plan that will give them some assistance with their pharmaceuticals.

I have talked a long time and covered a lot of subjects. Let me conclude by simply congratulating Senator DOMENICI. This is a great budget. If we can enforce this budget, America will be richer, freer, and happier. If we can enforce this budget, we will have an opportunity to begin the long process of rebuilding the financial base of Social Security based on wealth and not debt. If we can enforce this budget, we will pay off Government debt. If we can enforce this budget, we will be able to give working Americans tax cuts.

It is one thing to enter the marriage; it is another thing to make it a successful one. This is a very important day, a very important budget. I am very proud to be for it.

I yield the floor.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I just came to the floor to hear my distinguished colleague from Texas say this is the finest budget in 20 years.

The PRESIDING OFFICER. Who yields time?

Mr. CONRAD. I yield 10 minutes to the Senator from South Carolina.

The PRESIDING OFFICER. The Senator from South Carolina is recognized for 10 minutes.

Mr. HOLLINGS. Mr. President, this is the same act, same scene, under different auspices, different rules and regulations, with the manifest intent, in this particular Senator's opinion, that what is on course here is a Milton Friedman-like plan of the distinguished Senator from Texas to privatize Social Security, to establish private savings accounts. The Republicans do this in violation of all the rules and regulations that you can think of that have been put in over the past several years to bring about fiscal discipline.

Let's get right to the point: We, up until now, have been on course with some fiscal discipline. Credit President Clinton and the 1993 Congress that enacted the Balanced Budget Act, which cut spending, increased taxes, increased taxes on Social Security—the

very measure that they said was going to end the world and throw us into a depression whereby even the distinguished chairman on the House Budget Committee said he would change parties. I don't know whether he is running today for President as a Democrat or Republican, but to my knowledge Mr. KASICH is still a Republican. He said he would change parties if it worked. It is working. The market is over 10,000, we have housing starts and inflation is down, unemployment is down, and everything else of that kind.

When they reported this budget, trying to continue the fiscal discipline, here is the language:

In addition to the fiscal policies contained in the budget resolution, I also am troubled by the process the Republican majority wants to use in this year's budget. The reconciliation process have been used sparingly in the past to improve the fiscal health of the budget. It was created to give the Senate a process for making difficult fiscal decisions—decisions that often require cutting popular programs and increasing taxes to balance the budget.

That is not the case this year. The Republicans want to use the reconciliation process to dramatically reduce revenues over the next ten years and impair the progress we have made so far in reducing the deficit and beginning to pay down the debt.

The budget resolution also would modify the pay-go point of order. Pay-go was required to insure the Senate would provide off-sets to reduce taxes or increase spending. The modified budget resolution now will make it possible to cut taxes without a fiscal off-set. By making it easier to use future surpluses to cut taxes instead of paying down the debt, this will eliminate the fiscal discipline that has reduced the deficit and contribute to the fiscal cancer eating away at America.

I say cancer, and I say that advisedly, because when President Johnson last balanced the budget, the interest cost on the national debt was only \$16 billion. Today it is just about \$1 billion a day. The last estimate of the Congressional Budget Office was \$357 billion each year. When President Johnson last balanced the budget, after 200 years of history—the cost of all the wars from the Revolution on up, World War I, World War II, the cost of Vietnam, Korea—the interest cost on the national debt was only \$16 billion. Now, since that time, without the cost of a war—we made money on Desert Storm—so, without the cost of a war it is now \$1 billion a day, eating away. With that wasted money, the interest cost on the debt, I could give the distinguished Presiding Officer his \$80 billion tax cut, I could give our Democratic friends our \$80 billion in increased spending, I could give \$80 billion to save Social Security, I could give \$80 billion to pay down the debt—that is only \$320 billion. But we are going to spend at least \$357 billion this year on nothing, and if interest costs start going back up we will be to \$500 billion.

But, to the original point, read this conference report. Here are the shenanigans that go along and are given dignity by my distinguished colleague

from Texas saying it is the finest budget he's seen. I was sorry to see him do that because I joined him in passing Gramm-Rudman-Hollings for fiscal discipline, and this is the most undisciplined shenanigan that you will ever find.

On page 18, section 202 of the conference report:

Whenever the Committee on Ways and Means of the House or the Committee on Finance of the Senate reports a bill, or an amendment thereto is offered, or a conference report thereon is submitted that enhances retirement security through structural programmatic reform, the appropriate chairman of the Committee on the Budget may—

(1) increase the appropriate allocations and aggregates of new budget authority and outlays by the amount of new budget authority provided by such measure (and outlays flowing therefrom) for that purpose;

(2) in the Senate, adjust the levels used for determining compliance with the pay-as-you-go requirements of section 207; and

(3) reduce the revenue aggregates by the amount of the revenue loss resulting from that measure for that purpose.

I want the Parliamentarian to listen to that one. I can tell you how he will rule. He will say it means whatever Mr. DOMENICI says it means. What does that gobbledegook mean? Listen to this. I will read it again:

Whenever the Committee on Ways and Means of the House or the Committee on Finance of the Senate reports a bill or an amendment thereto is offered, or a conference report thereon is submitted that enhances retirement security through structural programmatic reform, the appropriate chairman of the Committee on the Budget may [blah blah blah blah].

He can do away with the pay-go rule, he can cut the revenues, he can do whatever he pleases. And that is what my distinguished colleague from Texas calls the finest budget he has seen, because he doesn't want this crowd to read and understand what is going on.

Bring out the Roth IRA for the rich. Under this budget, pass a law, don't care about the rules, don't care about pay-go, don't care about any available monies. I say that IRA is for the rich because one American—to bring it into focus, Bill Gates, \$51 billion—is worth more than 100 million Americans. One man in this society that we are developing is now worth more than 100 million Americans.

So there are a lot of people who do not have anything to say about this. But you sort of enhance your security and retirement—for the idle rich. Whoopee and the dickens with the pay-go rule, Mr. Parliamentarian. You don't have to worry about that. You don't have to worry about the loss of revenue or anything like that, the reconciliation process. It is reserved. Now the Republicans can come on in and privatize Social Security, all under the auspices of saving Social Security.

It is still off on this public debt, as if there is some difference from the national debt. Let me explain one more time. When you pay down your public debt, you increase your Social Security

debt. That is where the money comes from. The whole gimmick here is to pay down Wall Street's credit card with the Social Security credit card. It is like having a Visa and a Master and you want to pay down the MasterCard with your Visa card, so you pay down the MasterCard with the Visa card. But it is still your card; it is your debt. All you've done is shift debt from spending column to another. That is why the debt this particular fiscal year, 1999, goes up \$100 billion. That is the Congressional Budget Office figure.

Let's sober up here. Everybody is running around saying, "Surplus, surplus." How are we going to do it? They all have different ideas: "Surplus, surplus." The truth of the matter is there is no surplus. There is a deficit. We are spending \$100 billion more than we are taking in.

I thank the distinguished Presiding Officer.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, let me thank the Senator from South Carolina. This country could have avoided an awful lot of the pain of the 1980s and 1990s if this country had listened to the Senator from South Carolina on budget matters. There has been no Member of this body who has had a better handle on the budget problems of this country than the Senator from South Carolina. Years ago, if we would have followed the Hollings plan and put in place a budget freeze, we could have avoided the massive deficits that came in the 1980s and the early 1990s, and this country would have been in a far better fiscal position.

He has been an activist and a leader on the Budget Committee of every effort to provide fiscal discipline to this country. I venture to say, in this Chamber there is no single Member who has made a greater contribution moving this country from massive deficits to now surpluses than the Senator from South Carolina. Senator HOLLINGS has been, I think, a model of what a United States Senator should be, in terms of budget discipline for this country. This country owes him a debt of thanks for the leadership he has provided.

Mr. HOLLINGS. If the distinguished Senator will yield, he has been far too generous. Our floor leader, Senator CONRAD of North Dakota, has really been leading the fight for us in the Budget Committee. That is why we are able to get some semblance of some discipline there. I hope, with the conference—maybe I could ask the Senator a question. Did they have a conference? Did the distinguished Senator from North Dakota go to a conference on the budget?

Mr. CONRAD. Yes. I was on the conference committee. It went to the conference.

Mr. HOLLINGS. Oh, they had one.

Mr. CONRAD. They had one, but they did not have a budget there. It is most

amazing. As my colleague knows, a conference is the representatives of the Senate and the representatives of the House coming together to work out the differences between the two. We were there, the Members were there.

I think you would have been quite amazed, I say to the Senator from South Carolina, because there was no budget there, there was no document there. There was no discussion about the differences between the House and Senate. What we had was an immaculate conception. What we had was a document that appeared out of nowhere after we had met.

Mr. HOLLINGS. As one big charade, rather than save Social Security, they plan to privatize it. There is no question in this Senator's mind.

Mr. CONRAD. To privatize it or raid it in some other way. We really do not know. I was very interested to listen to the Senator from Texas say—say—that they had reserved every penny of Social Security surplus for Social Security. That is what we said.

Mr. HOLLINGS. That is what he said.

Mr. CONRAD. Unfortunately, that is not what the budget document provides. It is very interesting; the Senator from South Carolina probably knows better than anybody how one can play games with these documents. It is fascinating what they have done here, because on one line, they suggest that they have provided a lockbox for Social Security. That is on one line on page 16 and it runs on to page 17. But then on the bottom of page 17, in the next section, they gut what they did earlier on the page. This is the oldest budget game in the book: "Now you see it, now you don't."

Mr. HOLLINGS. It is an old insurance game. I remember that when I was Governor, we were trying to clean up the insurance industry in my State. A new company was looking for a slogan, and we finally came up with the winning slogan: "Capital Life will surely pay, if the small print on the back don't take it away."

Now we have it all the way up here 35 years later in the budgetary process of the U.S. Government.

Mr. CONRAD. I wish it were not the case but, unfortunately, it is. We had, I think, hoped—certainly the Senator from South Carolina and I—that we would be at a point where we really would reserve every penny of Social Security surplus for Social Security. We thought that is where we were headed. Unfortunately, what our friends across the aisle have done is indicate that that is what they are doing, but that is not what the budget document says. No, no, no, they have changed it all, and they have made it possible to continue the raid on the Social Security trust fund on a simple majority vote which, of course, their lockbox was intended to protect against.

Unfortunately, what they say they have done and what they have done are two very, very different things.

MR. HOLLINGS. They gave the key for the lockbox to everybody save the Social Security recipients.

MR. CONRAD. Social Security is clearly in danger. Clearly, the priority on the other side is a tax cut, a massive tax cut at all costs. That is their priority.

Looking at this budget, the budget that is before us, the major problem with it is that it does not represent the priorities of the American people. I think the best way to understand this is we now have projected a surplus over the next 10 years of \$2.6 trillion. Our friends on the other side say all of the non-Social Security surplus—virtually all of it—ought to go for a tax cut. Nothing, not a dime out of that surplus is for Medicare—not a dime—even though it is in greater danger than Social Security. They do not have the resources available for the high-priority domestic concerns of education, health care, defense, because if you look over time, they are going to have massive cuts in those categories. They are disguised, they are hidden, but they are there.

Mr. President, I think perhaps it would be useful to recount a little bit of the budget history, how we got to where we are today and where we are headed.

This chart shows over the last 30 years the budget history of the United States at the Federal Government level. We can see the last time we had a surplus was back in 1969, a little bitty surplus of \$3 billion. We bumped along. Then we got into the seventies and the deficits started rising. Then we got into the Reagan years and the deficits exploded.

We then had the Bush years and the deficits got even worse, so that on a unified basis—unified basis simply means all spending, all revenue put in one pot; that is a so-called unified budget—and on a unified basis in 1992, the last year of the Bush administration, we had a \$290 billion deficit.

In 1993, President Clinton put before the Congress a 5-year plan to reduce the deficit. We passed that plan. It was done with all votes on this side of the aisle. Not a single Republican voted for that plan. Not one. That plan has reduced the deficit each and every year of the 5 years of the plan. In fact, now we are seeing a slight surplus.

What did that plan contain? It cut spending. It cut spending and it raised income taxes on the wealthiest 1 percent in this country. The Senator from Texas who was talking earlier opposed that plan. He said, as did many on that side of the aisle, that it would not work. In fact, they said it would increase the deficit. They said it would increase unemployment. They said it would increase inflation. They said it would be an economic disaster. They were wrong. They were not just a little bit wrong, they were completely wrong.

The fact is that plan worked and worked extremely well, and the proof is

in the pudding. We can see what happened to the deficit after that plan passed in 1993. Each and every year the deficit came down. In this last year, we ran on a unified basis a \$70 billion surplus, and we are headed for much larger surpluses if the projections come true.

On a unified basis, we ran a surplus last year. But remember, that counts all revenues and all expenditures. If we take out Social Security, because that is a separate trust fund, we will see we still ran a deficit last year of \$29 billion—if we take out Social Security—because it was in surplus by about \$100 billion.

The good news is, we are very close to balancing without counting Social Security this year, and in 2001, we anticipate we will balance without counting Social Security. That is an enormous, enormous development and enormous progress.

You can see back in 1992, if we were not counting Social Security, we had a \$340 billion deficit. That is the kind of progress that has been made, and it has been made because, as I indicated, we had a 1993 5-year plan that cut spending, raised taxes on the wealthiest 1 percent, raised income taxes on the wealthiest 1 percent, and in 1997, we had a bipartisan deal. In that case, we came together and agreed on a budget plan to finish the job of balancing the budget.

This chart shows what the 1993 plan did and what the 1997 plan did. You can see most of the savings are the result of the 1993 package. Again, our friends on the other side of the aisle—all of them, to a person—voted against it. The bipartisan agreement was 1997, but most of the work has been done by the 1993 5-year plan and that, in combination with the 1997 plan, has put us in this very favorable circumstance we face now.

I thought just for the record we should look back on what the deficits were under each of the last three Presidents.

With President Reagan, from 1981 through 1988, we saw the deficits explode.

They went from \$80 billion a year—that is the deficit he inherited—and very quickly he shot it up to \$200 billion. Then we, at the end of his term, saw some improvement—back down to about \$150 billion.

When President Bush came in, the deficits exploded again, and went from \$150 billion, as I indicated, up to \$290 billion a year by 1992.

Under President Clinton, as I indicated, in 1993 we passed a 5-year plan; and we can just look at the results. In 1993, the deficit was \$255 billion. And you can see each and every year thereafter the deficit went down under that 5-year plan. We almost achieved unified balance under that 5-year plan.

So the proof is in the pudding. Our friends on the other side of the aisle talk about “sham” and “hoaxes,” and all the rest of it. The proof is in the

pudding. My friends, Democrats passed a plan in 1993, without a single Republican vote. Democrats did the heavy lifting to get this country back on a fiscally responsible course. Facts are stubborn things. And the facts show, without question, that the Democrats passed a plan that, in fact, restored fiscal health to this country.

It is true in 1997 we did get together on a bipartisan basis to finish the job. I wish it could have been bipartisan in 1993. But our friends on the other side of the aisle said then that if you pass this plan, you are going to make the deficit worse. They said if you raise taxes, even if it is on just the wealthiest 1 percent, that is going to collapse the economy.

They were wrong. Their economic prescription for this country was wrong. And the facts clearly show that they were wrong. Thank goodness there were people who were willing to stand up and cast very tough votes to cut spending and, yes, to raise taxes on the wealthiest 1 percent so we could get this country back on course. It worked; and it worked splendidly. The results are dramatic. Not only have we reduced the red ink and eliminated it—no more running of deficits—but we also got remarkable economic results.

We now have an unemployment rate that is the lowest in 41 years. The other side said, when we passed the 5-year plan in 1993, if you pass it, unemployment is going to go up. Unemployment went down. Unemployment went way down, the lowest it has been in 41 years.

The other side said, the inflation rate, if you pass this plan, will go up. They were wrong. The inflation rate has gone down. We have the lowest rate of inflation in 33 years.

But the good news does not end there.

In addition, we passed welfare reform. In fairness and in truth, that was done on a bipartisan basis. We came together on welfare reform. And the result, coupled with the good economy that came from the 1993 budget plan, that coupled with welfare reform, has led us to the lowest percentage of our people on welfare in 29 years. Look at this dramatic improvement in terms of the percentage on welfare in this country.

As well, Federal spending has come down because, as I indicated, in 1993, part of that package was to cut the growth of spending in this country. And we did even more in the 1997 bipartisan plan. So the two together, the 1993 plan and the 1997 plan, have brought down Federal spending as a percentage of our national income to its lowest level since 1974. So now we are spending, as a percentage of our national income, the lowest level in 25 years of the Federal Government.

Because we have reduced deficits and gotten our fiscal house back in order, debt held by the public has also declined. We reached a debt, in relationship to our gross domestic product, of

50 percent in 1993. We saw, through the Reagan and Bush years, that the debt was climbing in relationship to the size of our gross domestic product. In 1993, when we passed that plan, we stopped the growth of the debt in relationship to the size of our income and reversed it. So now we have seen the debt come down to a level of 44 percent of our gross domestic product. And we anticipate, if we stay the course that we are currently on, we will get the debt down to only 9 percent of our gross domestic product in 2009.

The budget before us threatens that course. Because the colleagues on the other side of the aisle are so fixated on a massive tax-cut scheme, they would rather do that than to make this progress in reducing our national debt. I think that is precisely wrong. I think what we did in 1993 demonstrates that taking debt burden down gives a greater lift to this economy than any tax-cut scheme that anybody can come up with. That is not to say we should not have tax reduction, because we should.

The question is one of priorities and proportion. Our friends on the other side of the aisle say—we have \$2.6 trillion of surpluses projected over the next 10 years—there are only two priorities. Their two priorities are to safeguard \$1.8 trillion of that for so-called “retirement security”—I don’t know exactly what that means. That entire \$1.8 trillion is generated by Social Security. It should be set aside for Social Security. That is the plan we Democrats offered in the Budget Committee. We offered to safeguard every penny of Social Security surplus for Social Security. That is \$1.8 trillion.

In addition, we said we also ought to put about \$400 billion aside for Medicare. The budget that is before us does not provide one penny of these projected surpluses for Medicare—not one penny. These are not the priorities of the American people.

Instead, our Republican colleagues say all the non-Social Security surplus, or virtually all of it—because you have about \$800 billion of non-Social Security surplus over the next 10 years—they say, use virtually all of it for a tax-cut scheme. And the best description we have of what they do with it is a 10-percent, across-the-board tax cut. That is what the chairman of the Finance Committee has said he thinks should be done. That is what their leadership in the House have said they think should be done.

We have a different view of what the priorities for the American people are. For that \$2.6 trillion, we say every penny that comes from the Social Security surplus ought to be reserved for Social Security. Interestingly enough, that is what was passed here in the Senate. But it went to the conference committee, and somewhere in the dead of night they backed away from that commitment; they backed away from that commitment and they came up with this very clever, very complicated little scheme. And this very com-

plicated and very clever scheme says, on one page, yes, we are going to devote the Social Security surpluses to Social Security, but in the very next line they undermine it all—they undermine it all—they create a big loophole so that on a simple majority vote here the Social Security fund can be raided, can be looted, just like it has been done for the last 15 years. That is wrong. That is not the priority of the American people.

The American people want to preserve every penny of Social Security surplus for Social Security. That is what the Democrats offered in the Senate Budget Committee. In addition to that, we said the next \$400 billion of surplus ought to be reserved to strengthen and protect Medicare. Our friends on the other side have not provided one penny of the projected surpluses to strengthen Medicare. Instead, they say, let’s have this massive tax cut scheme to benefit primarily the richest and wealthiest among us.

Now, the Senator from Texas says, you cannot love investment and not love the investor. That is true. I think we all respect those who invest. We respect those who save. We respect those who are successful. The question is, how do we use Government policy? Who do we benefit when we make decisions? Do we use governmental power to benefit the wealthiest among us? Is that what we do?

That is not what I favor. As I said, I believe the first priority ought to be every penny of Social Security surplus for Social Security; that is, \$1.8 trillion of the \$2.6 trillion we now estimate will be in surplus over the next 10 years. But the next \$400 billion we say ought to be used to strengthen and protect Medicare. That leaves another \$400 billion that would be available for high-priority domestic needs under our plan, like education, like health care, and, yes, defense and tax relief for the American people.

Our friends on the other side of the aisle have a different view. They say, yes, reserve the \$1.8 trillion, but not just for Social Security, no, not just for Social Security. They call it “retirement security.” If they want to reserve every penny for Social Security, why don’t they say Social Security? Why have they come up with this new term “retirement security”? I think most of us know why they have done that—because the Senator from Texas has a scheme to privatize part of Social Security, and he wants the money reserved for his plan. He doesn’t want to say reserve every penny of Social Security surplus for Social Security. Instead, he wants to make people believe he is going to do that, but then he provides a big loophole so that later on this year he can come along and raid the Social Security trust fund for his plan to create private accounts. That is what is really going on here.

None of us is fooled. They do not provide anything, not a penny of these projected surpluses, to strengthen and

protect Medicare, when we know Medicare is in the most imminent danger of being insolvent. We say the priority ought to be Social Security and ought to be Medicare and, after that, we also ought to have some money for high-priority domestic needs like education and health care, and, yes, tax relief. But it is a matter of priority, and our friends on the other side of the aisle say the priority ought to be a massive tax cut.

This is the comparison for what happens. Let me focus on the 10 years. The blue column represents what the Republicans would do to pay down debt, and the red column shows what we offered as Democrats in the Budget Committee to pay down debt. A lot of people might be as surprised by this, because the Democratic plan paid down more debt than the Republican plan. We paid down more debt over the next 10 years, by nearly \$400 billion over and above what is in the Republican plan, because we believe that is a key priority for the country.

Again, our Republican friends think there is a different priority. They want to have this massive tax cut scheme. That is really what is most on their mind. Unfortunately, because of this, they do not have, as I have indicated before, one penny of the surpluses set aside to strengthen Medicare, not a dime. They have what I call “the Republican broken safe.” Here it is. You look in it and what do you find? There is nothing there.

Now, with what they have done in the conference committee, we ought to have this up for Social Security, too, because, goodness knows, we could find, after the clever game they have played here in this budget document, that we may go into the Social Security trust fund in the future and open the vault door and find there is nothing there, either. Because they have this set up so that they can raid every penny of the Social Security trust fund surplus and put it over into private accounts. They could do that. They could use it for a tax cut and call it retirement security. Who knows what that means, “retirement security”? If they wanted to reserve the money for Social Security, why didn’t they say it?

Well, I guess if we wanted to be fair to them, they do say it, don’t they? On one line they say they are going to reserve the money for Social Security, but they say, by a simple majority vote, you can overturn that. Before it was a supermajority vote. Now in the dead of night they changed it, simple majority vote, and now you can loot Social Security. You can raid it, because in the very next line, section 202, they created another reserve fund. It is clever.

I don’t think it is going to work for them, because the American people are too smart. They know the kind of games that get played here in Washington.

This is one of the most cynical games I have seen yet. In the Budget Committee, when we vote and the people

are there watching and the reporters are there watching, we vote to protect every penny of Social Security surplus for Social Security. That is the vote when everybody raised their hands in the Budget Committee. Maybe that is the reason, when we held the conference committee meeting between the House and the Senate, the Members were there, but there was no budget there. How can you have a meeting about a budget and not have the budget there? It was very interesting. There were no TV cameras there. We were there, the Members representing the House and the Senate, but there was no budget document there.

I think I now know why there was no budget document there—because they did not want this little trick revealed. They did not want this little loophole found out. They were hoping they had buried this so deep in the document that nobody would find it in time for this discussion and this debate and this vote. But we are going to vote, and we are going to see who is ready to protect Social Security and who has a mind to raid it later this year. We are going to see, by Members' votes, who is committed to protecting Social Security and who is committed to protecting Medicare and who isn't. We are going to see whose priority is a massive tax cut scheme for the wealthiest among us, because that is really what is afoot here. That is really what is afoot.

What happens if you give a 10-percent across-the-board tax cut? For those in this country who earn less than \$38,000 a year, they are going to get \$99. That is going to be their tax cut. But for folks who are earning over \$300,000, they are going to get \$20,000 of a tax cut. The Senator from Texas thinks this is a fair deal. I don't think this is a fair deal. I don't think this represents the priorities of the American people.

The other side is saying the priorities of the American people are to have a massive tax cut that would give a \$20,000 check to those earning over \$300,000 a year in this country, send \$99 to those who have an income of less than \$38,000, and not have one penny of the surplus available to strengthen Medicare, and to leave vulnerable the Social Security trust fund that everybody says ought to be inviolable, ought not be touched, that every penny ought to be set aside to redeem the promise made by Social Security.

That is what I thought we were going to do. That is what the Democrats offered in the Senate Budget Committee. We offered a plan that said of the \$2.6 trillion of surpluses, take the \$1.8 trillion that comes from Social Security and dedicate every penny to Social Security.

Take the next \$400 billion and use it to strengthen Medicare. Take the final \$400 billion and use it, yes, for tax relief, but also for high-priority domestic needs such as education and health care and, yes, defense. Those are America's priorities.

But that is not what is in this budget resolution. These are not America's priorities. These are the priorities of, frankly, those who are getting ready to get a \$20,000 tax break, and they are salivating. Of course, for the very wealthy, it is much more than this. For those who have had good fortune in this country—and we are grateful for that; it is one of the great things about America, that people have had enormous advantages. The priority of this country isn't to make those who have had great success even more comfortable; the priority of the American people is to strengthen Social Security, strengthen and protect Medicare, provide for high-priority domestic needs such as education and health care and, yes, defense, and also to provide tax relief. My Republican friends have just focused on a tax cut scheme. That is what is wrong with this budget at the most fundamental level.

I see that my colleague from the State of Washington is here. How much time would she like?

Mrs. MURRAY. I would like 15 minutes.

Mr. CONRAD. Mr. President, I yield 15 minutes to the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington is recognized for 15 minutes.

Mrs. MURRAY. Mr. President, I rise today to express my deep disappointment with the budget we are going to be voting on today. And while I applaud the efforts of the Republican leadership to have a budget resolution, I believe that in the haste to get something out by April, we have put together a budget that really lacks any sense of fiscal responsibility.

Mr. President, I urge my colleagues to vote "no" on this conference report. This report before us fails our families and it fails our children. This is the first budget for a new century, but it does very little to prepare us for the challenges we are going to face. It ignores key investments in education, health care, environmental protection, and child care. Regrettably, it ignores our obligation to current retirees and those who will retire within the next 20 years.

Mr. President, I have listened to many of my colleagues who talk about returning the people's money to the people, and I could not agree more. We should allocate part of the surplus to saving Social Security and Medicare. Hard-working Americans have paid their FICA and Medicare payroll taxes with the understanding that when they reach the age of 65, or become disabled, they will be guaranteed Social Security benefits and Medicare. Social Security and Medicare allow the elderly independence and dignity in the years spent after a lifetime of work. We must reserve part of today's surplus to honor this commitment, and this budget does not do that.

We all know that Medicare is in real crisis. Yet, the only recommendations

this budget offers are vague statements about reform. There is no talk about investing in prevention benefits that ultimately will save Medicare dollars. There is no language to improve the program so that senior citizens and the disabled can take advantage of new advances in biomedical research to improve the quality of their lives and their health. The priority of this budget before us appears to be to simply raid the Federal Treasury for an across-the-board tax cut.

We need to follow the example of working families. We have a budget surplus for the first time in decades because of tough fiscal discipline and wise economic investment. Just like families, we tightened our belt and restored fiscal soundness to the Federal Government. We should now use this surplus to save for and invest in the future. These are simple choices: Invest in our children and save for our retirement. That is the goal of most families.

I also point out to my colleagues the unfortunate fact that the conferees, in the middle of the night, behind closed doors, stripped out important language we had passed in the Senate regarding women and Social Security. Based on my reading of the conference report, it appears that my language was dropped. At the end of the report, there is a listing of all sense-of-the-Senate amendments adopted during consideration of the budget, but there is no explanation from the managers as to the status of these amendments. In addition, these amendments are clearly not part of the conference report pending before us.

Mr. President, an amendment I offered in committee and on the floor put every Senator on the record as being committed to protecting the safety net for women and making real change, to pull more older women out of poverty as we move forward with Social Security reform. My amendments were aimed at expressing our support of maintaining a guaranteed inflation-protected benefit for women and working to reform benefit calculations for Social Security. The amendment I offered on the floor made it clear that, through the process of Social Security reform, we would recognize the sacrifices women make to take care of their families.

I was proud to offer these amendments and had hoped that instead of just talking about taking care of women in the course of Social Security reform, there would be a solid, bipartisan commitment to addressing the unique economic situation faced by most women today. But it seems that, once again, the needs of women have been ignored or forgotten. With no women on the Senate Finance Committee, I wanted a strong statement from the Senate that the real interest of women who depend on Social Security would not be negotiated away. I wanted to be sure that all Members understood the changing dynamics of the workforce and the difficult choices women must make every single day.

Women make decisions in their thirties and forties for the welfare of their families, like raising children, only to find out in their sixties and seventies that this sacrifice has cost them their economic security in old age. A surviving spouse can also face a dramatic change in her standard of living immediately following the loss of her husband.

Women, on the average, give 11 and a half years of their working lives to their families. They jeopardize their long-term economic security and retirement income to meet the immediate needs of children or aging parents. A surviving spouse can see a reduction of as much as 50 percent of her Social Security income following the death of her husband. Is this the reward women deserve for caring for their families? Social Security reform gives us the chance to make things right for working women and protect their guaranteed benefit. We owe this to all families.

Unfortunately, when given the chance to assure women that their interests and real economic situation would not be forgotten, it would appear that the Republicans have now turned their backs. The failure to include my amendments will only make me work harder to educate women and to fight for women during the debate on Social Security reform.

I will not let the administration or Members of the Senate off the hook. There is no greater threat to women and families than a Social Security reform proposal that ignores the economic disadvantages still faced by working women and older women. I hope that all working women and older women are watching the debate on Social Security reform and taking note.

Mr. President, I also want to say again how disappointed I am in this budget process. When I decided to serve on the Budget Committee, I wanted to return some common sense to our fiscal policy. I wanted to bring the voice of working families to the table, and I don't think this budget passes the test. It is seriously flawed when it comes to the issue of education.

When I talk to my constituents about education and the efforts of Congress, most people are very surprised and angered to learn that less than 2 percent of overall Federal spending goes to education. They think education should be a higher priority, that we should improve and increase education spending, and so do I.

Instead, other than an increase for the Individuals with Disabilities in Education Act—an important \$500 million increase that I think we all support—we will see cuts in education funding, and cuts in other important areas in social services and job training.

Even with the increase for IDEA, this budget agreement assumes \$200 million in other funds—or \$700 million if IDEA is included—in cuts below a freeze that would have to come from other discre-

tionary programs in education, social services and job training.

Where will the axe fall? The Senate's budget specifically focused on subfunction 501—K-12 education. But after working with the House, this conference proposal now is silent on K-12 education as a specific subfunction. Can we then assume that our public schools will bear the burden of these cuts? Or will the cuts be in other important areas? The list is long. Will it be Head Start or national service, job training or juvenile justice, student aid or nutritional programs?

The American people in overwhelming numbers support increased funding for education. The Congress of the United States has not yet heard the message. This budget conference agreement does not place education as a high enough priority. Among other things, this budget completely ignores the pressing need to continue in the national effort to help local school districts hire 100,000 new, well-qualified teachers.

In the classroom, when students wonder why their teacher is not prepared to help them learn math and science—they can look to this budget. When they are stuck in an over-crowded classroom, they can look to this budget. When they learn that there will be less student aid this year than last year, they can look to this budget. When the American people see that fewer children are graduating with the skills they need to participate in our fast-changing economy, they can look to this budget and the short-sighted priorities of the 106th Congress.

A small bright spot in this otherwise bleak budget is the important expansion to child care funding. The Senate overwhelmingly supported the Dodd child care amendment to the budget resolution. I cosponsored that amendment, and while only part of it was retained, I think we have the beginnings of real, bipartisan progress on child care funding.

What the Senate supported yesterday in an overwhelming 66-33 vote, was a historic first step that would have increased child care funding by \$12.5 billion over 10 years—nearly doubling our federal investment in quality child care.

What the Senate is being asked to support today is not the complete Dodd amendment, but with a \$3 billion investment in the child care and development block grant, and \$3 billion in tax incentives, we are making a good start.

Child care questions are becoming more and more pressing for more parents every day. With concerns about affordability, quality, and access—and with more low-income parents going into the workforce—the needs are changing and increasing. More child care is needed during “off hours”—such as evenings and weekends. More child care is needed in rural settings, impacting transportation, work schedules, and the amount of licensed family child care providers.

It is vital that we make improvements for child care; the provisions of this conference agreement are a beginning to real progress.

But Mr. President, the glimmer of hope offered by the language on childcare is not enough reason to support the FY2000 Budget before us and I urge a no vote on the Conference Report. Under the unrealistic limits set under this budget, as a member of the Appropriations Committee, I know we will be unable to protect the real concerns of working families. Our hands will be tied when it comes time for us to invest in important priorities like education, health care, environmental protection, agriculture, biomedical research, and early childhood development.

Mr. President, finally, I commend Senator LAUTENBERG for his leadership in attempting to work for real progress and for a true fiscal plan that will guide us in the new millennium. I know he shares my disappointment in this resolution. But I thank him for the tremendous amount of work and leadership he has given us on the Budget Committee as we move forward.

Thank you, Mr. President.

Mr. President, I suggest the absence of a quorum, and I ask that it be equally divided.

The PRESIDING OFFICER (Mr. ALLARD). Without objection, it is so ordered.

The clerk will call the roll.

The legislative assistant proceeded to call the roll.

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

The PRESIDING OFFICER. Without objection, it is so ordered. Who yields time?

Mr. DOMENICI. I will be pleased to yield whatever time the Senator wants.

Mr. GRAMS. Less than 10 minutes.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. GRAMS. Mr. President, I rise this morning to support the budget conference report. Before I speak on the report, I would like to take this opportunity to commend the Senate Majority Leader and Chairman DOMENICI for their outstanding leadership in crafting and delivering this well-balanced budget proposal.

I believe this budget blueprint is a great achievement of this Congress, and it will ensure our continued economic growth and prosperity in the new millennium.

Protecting Social Security, reducing the national debt and reducing taxes are imperative for our economic security and growth. Our strong economy has offered us a historic opportunity to achieve this three-pronged goal.

This budget conference report has showed us how we can provide major tax relief while preserving Social Security and dramatically reducing the national debt, as well as providing sufficient funding for all necessary Government functions.

President Clinton has proposed to spend over \$158 billion of the Social Security surplus in his budget over the next five years for unrelated Government programs, instead of protecting Social Security. Remember the phrase, "Save Social Security first"? That is not in the President's budget.

This budget conference report includes a safe-deposit box to lock in every penny of the \$1.8 trillion Social Security surplus earned in the next 10 years to be used exclusively for Social Security.

Stopping the Government from raiding the Social Security Trust Funds is an essential first step to ensure Social Security will be there for current beneficiaries, baby boomers and our children and grandchildren.

I was pleased to join Senator ABRAHAM and others to offer an amendment during the Senate floor consideration that made this our number-one priority under this budget.

It is also notable, that under this budget, the debt held by the public will be reduced dramatically, much more than what President Clinton has proposed in his budget.

This budget conference report reserves nearly \$800 billion of the projected non-Social Security surplus—those are the tax overpayments of working Americans—earmarking \$800 billion for tax relief. This is the largest tax relief enacted since President Reagan's tax cuts in the early 1980s.

As one who has long championed major tax relief, I am pleased all Senators supported my resolution to protect this tax relief in the Budget Resolution.

My language offers options for middle-income tax relief such as broad-based tax relief, marriage penalty relief, retirement savings incentives, death tax relief, health care-related tax relief, and education-related tax relief.

The purpose of the provision is to assure the American people that we have made a commitment to major tax relief, and that there is room in this budget to fulfill this commitment while protecting Social Security and Medicare, providing debt relief and respecting some new spending priorities.

I am particularly pleased, Mr. President, that this budget conference report has retained my proposal which could allow us to lock in for immediate tax relief any additional on-budget surplus as re-estimated in July by the Congressional Budget Office for fiscal year 2000.

I believe this is solid protection for the American taxpayers. I thank the Senate majority leader and, again, Chairman DOMENICI for retaining this important provision in the budget conference report.

As the economy continues to be strong, we may have more revenue windfalls to come in the next 10 years that are above and beyond the Social Security surplus. We must return these tax overpayments to hard-working

Americans. They should benefit from the surpluses they are paying in rather than allowing Washington to stand first in line saying, "Let's spend your money rather than giving it back."

The logic for tax relief is fairly simple. Despite a shrinking Federal deficit and a predicted onbudget surplus, the total tax burden on working Americans today is at an all-time high. Americans today have the largest tax burden ever in history—even larger than during World War II—and the tax burden is still growing.

Federal taxes today consume about 21 percent of the total national income. A typical American family now pays about 40 percent in total taxes on everything they earn. That is more than it spends on food, clothing, transportation, and housing combined. So they are spending more to support Uncle Sam than they do on the basic necessities of life. It is still imperative to provide tax relief for working Americans and address our long-term fiscal imbalances.

Not only does this budget fund all the functions of the Government, but it also significantly increases funding for our budget priorities, such as defense, education, Medicare, agriculture, and others.

Although I have reservations about some new spending increases, including this conference report, I think overall the report is well balanced.

This conference report also retains the Senate-passed amendment that Senator GRASSLEY and I offered. This provision would reserve up to \$6 billion for crop insurance reform. Including this funding increase in the budget conference report is an important step, I believe, in realizing our goal of real crop insurance reform to help ailing farmers.

One of the promises made during the debate of the 1996 farm bill was that Congress would address the need for a better system for crop insurance. Last year, we witnessed devastating circumstances come together in my home State of Minnesota to create a crisis atmosphere for many of our farmers and for farmers around the country, as well. We also saw the current Federal Crop Insurance Program fail for far too many farmers. Funds for crop insurance reform are the best dollars we can spend to help American agriculture, and this is a far better way to assist farmers than any of the spending that we have included in the emergency spending bills. We need to pass this.

Finally, Mr. President, unlike President Clinton's budget, which, again, has broken the spending caps by over \$22 billion, this budget maintains the fiscal discipline by retaining the spending caps. There are those who claim we cannot avoid breaking the caps as we proceed to reconcile this budget. I say if we do our job to oversee Government programs, we will know which areas can be streamlined and which program funding can be shifted to new priorities. Let's make sure we do our job to

justify all Government funds are wisely spent.

In closing, cutting taxes, reducing the national debt, and reforming and protecting Social Security and Medicare at the same time are all possible. It is not either/or. It is not either Social Security or giving tax cuts. We can do all with what we have in the budget. This budget conference report has showed us how we can do it.

The bigger challenge facing us now is that we must have the strong political will to follow through on this budget. We must defend the principles and priorities highlighted in this budget blueprint through the entire appropriations and reconciliation processes, as well as in other legislative initiatives during the first session of this Congress.

Mr. President, I look forward to working with my colleagues to achieve the goals set forth in this budget. Again, I commend the Senate majority leader and also committee Chairman DOMENICI for putting this budget together.

Thank you very much, Mr. President. I yield the floor.

Mr. LAUTENBERG. Mr. President, I yield 15 minutes of our time to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DURBIN. Mr. President, I thank the ranking Democrat on the Senate Budget Committee, Senator FRANK LAUTENBERG, who has announced his retirement. He is headed for the last budget roundup. This is the second to the last stop. I have one more year with FRANK LAUTENBERG as spokesman on that committee who has made an enormous contribution to the committee, his State, to this Nation, and certainly this budget deliberation. We are going to miss him. He has done a great job for America.

I have known for many years the chairman of this committee, Senator DOMENICI of New Mexico. When I was a member of the House Budget Committee, his reputation was well known. He has been a deficit hawk for as long as I have known him. I am sure he has some sense of relief today dealing with a budget that is in much better circumstances than it was a few years ago. That is due in no small measure to his contribution. Though I may disagree with him on this particular budget resolution, it does not diminish my respect for what he has done in this budget process in demanding honesty. I hope he will continue on that pursuit, and I hope we will share goals in the near future. I am looking forward to doing just that.

Mr. DOMENICI. Mr. President, I thank the Senator very much. I appreciate his comments very much.

Mr. DURBIN. Mr. President, having said all these wonderful things about Senator DOMENICI, I am going to tell you what is wrong with his budget resolution, and he is not going to be a bit surprised by all that.

There are a few things where we do disagree. As Senator GRAMS of Minnesota just mentioned, there is overriding concern by all of us about the future of Social Security. I think Senator CONRAD on the Democratic side offered a very novel, imaginative, and positive contribution to this debate when he suggested we lock up the Social Security surplus for Social Security.

This would be done by requiring that an extraordinary vote of 60 votes would be required to spend the Social Security trust fund surplus for anything other than Social Security. We understand Social Security is a solid covenant between generations. Without it, 16 million more Americans would live in poverty, and Social Security is the principal source of income for two-thirds of older Americans and the only source of income for nearly one-fifth of our seniors.

This trust fund will go bankrupt in the year 2034 when people like myself, if we are lucky to be alive, will be part of the huge baby-boom generation looking to a smaller pool of American workers to sustain us. That is why the actions we take today for the future of Social Security are so critically important.

I am afraid the Republican alternative in this budget resolution is not nearly as good as Senator CONRAD's suggestion of a 60-vote lockbox. I am afraid we have fallen short of the mark when coming to guaranteeing the future of Social Security in this budget resolution.

There is another element, though, that is even more mystifying. There is an old poem that goes something like this:

As I was walking up the stair, I met a man who wasn't there. He wasn't there again today. I wish that man would go away.

The man I am talking about is Medicare. The problem with Medicare will not go away. The Medicare trust fund is expected to go bankrupt in the year 2015. If that is not bad enough, as baby boomers like myself retire, the strain will become even greater. By 2034, the number of Medicare beneficiaries is expected to double to almost 80 million American seniors.

The Democrats had a proposal to deal with that. The Democrats came forward and said we should dedicate a substantial portion of any future surplus to go to Medicare so that in addition to reforming Medicare, we would be putting our surplus funds into it so that it would be strong for many years to come. Our lockbox proposal for Medicare would save \$376 billion of the budget surplus for the next 10 years, and it would extend Medicare solvency by 12 years to the year 2027.

By locking these funds away, we make sure the country will have time for a serious debate on the future of Medicare reform while we are certain that it is going to be solvent. Unfortunately and sadly, and almost without explanation, the Republican budget

proposal before us today does not put away a single penny—not one cent—for Medicare. It does not extend the life of the trust fund by a single day. That, I think, is an abdication of responsibility, not just to the 40 million seniors who depend on Medicare but to their children who want their parents and grandparents to live in dignity and without worry about medical bills.

If we ignore Medicare, we are ignoring a looming crisis. This budget resolution does not address it. We will be hearing from the other side about how this budget resolution "fully funds Medicare." But a fully funded Medicare is still going to go bankrupt in just 16 years. The truth is, this budget does not do anything substantial for the Medicare system. It could leave it withering on the vine from neglect.

This chart indicates the difference in approach between the Republican side in blue and the Democratic side in red about the dedication of surpluses for Social Security and Medicare.

You can see a substantial difference between the two; in the years 2000 to 2004 composite—the first graph—and then later the 2000 to 2009 composite. It indicates the different dedication of funds to make certain Medicare is included in any plan that is a part of this budget resolution.

Let me speak for a moment about tax cuts, too. As I have said many times, there is just no more appealing phrase for a politician than, "I favor a tax cut." People cheer, "Oh, we love you. This is great." But we have to be honest with the American people. Some politicians in the past have talked about, "Read my lips: No new taxes." The American people learned a lesson there. They want honest talk about taxes. They do not want promises that cannot be kept or promises that we should not keep. The Democratic plan has targeted tax cuts, after we dedicated funds for Social Security, after we dedicated funds for Medicare. We kept a substantial portion aside for tax cuts targeted for the American families truly in need.

That would include USA accounts, the President suggested, so that more working families can save for retirement.

Long-term care tax credits, think of how many people are worried about their parents and grandparents now in nursing homes or in need of special care. This \$1,000 tax credit would be a helping hand to literally millions of Americans in that predicament.

The child and dependent care tax credit, we proposed \$6.3 billion to help pay for child care. We want Americans to work. But while they work, we want their children to be in safe and loving hands. And that means quality day care and stepping in to help low-income families so they can pay for that day care. And a tax credit for work-related expenses for people with disabilities. This will defray special employment-related costs incurred by those people with disabilities, such as transportation and technology costs.

Our tax cuts are geared to make certain that we meet our obligations first to Social Security and Medicare, and then to the American working families who most deserve them. It is still a mystery as to what the Republican tax cut will be. I am not sure. Perhaps we will have an explanation of it sometime later today before we vote on this budget resolution.

But, in fact, we have heard one proposal from JOHN KASICH, the chairman of the House Budget Committee, about a 10-percent, across-the-board tax cut. What would that tax cut mean? It is a good day to ask the question—on April 15.

For those with incomes under \$38,000 a year, the Republican tax cut of Mr. KASICH is \$99 a year. That is almost \$8.25 a month that people will have to spend under the Republican tax cut, if they happen to be among the 60 percent of working Americans who make less than \$38,000 a year. Think of it—a Republican tax cut that might pay half of your cable TV bill each month. Isn't that something to look forward to?

But if you happen to be in an income category in the stratosphere—over \$300,000 a year—a 10-percent tax cut is \$20,697.

So the people with the money are given the tax cuts. The folks who are working to raise their families and pay their bills, under this Republican tax-cut plan, get \$99 a year. I do not think that is fair. April 15 is a good time to talk about taxes. I want to remind my wife to get the forms in the mail before midnight back home. We want to make sure we do file our taxes on time, as all Americans should. But I hope that we will take a minute to reflect on the tax burden in America and what has happened to it.

The median family income in America—that is the average—is \$54,000. If you look at the tax burden on working families in America over the last 22 years, you will see an interesting thing has occurred. The taxes had gone up in the early 1980s, and then started coming down; and then look where they have dropped by 1999—the lowest tax burden in 23 years.

Anyone writing a check today will say, "I wish it was even lower," but the fact is it has been coming down. The U.S. Treasury reports a family of four, with the median income of \$54,900, will pay the lowest percentage of its income in taxes since 1976. It shows that many families with half the median income—these are folks making about \$27,000 a year—let me show this chart here—some of our hardest working families, I might add—will actually pay no income tax at all or get a check back from the government. They have an average income tax burden of a negative 1 percent. Their overall tax burden is the lowest in more than 30 years. This chart indicates it is the lowest in 35 years. A family of four can make up to as much as \$28,000 and not owe a dime in taxes.

Incidentally, one of the reasons many of these family tax burdens are lower is

because of our expansion of the earned income tax credit in 1993. This tax credit focuses on helping working families.

What a contrast: A Republican proposal by a Congressman from Ohio for a tax cut to benefit the wealthiest; the earned income tax credit designed to help working families. It really tells a world of difference in philosophy when it comes to tax cuts.

The interesting thing is if you look at those who are doing pretty well in America, those making twice the median income; that would be over \$109,000 a year. Their tax burden is also declining. The average Federal tax burden of a family of four with twice the median income is the lowest it has been since 1988, and the second lowest since 1977.

We back these figures up by an analysis, not from some Democratic Party organ but, rather, the accounting firm Deloitte and Touche, a group recognized as reputable in the field. Their analysis shows that the average Federal tax rate is lower today than it was 20 years ago for virtually every type of taxpayer.

We want to continue that, target the tax cuts to the families that need it the most, but it is not in this budget resolution—an approach which is so general as to suggest we would be giving tax cuts to the wealthiest among us instead of those who work the hardest, the working families struggling to put their kids through school.

We are going to face a crisis here on this budget debate, and it will come soon. I am afraid when we take a look at the Republican budget resolution, with tax cuts for wealthy people, we are going to find ourselves cutting back on a lot of spending. Some on the Republican side have stood up and very honestly said that is OK, "We believe that cutting back on Federal spending is good at any cost." I have second thoughts about that, because some of the programs which we will cut with this budget resolution are critically important to many American families.

As a result of this resolution, as many as 100,000 fewer American kids would have access to Head Start—Head Start—that early childhood development program where kids get a chance to prepare themselves for kindergarten and first grade. One-hundred thousand more kids in America would be off the program as a result of this budget resolution.

Another program, that is near and dear to my heart, the WIC Program—Women, Infants, and Children Program—brings in pregnant mothers, mothers with young children, and helps them with nutritional assistance during the pregnancy and after the children are born. One out of four American babies is in this program. Lower-income families need this helping hand to make sure their kids get nutritious food and so that the mother is healthy when she delivers the baby.

Is there any better investment of money in this country than doing what

we can to make sure that our pregnant mothers and their children, at their earliest age, are off to a healthy, nutritious start? This Republican budget resolution will cut over 1.2 million low-income women, children, and infants from the WIC Program. How can that make this a better country?

And when it comes to some basic things, we all abhor drugs in America and drug crimes, and yet with this budget we will be forced to cut the number of Border Patrol agents who are trying to ferret out those smuggling narcotics into America. So 1,350 fewer Border Patrol agents, 780 fewer drug enforcement agency personnel out there fighting the war on drugs—think about that for a second. Does that make any sense? More drugs in America, so we would have more people ultimately committing crimes and going to prison because we give a tax cut to the wealthiest people in this country. This is upside down thinking and a reason why many of us question its wisdom.

Funding eliminated for 21 Superfund sites; 73,000 summer jobs and training opportunities cut.

The list goes on.

Cuts in food safety. You ask the American people, what do you expect of your Federal Government? In the State of Iowa a poll said: The first thing is to make sure the food we eat is safe to eat. People are concerned about that. They hear about scandals where children eat tainted food, or the elderly do, and get seriously ill, if not die, and yet we cut back in the Department of Agriculture in areas of food safety. How can we possibly rationalize and explain that in the name of giving greater tax cuts to wealthy Americans?

Let me close by saying that I respect the hard work that has gone into this budget. I respect the serious difference of opinion between the Republican side and the Democratic side.

I think ours is a more balanced and rational approach. It takes care of the future of Social Security. It provides help for Medicare where the Republican budget resolution provides none. It provides tax cuts for families that really need it and doesn't give tax cuts to the wealthiest among us. It also provides that we will have the money available to meet the basic needs of America when it comes to educating kids, feeding pregnant mothers and children, providing for the kind of law enforcement that is essential for the security of this country.

I hope that before this is all said and done, President Clinton can bring the leaders on Capitol Hill, the Republican leaders in the Senate and the House, together and that we can work out some reasonable bipartisan compromise. I am afraid this budget resolution does not reflect that, and that is why I am going to respectfully oppose it and vote against it.

I yield back the remainder of my time.

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

Mr. DOMENICI. Mr. President, I yield myself as much time as I use.

First, let me speak to those who are wondering what the time sequencing is and when we might vote. We know of only one additional Senator on our side who wants to speak, and that will be Senator SLADE GORTON. I understand that we know, in fact, where he is. He is at a committee hearing, but as soon as he comes, he will be our last speaker. We are anxiously waiting to see how many more there are on the other side, and we are hoping that in all events we will be through debating this budget resolution within an hour or less. That will set a time certain that is accommodating to the leaderships in terms of when we vote.

Having said that, let me just comment a bit with respect to a few things that have been said by the distinguished Senator from Illinois.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to 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.

Mr. DOMENICI. Mr. President, I rise to speak a few words to the Senate and anybody interested with reference to some of the comments made by my good friend from Illinois, Senator DURBIN. I do mean that. He is a very new member of our committee, and I find him to be a very dedicated and hard-working Senator. I reciprocate with my compliments to his work and effort.

I do believe we have a propensity on the floor to argue and, in many cases, to exaggerate so as to prove our point. Let me make sure that the American people understand the tax cut we are talking about.

It is projected that in the next decade we will have \$2.5 trillion in surplus money coming into the Federal Government. Let's for a moment understand basically what that means, \$2.5 trillion. The entire budget of the United States for everything is about \$1.8 trillion a year. We will have a surplus that dramatically and extensively exceeds the total amount we are spending annually for all programs of government.

Where did that \$2.5 trillion come from? It did not drop on us from outer space, nor did a big rain cloud come over and rain came down and it was full of dollars and that is where the \$2.5 trillion in surplus came from. I think most people, if given three or four things they could choose from, would choose the right answer—the taxpayers paid it in. The taxpayers pay \$2.5 trillion more in the next decade in taxes than we need to run government based upon a reasonable program.

Obviously, if you believe there is a never-ending need for government spending, then you can whisk away that \$2.5 trillion and say, let's spend it. Frankly, for all of the desires of the American people, they are not crazy. In fact, they understand implicitly what is going on. When, in fact, you have this kind of excess taxes being paid in, there is a difference, dramatic difference, between the two parties. The Republicans say don't grow government, give the money back to the taxpayer.

That is what all this argument is about. What do you do with that excess, which is more money per year and per the next decade from the taxpayers, all taxpayers, than we need for our current budget plans?

You could invent new budget plans, I say to the occupant of the Chair, and spend every cent of it. Or you can do something as wild as the President has recommended, which not even the Senate believes is responsible—indeed, both sides. You can take a huge chunk of that money and put it into the Medicare trust fund without reforming or changing Medicare, just put it in there and put out, as the President did, 15 percent of that surplus in IOUs. The IOUs have value, because what are the IOUs? The IOUs are postdated checks which are going to come due at some point.

Who is going to pay for them? It is the American taxpayer who is going to have to redeem them in 10, 15, or 20 years, because it is just a postdated check. You understand that, but if they understood it, they would say: What is this all about? We thought we were fixing Medicare, reforming it and making it more efficient. Sometime out there in the future, those IOUs are going to come due, and we are going to have to pay them. New taxes are going to have to be imposed.

What do the Republicans think? Republicans think that during the next decade you ought to take every single solitary penny of Social Security surplus, which is part of that \$2.5 trillion that I have been talking about, and put it in a position in the budget where it can't be spent for anything other than senior needs.

There are arguments that isn't enough for Medicare, that we don't provide for Medicare in this budget. Let me just tell you what we do provide. We provide \$462 billion more in that trust fund than the President did, and he heralded his budget as being responsive to the proposition that every single penny of trust fund money would be deposited in the trust fund for Social Security, excepting he had a nice little funny thing in there. That was over 15 years—we never have budgeted like that—which meant that he only put 62 percent of the Social Security surplus into a Social Security accumulating trust fund, and then he did this IOU business with Medicare. Essentially, it is as if there is a plan, an intentional approach to say to the American peo-

ple: Don't worry about the taxes you are paying in and the excess; we have it all taken care of; we are going to spend it.

As a matter of fact, it is most interesting; the President of the United States spent in the first 10 years \$158 billion of the Social Security surplus for programs.

Unequivocal. Nobody denies it. The President's OMB people don't deny it. They say that doesn't matter because over many years we are going to save the money for Social Security, but we will spend some of it in the first decade. In fact, that \$158 billion is in the first 5 years of the budget—it is going to be spent.

Having said that, the other issue that seems to always come up is, if you are going to give tax cuts, it just has to be that the Republicans are going to take care of the rich people and not the middle income and family people, because there have been various Senators and House Members speaking about what they might want. I will remind everybody listening to that kind of stuff on the floor, you should know that that budget resolution, by operation of law, does not say how the taxes will be cut. It says how much. And in the processes of the Congress, later on—in fact, under this budget, it is in July of this year—the tax-writing committees, after hearings, after citizen input, after talking with Senators from both sides of the aisle, will produce the tax bill. That will be the time to decide what is in it. And it is actually a red herring to talk about what is in that tax bill—because we don't know—as a justification for not having any tax cuts. But that doesn't sound right, does it? Well, it is right.

Those who use the argument that it is going to be a bad tax bill, so don't have any tax cut, are essentially saying we don't want to give you a tax cut because we don't know what will be in it. But I will tell you what the budget resolution says. That is the best I can do. It recommends that such tax relief could include any or all of the following: an expansion of the 15-percent bracket, marginal rate reductions, a significant reduction or elimination of the marriage tax penalty, retirement savings incentives, estate tax relief, an above-the-line income tax reduction for Social Security payroll taxes, tax incentives for education, parity between the self-employed and corporations with respect to tax treatment of health insurance premiums, capital gains taxes, and fairness for family farmers.

Now, that is what we are discussing. Do we want to allow some or all of that to be debated and looked at? That is why we have a tax provision in this budget resolution.

Let me just quickly go through one other thing and then summarize what we have done. First, in the Medicare program, by virtue of a good economy, meaning high unemployment, a lot of people paying into these trust funds,

we have extended the life of Medicare, Part A—that is the hospitalization part in the trust fund—for 8 years without Congress doing a thing. The current program lives for 8 years longer than expected just 6 months ago because the economy is powerful.

Now, almost everyone knows we have to reform, change, make better, make more efficient the Medicare program. There are some who would like to deposit \$400 billion in the trust fund of Medicare and let it sit there as IOUs for the future, without first determining what does Medicare need or, to put it another way, without any reform or changes in Medicare. None. That is what it contemplates. And an extension of the trust fund is contemplated by just pouring that money in and taking IOUs. It isn't spent. It extends the life of Medicare some 8 or 9 years, and it doesn't contemplate or envision reform. It doesn't pay for prescription drugs. And, incidentally, as an aside, anybody who would like to ask the OMB of the United States, the Office of Management and Budget, the Congressional Budget Office, the Comptroller General, ask them if the President paid for prescription drugs in his budget—zero. He suggests we might want to do that sometime as part of reform.

Now, one Democrat Senator said, "Republicans want to raid the Federal tax treasury for a tax cut." Now, isn't that an interesting concept? Raiding the Federal Treasury for a tax cut. What is the Federal Treasury? What is the Federal Treasury into which the taxpayers are paying \$2.5 trillion more than you need for Government? What is the Federal Treasury?

My friends, the Federal Treasury belongs to the American people. It does not belong to the Government. If we reduce the size of Government and there is money left over and we say let's give it back to the public, are we raiding the Treasury of the United States, or are we giving back to our citizens the overpayment they have paid in income taxes that is lodged temporarily, or housed in the U.S. Government?

I wonder how the people who are hurrying today to the post offices trying to get their tax returns in would feel if they knew that over the next 10 years as they file their returns, they are overpaying the Government; and, as a matter of fact, if you add it all up, they are paying \$2.5 trillion over current expenditures. I think they would be wondering, what is the U.S. Treasury? We thought maybe it was ours.

In summary, we think we have a very good plan to enter the millennium. If the President would like to enter that millennium with us, that would be great. Everybody listening and everybody who follows budgets should know that there has not been a vote in this Congress, or in our Committee on the Budget, on a Democratic budget. They don't have to produce one. When I was in the minority, I didn't produce a budget every year. So everybody will know, we didn't vote on a Democrat

budget; we voted on the President's budget. While there was a lot of argument about whether we were voting on it or not, that is what it said—that we were voting on it. Now it will be interesting to know what results from that vote: No, every member of the committee; Yes, zero members of the committee.

Now, if in fact it was a great budget on Social Security, a great budget on Medicare—just those two—if it was great on those, Democrats would have voted for it because, after all, it is pretty clear that is what they believe to be the biggest issue going. They didn't vote for it.

Now, what this budget does is save Social Security and puts in a trust fund \$462 billion more than the President put in, and the number is \$1.8 trillion. You can't spend it. It is there. You can't use it for tax cuts, that is for sure. As a matter of fact, we will soon vote on legislation to lock it up so that it can't be used without 60 votes.

Save the Social Security trust fund first. That is the No. 1 plank, the No. 1 priority in the budget. Second, make sure we have done everything we can to promote Medicare reform and see to it that we do have the resources for it. We have done that. I am not going to repeat the three or four things in the budget and just say those were No. 1 and No. 2. Three, we have dramatically increased national defense. Everybody understands that. If they didn't understand it 2 weeks ago, they ought to understand it now. The costs that we are incurring in Kosovo now, over and above defense spending we contemplated year by year, are astronomical. We soon may have to add to that, in an emergency, as much as \$5 billion. And if we went on for a whole year, depending upon which kind of activity we have had, the number could be more than twice or three times that amount. So we have increased it substantially.

In our prioritizing, in our setting forth what we think should be paid for first, we have increased education \$3.8 billion in the first year, \$38 billion over the next 5, beyond that requested by the President. Our only hope is that none of that money will be used unless we have a new approach to public education funding, and that we would send the money down to the locales with "flexibility and accountability." Those are the two new words we want to attach—to give them flexibility and make them accountable. Don't tell them how to use it because one shoe doesn't fit everything in the school districts from East to West and North to South in this great land.

We have sustained and added to all of our criminal justice activities, and we have added \$1.7 billion to veterans' hospital care, substantially more than the President, because we think that is one of our real values in this country—to take care of veterans' health benefits.

I may have missed one thing or two. But I will summarize the effect of all of that.

We will have cut the national debt in half by creating that surplus and setting it there. We have reduced the national debt in half, substantially more than the President reduced the national debt. We think that is very, very good for our future.

I might say it is obvious that a number of our domestic accounts, aside from those that we treat with priority and that I have just stated, will go up. It will be very difficult to do all of the things Government is currently doing and meet this budget. In the appropriated accounts of our Government, between defense and nondefense, it is now about 30 percent of the budget, and it is going to be hard for those accounts to fit within this very tightly and stick to the balanced budget numbers. But it was my opinion, with the Senate of the United States, with one Democrat supporting us and the rest of us on our side unanimously voting for this, that we thought the best way to approach a successful American economy was to stick to the balanced budget plan in terms of people believing we meant what we said—that we were going to "ratchet down" Government and make sure we had a credible plan to do it.

Having said that, if Senator GORTON does not arrive shortly, I will be able to tell Senator LAUTENBERG that we don't have any other speakers. We will check with him right now so I can inform the Senator.

Mr. LAUTENBERG. Will the Senator yield for a few minutes so that the Senator from California can have 10 minutes now while we are waiting for Senator GORTON?

Mr. DOMENICI. Sure. Of course.

Mr. LAUTENBERG. I yield 10 minutes to the Senator from California.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. BOXER. Mr. President, I thank my chairman, Senator DOMENICI, and my ranking member, Senator LAUTENBERG, for yielding me 10 minutes of time.

Mr. President, I have served on the Budget Committee since I came to the Senate. That was almost 7 years ago. In the House I served for the maximum period allowable on the House Budget Committee, 6 years. So I have seen budgets come; I have seen budgets go. I have seen good ones, bad ones, middle-of-the-road ones. And I have to say that my heart is heavy as I look at this budget. My heart is heavy because I think it is not a good roadmap for our future.

I say that because I think this budget fixates on tax cuts to the wealthy, to the exclusion of other important critical priorities such as Social Security, Medicare solvency, and the environment. Under this proposal, virtually all of the onbudget surplus would be used for tax cuts. Tax cuts are good and I certainly do support targeted tax cuts to people who need it, such as the kind of program we unveiled yesterday at the White House with the President,

the USA accounts, the Universal Savings Accounts that will go to people with \$100,000 a year and less, and give them incentive to save by having matching funds from the Federal Government. It will make life good for our people. That is the kind of tax cut we ought to be talking about.

But that is not an across-the-board tax cut that we hear talked about. And my friend from New Mexico says it is premature to criticize the tax cut portion of this; we don't know what it will look like.

I have listened to Congressman KASICH and others wax eloquent about the importance of an across-the-board cut, and we know what that means. It will mean \$99 back for most of the people earning approximately \$40,000 a year or less. But for those in the very high brackets, those who earn \$800,000, we are talking about \$20,000 a year back.

Mr. President, \$20,000 back to some who earn more than \$300,000, the top 1 percent, is that something that we can truly say is going to bring the American dream to the people who do not have it? I don't get it. That is more than people make on a minimum wage, who sweat and toil every day—at the minimum wage. And we have had great objection every time we tried to raise the minimum wage.

I don't even get into the people who make \$1 million a year. High-wage earners are good people. They have worked hard. But I don't find when I talk to them that they are saying to me, "Senator, you have to give us more money back." They are doing well. They are doing well in the stock market. They understand that this country does well when you bring everyone along.

So I have a problem.

Let me give you another clue as to why I believe these tax cuts will go to those at the very, very top of the ladder. If you look carefully in this budget proposal and they talk about taxes, they go out of their way to mention cuts in estate taxes—taxes that are paid when someone dies. Mr. President, almost ninety-nine percent of the people in this country will never have to pay an estate tax. In other words, we have exempted much income from the estate tax. Here we see the Republican majority fighting again for the top 1 percent of income earners.

Mr. President, I offered a very simple amendment in the committee. Do you know what it said? If there are going to be tax cuts, the substantial benefit should go to the first 90 percent of income earners. The Republicans didn't want to vote on that. As a matter of fact, my chairman, whom I respect and like and admire, said, you know, last year that was a good idea; this year it is not a good idea. They wouldn't take that. They substituted some other language. Then when we got to the floor of the Senate, guess what. They didn't want to vote on it. They accepted it only to drop it in the conference.

So this budget fixates on tax breaks for the people who do not need them.

And even bipartisan votes were dropped in the conference. It is hard for me to understand how this is a good roadmap for our future. Education, yes there is a good increase needed in education. But every single amendment that was moved forward, such as the one from our ranking member on school modernization, was dropped in the conference.

My language on after school, which we know works for our children—and we have so many local districts that want that program—was dropped in the conference. Why? The new thing: We don't want to tell local districts what to do. Mr. President, these programs don't tell local districts what to do. We simply make funding available if they believe after school is a priority, if they believe school modernization is a priority, if they believe putting more teachers in the classroom is a priority.

The new words are "flexibility" and "accountability." How is it holding anyone accountable if you give them money and you don't even tell them you think they ought to look at after school, or you think they ought to look at lowering the number of children in the classroom? We were elected because we have views on these subject matters, not just to simply write a blank check and say, "Oh, take the money. We don't care." Do with it what you will: Put a new carpet in the administrator's office, have him hire a new assistant, put a shower in his office. I don't think that is the way we ought to legislate. We ran on these issues. We understand them. If we don't, we don't belong here.

I am not going to give a blank check to some school administrator. I am going to say, look, this is what we have available for you if you feel these are your priorities. Do Members know who set that standard, that kind of model? Dwight David Eisenhower, Republican President in the 1950s who authored the National Defense Education Act, who said there is a shortage of math teachers and science teachers; the Federal Government will help you pay to train those teachers—a Republican President. He didn't say, "Here, take the money, we don't care what you use it for." He said there is a national problem here, let's address it.

We know there is a national problem, as the Senator from New Jersey knows, fixing up the schools. We know there is a national problem, no afterschool programs, our kids get in trouble. We know there is a national problem, too many children in the classroom. We simply try to put some language in and it gets dropped in the conference.

Yes, my chairman is right: There is a huge difference between Democrats and Republicans. More and more I realize this. All you need to do is look at this budget to find it. They don't save Social Security. They put it in a lockbox for 1 year. They have language that mandates that the Social Security surplus be used only for the payment of Social Security benefits, retirement security, or to reduce the Federal debt.

What does retirement security mean? It could mean anything. You could argue you give a tax cut to someone earning over \$300,000, that will help him with his retirement. Not only that, if we want to break out of the lockbox, it looks to me like they only need 51 votes to do it. They don't save Social Security. They do nothing for Medicare.

I was surprised to hear my chairman say, "Without doing anything, the economy is good, Medicare is doing great." Medicare needs attention. We are living longer—that is the good news; the bad news is there are strains on Medicare. We should have put money into that program.

My chairman was right, we never offered a Democratic alternative budget. We had amendments on every one of these issues. My ranking member offered them on every one of these issues. We know where we stand. We said we want Medicare funding from the surplus put into a lockbox, too, because we think Medicare, as well as Social Security, are safety net issues that need to be addressed.

The point is they don't do in this budget what they should do for Social Security and Medicare. They don't do in this budget what they should do for working men and women. They don't do anything for the environment.

Senator CHAFEE, a Republican Senator, had his language dropped. Yes, they put \$200 million in from one account to another but the language that directing that the money be used for land and water conservation stateside spending was dropped. There is no instruction here.

Senator JOHNSON, who will be speaking shortly, and I worked together on a very important amendment to set up mandatory spending for the environment, for a land and water conservation fund, for the purchase of open space. It was bipartisan, adopted in the committee and was dropped in the conference.

I point out Senator MURKOWSKI has a bill on this matter, I have a bill on this matter, several other Republicans and Democrats have bills on this matter. We were simply making room for the environment in this budget and it is gone. This is a roadmap that I do not think is a good roadmap for America today. I am very sorry to stand here and say that because I believed we had an opportunity to do some very good things because we are on such strong fiscal ground. We had a chance to do some important things. We are going to see huge cuts in domestic spending as these numbers go over to appropriations. They are hidden in this budget right now, but as soon as you get over to appropriations it is going to be very, very difficult. There will be cuts in domestic priorities.

I will vote against this budget. We had an opportunity to work together; we didn't do it. We didn't save Social Security, we didn't save Medicare, we didn't talk about the real needs in edu-

cation, we turned our back on the environment. This is a budget that I do not believe the American people will support.

I don't hear the American people saying give tax breaks to the people who earn over \$300,000, \$500,000 or \$1 million a year. I don't hear them saying that. Do you know what I hear them saying—keep up fiscal responsibility and give help to the people who really need that help so they can climb up that economic ladder and this country can truly be all it can be.

I yield back my time to Senator LAUTENBERG.

The PRESIDING OFFICER. The Senator from New Jersey.

UNANIMOUS-CONSENT AGREEMENT

Mr. LAUTENBERG. Mr. President, I have a unanimous consent request that the list of those who are going to speak on the budget be identified as follows: Senator WELLSTONE, Senator GORTON, Senator HUTCHISON, Senator JOHNSON, and Senator LAUTENBERG.

Once these Senators have spoken, I ask unanimous consent that all debate time on the pending conference report be yielded back. I ask further consent that the vote occur on adoption of the conference report at 2 p.m. today. I include in that unanimous consent request that after those Senators have spoken, the request then include a period of morning business with Senators permitted to speak for up to 10 minutes each.

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

Mr. LAUTENBERG. I yield such time as needed to the Senator from South Dakota, up to a maximum of 15 minutes.

Mr. JOHNSON. Mr. President, I thank Senator LAUTENBERG for his leadership on this budget resolution. As a member of the Senate Budget Committee, it has been an honor and, I have to say, also, unfortunately, somewhat of a frustration to have participated in this process in the committee and to see now what has come to the floor.

I am saddened that what could have been a watershed opportunity for the American people—to lay out a budget that makes sense, which establishes the proper priorities for the coming years—apparently is going to be missed and profoundly missed in a very unfortunate way.

It is remarkable how we arrived at this point. When I first came to the Congress as a Member of the other body some 12 or 13 years ago, I had some doubts that I would ever see the collapse of the Soviet Union, the fall of the Berlin Wall, or debate how to utilize a Federal budget surplus, but here we are. We do have that opportunity, last year having been a surplus year, at least under a unified budget. And this year, which ends September 30, the projections are that we will be at least \$130 billion in the black for this coming fiscal year. Again, let me be clear that in the unified budget, all of those surplus dollars are attributable to Social

Security, lest anyone gets too carried away about spending the surpluses that are here in the near term.

It seems to me that throughout this debate that there are four principles that ought to be followed as we craft a roadmap for where we go from here, from this fork in the road that we thankfully have come to. This cross-roads follows on the heels of the 1993 budget agreement and was supplemented by the 1997 budget agreement, both of which I voted for. It seems to me we ought first protect Social Security and Medicare—not just Social Security, but protect them both.

It seems to me that a significant portion of resources that we come into ought to be used to pay down already-existing debt. When Jimmy Carter concluded his Presidency, this Nation had an accumulated debt of around \$1 trillion. That exploded to \$5.5 trillion, mostly through the borrow-and-spend policies of the 1980s. Now we have an obligation to pay that debt down, reduce debt service, reduce the cost of money, and free up resources for the private sector so buying a house, buying a car, sending a kid to college, and expanding a business become more affordable.

Third, we do need to look at tax relief, but we need to do so in a careful manner. We should not commit dollars that we do not have, those that are only projected far, far into the future. There is talk on this floor about how we are going to spend surpluses available to us 15 years down the road, surpluses of massive proportions. We have seen in the past what has happened with budget projections from both the OMB and CBO. We know the availability of those dollars may or may not occur. It seems to me a great deal of restraint ought to be used on the part of both political parties, for both spending and tax relief, when making plans premised on dollars that may or may not be available in the future.

But I do believe over the near term we ought to try to design a budget package that will provide some level of tax relief for people in this country, primarily for middle-class and working families. There is a very legitimate role to be played for a tax relief package, but it can only be part of an overall strategy.

Last of the four items that I think we need to take into consideration are the key investments that need to be made. I think the American people feel the same way. The American people want some tax relief, but they also want to see Social Security and Medicare protected. They also want to do some things for our schools, environment, kids, and communities. It is that kind of balanced agenda that makes some sense. To repudiate the ability to make the key investments that need to be made, I think, reflects an ideological orientation to this budget that is far away from where the American people are.

There is little wonder in my mind, frankly, why poll after poll shows the

American people overwhelmingly rejecting what has become the Republican budget agenda in the House and the Senate. The Republican agenda is lopsided—not balanced, thoughtful, or progressive—and it does not do the things the American people want to see happen. All of the money essentially goes toward tax relief, aside from an increase in defense and a couple of other assorted very narrow increases. Because of this budgeting, we are going to wind up by the year 2004, which is only 5 years down the road, with cuts growing from 11 percent this year to some 27 percent. These are, in effect, shutdown types of cuts for programs like Head Start and Meals on Wheels and toxic waste cleanup and for Women, Infants, and Children, and Border Patrol, not to mention community health clinics, environmental initiatives, funding for our national parks and rural development. All of these programs are at tremendous jeopardy because of the very one-sided, very lopsided, and, I think, unthoughtful approach that we are being presented on the floor of the Senate today.

On top of that, while there is some provision for an increase in education funding in this budget resolution, it is far smaller than that included in the Senate budget resolution; the increase of \$2.6 billion is now only \$259 million for fiscal year 2000. This budget puts out of reach our ability to deal constructively with the need to renovate and build new schools, to provide the numbers of new teachers we need, and to supply the technology we need in our schools.

In my State of South Dakota we are seeing bond issue after bond issue go down all across the State because people find they simply do not have the resources to make the investments in school facilities that need to be made. Yet we are walking away from what could be a very constructive and commonsense partnership—where the decisionmaking is left at the local school level but the financial partnership is among Federal, State, and local governments—that could make quality educational opportunities for our kids a realistic possibility in the next century.

The situation is similar for child care. While the Senate accepted the amendment of Senators DODD and JEFFORDS that provided an additional \$12.5 billion over 10 years for existing childcare and development block grants, the conference report cuts that by \$9.5 billion. So, again, we are denied the ability over the long haul to make the investments needed, even in a block grant fashion. It leaves the decisionmaking and flexibility to the States to invest in the kinds of programs that I think every American sees need to be made for our kids—afterschool programs, day-care programs. These are the things we need to do if we are going to invest in the minds of children so they can go on to have successful lives and take care of their own needs.

I am pleased because the amendment that Senator WELLSTONE and I offered on the Senate floor, which would have resulted in a total increase of \$3 billion in VA health care funding and which was accepted here, has been, for the most part, retained. This conference report calls for a \$2 billion level of increase. That is not as much as I would like to see or Senator WELLSTONE would like to see. It is not what our veterans' groups would like to see. It is an improvement, however, over where this body was earlier. It will make a significant positive difference. We will come back and see what we can do in future years to augment funding for veterans' health care. But I think getting \$2 out of \$3 billion when we started with zero is progress. It is a step in the right direction, I would have to say.

I want to share with Senator BOXER my profound disappointment at the deletion of the Land and Water Conservation Fund Reserve Fund. This was an opportunity we had. We had bipartisan support in the Budget Committee and bipartisan support on the floor of the Senate to have the opportunity to set aside offshore drilling resources to be utilized for the benefit of the environment and our National Park System in this country. Yet we are going to be denied that opportunity because of the deletion of that provision from this budget resolution. No matter how we come together in future debates, authorizing legislation about reinvigorating our park system with some additional resources from oil revenues, we are not going to have the opportunity to be as effective as we could have been. So I am disappointed about that portion of the conference report as well.

It is remarkable that we arrived at this point where we can talk about surpluses. There are many people who are no longer with us because they voted, with courage and with integrity, for past budget-balancing legislation—most notably the 1993 budget agreement that passed with no support from any Republican in either the House or the Senate. A great many Democrats lost their seats because of that vote. Yet now we find ourselves not with the \$292 billion annual deficit that this country had 6 years ago but with a \$131 billion surplus.

President Bush, to his credit, supported the 1990 budget agreement. I have to say, in all candor, a contributing factor to his loss of the Presidency was the fact that he supported the precursor to our 1993 budget agreement. Again, in politics sometimes, no good deed goes unpunished, and that has been the case with some of our past budget legislation.

I will have to say now we are at this watershed opportunity. There are some positive provisions in the budget resolution, and I applaud the sponsors for that. I applaud Senator DOMENICI for that. But there are so many missed opportunities; a roadmap to where the

American people want to go simply is not there. This is not a Republican or Democrat issue. I think commonsense, moderate, mainstream Americans know where they want to go—providing some tax relief but also paying down some debt; making key investments in our kids, our communities, and our schools. Those opportunities, unfortunately, in this roadmap are lost.

I yield such time as I may have.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, I yield myself such time as the majority has as I may utilize.

Mr. President, here in the Congress of the United States, this April 15 can be a day for modest congratulations for us. We will have passed a budget resolution on the day mandated by the Budget Act for only the second time in more than 2 decades.

Moreover, we will be adopting a budget resolution that balances the budget not only for the 1 year in which it is firmly binding, fiscal year 2000, but we hope for at least a decade to come.

We will be adopting a budget resolution that does more to secure the future of our Social Security safety net than has any budget resolution since the Budget Act itself was passed, first, by assuring that the entire Social Security surplus is used to pay down the debt and not to be spent on a wide range of other matters, as was recommended by the President's budget itself and, second, by calling for a lockbox to see to it that the condition of preventing the Social Security surplus being used for any other purpose is permanent and not temporary only.

Second, this budget resolution offers real tax relief to the American people. In that connection, it is especially appropriate that we will be adopting this budget resolution on time.

Today, of course, is tax day. April 15 is the day that the complexity and incomprehensibility of our mammoth Federal Tax Code hits home to almost every American. Today, my constituents in Washington State and, of course, citizens all across the United States rush to the post office, as I did myself this morning, to get their income tax postmarked on time.

I think it is appropriate to address my own hopes and the intentions of this budget resolution that this Congress will act on tax relief and perhaps begin to look forward to an even more fundamental tax reform.

Families whom I represent in the Northwest deserve a rebate from the Federal budget surplus in the form of tax relief, allowing them to decide how best to use their hard-earned dollars. I also believe that it is time to scrap the current Federal income tax code as being far too complicated, too burdensome, and too unfair.

Let me discuss for a few moments the reasons for providing tax relief to

American taxpayers. I would like to share with the Senate a few telling facts about the nature of that tax burden today.

A recent Congressional Research Service study found that an average American family will pay \$5,370 more in taxes over the course of the next 10 years than the Federal Government needs to operate under the budget resolution that we adopted just a year ago and this even after assuring that all our obligations to Social Security and Medicare have been met.

Next, the Independent Tax Foundation found that this year Americans on average will work 129 days to pay off their total tax bill imposed at Federal, State, and local levels, while my Washington State taxpayers will have to work even longer, 132 days on average.

Third, American workers now pay more in Federal, State, and local taxes than for food, clothing, and shelter combined.

And fourth, the Federal Government collects more in taxes than ever before, currently nearly 21 percent of America's gross domestic product, the highest percentage since World War II.

These are simply facts, not arguments. Reasonable people can agree that Americans are having to turn over too much of their hard-earned dollars in taxes. Tax relief is not a question of need, it is a question of justice. Is it right and just for citizens from Wenatchee to Woodinville to Walla Walla to work more than a third of the year just to pay their taxes? I think not.

Unfortunately, President Clinton and his Vice President GORE proposed in their budget to increase—that is right, a net increase in taxes of \$96 billion over the next 10 years. You might wonder why a President and Vice President want to raise taxes when we already have the highest burden since World War II. Why do they want to raise taxes when the Federal budget is operating in a surplus? It should be no surprise considering that ever since they were sworn into office in 1993, they have not proposed a net tax cut. In spite of the fact that President Clinton and Vice President GORE campaigned in 1992 on the promise of a middle-class tax cut, they ignored that promise and promptly increased taxes by as much as any administration in the history of the United States.

Why? It is very simple. In his State of the Union Address, President Clinton proposed 77 new Federal programs. Why does this administration believe that the Government needs to spend more money on so many new programs? Because the President and the Vice President do not trust the American people to spend their own money wisely. They believe that they can spend it better.

I disagree. To the taxpayers in towns across my State and across the United States, I say that the Republicans who are adopting this budget do so because they trust you and your family and

your neighbors better to spend your own money on your own needs and priorities than bureaucrats in Washington, DC, will ever be able to do.

This is one reason that I so strongly favor this budget. This budget sets aside every penny of the Federal budget surplus generated from Social Security into a lockbox for the purpose of strengthening that Social Security system for the future, but it provides that we will return any additional surpluses in the form of tax reductions, up to \$142 billion over the next 5 years and \$778 billion over ten years, to the people who have paid those taxes.

What form of tax relief are we talking about? I must confess that I do not know. Congress will debate that later this year. Four major proposals, however, are: eliminating the marriage tax penalty, ending or reducing the death tax, reducing capital gains taxes, and an across-the-board cut in income tax rates.

While I certainly am not able to predict what the final tax relief bill will look like, I hope that it will include some elements of all four of these proposals. But the important point is that this budget resolution allows that debate to take place, allows the Congress to permit the American people to spend their own money, return it to them in the form of tax relief, as against the proposal of the President and the Vice President to increase taxes so that they can determine where that money is spent.

I must also say, incidentally, at least that I am every bit as committed to replacing our current Federal income tax code as I am to reducing that tax burden. It is time to scrap it. It is too complicated, too burdensome, too unfair. We need to focus our attention in Congress on developing an alternative. That alternative needs to be fair, simple, uniform and consistent. It is that support on my part that has led me to cosponsor the Tax Code Termination Act. The bill would sunset the current income tax code, except for those funding mechanisms for Social Security and Medicare, by December 31 of the year 2002. It would require a simple majority vote by Congress to reinstate the current code if agreement on a replacement code cannot be reached. But the real points are two: It makes absolutely certain the need to scrap the current Tax Code, and it will act as a catalyst to jump-start debate on a new one.

Mr. President, Americans deserve a Tax Code they can understand and predict. Today, about the only thing Americans can predict about the Tax Code is that they will send a big check off to Uncle Sam by April 15, and about the only thing they understand is that the IRS will find them if they do not.

This should change, and it is why I am working to help pass a tax relief bill and why I will be working in favor of a new Federal Tax Code that is fair, simple, uniform, and consistent. But a true debate on tax relief, a chance to

say exactly what it is we want, depends on a budget resolution which calls for or requires it.

This budget resolution does so, Mr. President. This budget resolution is on time. This budget resolution says to the American people: We will secure Social Security for you; we will balance the budget so the economy can keep growing; but the money that is not needed to meet the requirements of the agreements that we made a year ago or 2 years ago is going to be returned to you in the form of tax relief.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I thank you.

I think what I will do is pick up on the comments of my colleague from Washington because otherwise you just come to the floor and you have something that is well rehearsed; and it is better, I think, to respond to what other Senators have said. That makes for more of a debate, though I find it frustrating to speak on the floor of the Senate because it is sometimes hard to engage in debate.

On the question of spending money more wisely, the tax cuts that my colleague talks about, he mentioned the first 5 years, \$143 billion over 5 years. It will be \$778 billion over 10 years. It is backloaded. It is really not what I would actually call fiscally responsible or very conservative.

The theory is to get the money back to the people. "You can spend it more wisely." Here is my question. I do not know about Illinois, but in the State of Minnesota, only 35 percent of senior citizens, 35 percent of Medicare recipients—there are probably close to 700,000 Medicare recipients in our State—have any prescription drug benefit coverage at all, only 35 percent.

It is not uncommon to talk to an elderly woman or a couple and find that they are spending up to 30, 40 percent of their monthly budget just on prescription drugs. They cannot afford it. So we have a budget resolution here that says to the senior citizens in Minnesota, "Spend your money more wisely. If you can't afford prescription drug costs, spend your money more wisely." There is a disconnect here. This is why this Republican budget resolution is going to be in big-time trouble with people in this country. It does not make any sense to people.

To senior citizens in Minnesota, this budget resolution says, "When it comes to prescription drug costs that put you under, spend your money more wisely." When it comes to family farmers who have been buffeted about, and many of them destroyed by the "freedom to fail" bill—a great bill for multinational corporations, a terrible bill for family farmers—when we come to the floor and say we have to get farm income up, we have to take the cap off the loan rate, and then it gets scored by CBO, we are told we cannot afford

to do it. The Republican response to the family farmers in Minnesota who are going under is, "Spend your money more wisely, because we're going to give you a tax cut that will enable you to spend your money more wisely," while people go under.

Mr. President, I meet families in Minnesota and families all across the country when I get a chance to travel. And one of their top issues, one of the most important issues they have, is affordable child care. It is a huge issue, not just for low-income, not just working-income; I am talking middle-income families. He is 30; she is 28; they have two children. It costs them \$12,000, \$13,000 a year for child care—not to mention the fact that way too high a percentage of these child-care centers really are not that great. Some of them are downright dangerous. The care is not necessarily developmental child care, and the people who work there are severely underpaid.

So what are we saying to working families in our country, in Minnesota, in New Jersey, or in Illinois, who can't afford child care? We are saying, "Spend your money more wisely." I have news for you: For a typical family, a young couple making \$35,000 a year, with \$12,000 child care expenses, this does not work.

What about for the children? What about for the children? I am glad to hear of my colleague's concern for Social Security. And I am glad to hear that the Democrats are also focused on Medicare, unlike my colleagues on the other side of the aisle. But in all due respect, it is our children who are going to be in the next century. The next millennium is going to belong to our children. And we have close to one out of every four children under the age of 3 growing up poor in our country, and one out of two children of color under the age of 3 growing up poor in our country today; and because of this budget resolution, with all of these tax cuts and all of these caps, we are going to see a lot of these domestic programs taking a hit of about \$43 billion.

So what are we saying? We are going to cut Head Start? We are going to cut child nutrition programs? We are going to cut the Women, Infants, and Children Program? Where are we going to cut? I do not understand the distorted priorities of this budget resolution. There is an old Yiddish proverb that says: "You can't dance at two weddings at the same time." You can't have all of these backloaded tax cuts, the vast majority of which are going to flow to people with very high incomes—that has always been the record of my Republican colleagues—and make your investment in the Pentagon, and do what you say you are going to do for Social Security, and at the same time make any investment in the health and skills and intellect and character of children. We are going to cut programs for children.

By the way, as to "Spend your money wisely," do not tell some child who is

poor—the poverty being involuntary—that he or she should spend their money more wisely. They do not have any money to spend wisely. I doubt whether we are going to cut the National Institutes of Health budget, but we are certainly not going to increase it.

So to my colleague, who is no longer on the floor, talking about "Spend your money wisely," you say to people who are struggling with Alzheimer's or breast cancer or Parkinson's disease or diabetes—and I can list many other illnesses as well—all sorts of people come to Washington, and they try to get more money spent for research for the cure to these diseases, to the point where we have one group of people struggling with an illness pitted against another group of people struggling with an illness. It is just horrible. And we are saying to these people, we are going to have these backloaded tax cuts over the next 10 years—"Spend your money more wisely."

In all due respect, I think, even though the Chair of the Budget Committee is one of the Senators whom I have the most respect for—he is really kind of my working partner when it comes to the mental health work—this budget resolution and the priorities of this budget resolution are not consistent with what I would call the sort of basic core values of the American people, of people in this country, of people in Minnesota.

People want to see some investment in children. They do not want to see Head Start cut. They do not want to see WIC cut. They do not want to see backloaded tax cuts over the next 10 years, most of it going to high-income, wealthy people. And people get it; they know that we have to be fiscally responsible. They want the deficits gone. They want to see us focus on Social Security to make sure it is solvent. We know we absolutely should be committed to Medicare. And then with what we have, we ought to make the kind of investments that make sense for our Nation.

Where do we want to be in the year 2050? If you want to have a solvent Social Security system, then you want to have the children who are small today as adults who are independent, productive, highly trained, morally caring men and women. And you are not going to get there if you are going to leave one-fourth of the children of America behind.

Where is the investment in these children? Where is the investment in these families? Where do we want to be in the year 2050? On every single issue I can think of, Social Security, Medicare, our country doing well in the international economy, economic performance, economic growth, reducing crime, reducing violence, you would want to make sure that we do our very best by all of our children in the United States of America. And you know what? This budget resolution fails that test, and therefore I will vote against it.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. VOINOVICH). Without objection, it is so ordered.

Mr. CRAIG. Mr. President, understanding the order, I ask unanimous consent to speak on the budget for up to 10 minutes.

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

Mr. CRAIG. Mr. President, today I rise in support of the conference report on the budget resolution. I extend my sincere congratulations to the chairman of our Budget Committee for the work that he and that committee have so successfully completed in the last number of weeks. In fact, I am extremely pleased with where we are as a Senate at this moment in time.

Many of our constituents around the country were frustrated as the Senate convened this year to start with an impeachment process of the President, fearing that we would be so bogged down in that that we would not get to the work of our people and get to the work of Government and to processes like the budget resolution.

Quite the opposite has happened. The Senate responded in a timely and constitutionally proper manner to the impeachment issue and then moved rapidly into its work. As a result, we are here today voting on a budget resolution which will be adopted as a conference report. It will be the second earliest date of adoption of a budget resolution in the 23 years of the Budget Act. That is why I think the chairman of our Budget Committee deserves the congratulations of the Senate and why the American people ought to at least be assured that we are here and at work and doing what we should be doing in behalf of them to make sure their Government responds appropriately to the needs of all of our taxpayers.

This budget demonstrates that we can and should have a balanced fiscal program that addresses our Nation's major priorities. If we and future Congresses and the President follow the plan that is now laid before us in this budget resolution, we will pay down the public debt. There will be \$463 billion more in debt reduction than the President's budget offered us over the next 10 years.

I have had the privilege of serving in Congress for a number of years. I tell my colleagues, I have watched the debt grow, and I voted against most of that growth. Today to be able to vote for debt reduction is a very positive move for this Congress and laying the course for future Congresses to do the same. One-half of the debt held by the public can be paid off in the next decade if we

follow the general outlines of the budget that Senator DOMENICI has put before us. We will make sure Social Security revenues are reserved exclusively for Social Security benefits. We will safeguard the current Social Security system for today's seniors and for those who plan to retire in the near future.

Mr. President, I, like you, have just returned from my State and from the Easter recess. While I was there, I held what I think is the beginning of a series of town meetings that I will hold across the State on Social Security and its need for modernization. I invited seniors in high school and senior citizens to attend, and they did in large numbers. I was extremely pleased not only by their turnout but by their willingness to listen and react and give me ideas about what they see the Social Security system being and what it ought to be.

I told them that we, by our budget here and by balancing the budget and producing surpluses, are providing the country with a generational opportunity to maintain a strong Social Security system while at the same time offering a modernization package that can take young people entering the workforce and paying Social Security through a lifetime of developing an annuity program that would be much like a positive retirement program that they could take with them when they retired and would be substantially more than if they were in the current Social Security system. More importantly, it would not have to address substantial tax increases in Social Security in the outyears beyond 2034 and 2035.

So for the first time since 1960, the budget will be balanced without counting Social Security surpluses. We will provide a reasonable and necessary amount for tax relief for working Americans and their families. You heard the Senator from Washington and others in just the last few hours talk about an American taxpayer that is paying his or her taxes today, being taxed at the highest level ever in the history of our country. We are turning that around.

I am pleased to be able to be here on the floor today, on a day when most people are going to the post office to pay their taxes, or at least to file their tax returns, to say that we are going to change some of that. While this is a tax cut, I also agree with my colleague from Washington, Senator GORTON, that we ought to be looking at tax reform in the near future that will simplify the Tax Code and make it much less intimidating than it is today to all of us; those who are relatively sophisticated and those who are less sophisticated find it all very intimidating and difficult to comply with.

All tax relief will be provided out of the onbudget surplus, that is, the non-Social Security surplus. And \$778 billion over 10 years sounds like a lot of tax relief, but it is a tax reduction of

less than 3.5 percent. So when some of our colleagues come running to the floor wringing their hands about giving tax breaks when we ought to be spending all this money, as the President wants to do for new programs, let me say to them that we are only offering a 3.5-percent tax reduction against the highest taxes in the history of our country, and we are offering it over a 10-year period. Frankly, it is nowhere near what I hoped it would be, but it clearly moves us in the right direction.

This budget continues. The American people demanded fiscal discipline and responsibility in 1994 when they changed the character and culture of the Congress and they said quit building deficits and get your fiscal house in order and control the size of Government. So we abide by the budget caps adopted in 1997 in a bipartisan balanced budget agreement. It continues the spending restraints we began in 1995, a product of that 1994 election and the 1994 Congress—the first Republican Congress in 40 years, which has helped produce the balanced budget and the projected surpluses.

This budget fully funds and protects the solvency of Medicare. In that respect, it stands in clear contrast to what the President has proposed, which actually proposed to cut Medicare funding and promised only General Treasury IOUs for the future. I am amazed that that has missed the attention of the press and a lot of the American people since our President proposed it. But it really was a first-class shell game, probably one of the best I have seen produced by this administration, when they said they were doing one thing when, in fact, they were actually doing another.

To hand this next generation a whole fist full of IOUs after mounting the hugest debt in the history of our country just doesn't make a lot of sense. So we are not doing that in this budget. We won't do that. It would not be fair, and most important, it would not be responsible. Of course, Medicare still needs the attention in the long term, and Senators—Republicans and Democrats alike—have stepped up and said we ought to do so. Democrat Senator KERREY of Nebraska and Democrat Senator BREAUX of Louisiana worked hard to work with us on a bipartisan, long-term Medicare plan, and it is necessary. Congress ought not to go home this year without doing it. But my guess is that we will because of the politics of it. That should not happen.

The fact that a bipartisan Medicare Commission broke down because the President's appointees would not walk up to the line and do what was right—I am not sure why, but my guess is they would like to perpetrate another "medi-scare" as a tactic going into the next political cycle. It is pretty unconscionable that anybody would want to do that. But there is really no other explanation for why they failed to do what had to be done because those of us who face the electorate and understand the complications of Medicare

stepped to that line and said reform is necessary and offered a reform package, Democrat and Republican alike. I have mentioned several of those Democrats. So that work is yet to be done. Medicare reform is yet to be dealt with, and I hope we can do it because it is necessary.

This budget strengthens America's defense forces too long neglected under this administration. Yet, this is an administration that has used our defense forces more than nearly any other President in a peacetime era. It is time that we make sure that America's sons and daughters who put themselves in harm's way in the protection of our Nation have their interests served. When I speak of their interests being served, I mean making sure that we back them up with equipment and technology, compensate them adequately, and give them the dignified quality of life that anybody in that service deserves. This budget meets the challenges of the 21st century with positive initiatives in agriculture, child care, and education.

What I am telling you, Mr. President, is I think this is a pretty darn good budget. It is sound and it is a conservative budget. It recognizes the value of balancing, and it recognizes the reward to the taxpayers that a balanced budget ought to offer. It is good for the economic security of the American family by recognizing that we are going to let them keep some of their hard-earned dollars instead of cycling them to Washington and try to get them back.

All of the money that we spend here comes from somebody's hard work, somebody who gets up every morning bright and early and goes to work and works hard for 8, 10, 12 hours a day. They willingly pay a very large chunk of their income to Government. Now that we have balanced the budget, why should we be chasing new Government programs, or bigger Government programs, or programs that ultimately take freedom away from people and their choice? Why should we not be rewarding the taxpayer by saying that we have enough and we are going to send some of it back to you, and we are not going to take it away from you in the future, unless we come to you and ask you for it because there truly is a national need. That is the way good Government works and, very frankly, I think this is a pretty good Government budget. I strongly support it.

I urge my colleagues to vote with us for it, and I urge my colleagues to work with the Finance Committee and with the Senate to devise a tax package that is fair and equitable across the board, that recognizes issues such as the marriage penalty, that recognizes an issue such as small family business owners who grow too old to operate their business and want to pass it through to their children and are being denied that because the children would have to sell it to pay the taxes on it.

That is a great tragedy in the American dream—how our Government ever

got crosswise with the idea of a family being able to pass down through the generations a business that they have built and has grown over the years and now have to sell to pay the inheritance tax, the death tax.

Now, I am not suggesting that if it doesn't move in the family and it is simply sold at the end of a generation, it ought not to receive some tax. But when we are talking small, privately held businesses, farms and ranches, Main Street small businesses that make our country work so well, and then find out that mom and dad can't hand it to a son or daughter without the Government taking nearly all of it, or the son and daughter then spending their lifetime to buy it back, frankly, that is wrong. I and others have worked a long time to reduce the death tax. We have been able to do some of that. Why don't we just eliminate it, or deal with it in a way which says that if that asset moves out to be sold in the marketplace as an asset for sale then it comes under the normal tax of the income of an individual with the proper considerations against depreciation and all of that? That would be fair. That would be just. We should deal with our countrymen in a way that says we recognize that those who work for the American dream ought to be allowed to pass that dream forward to the next generation. That is one of those kinds of tax reforms I hope we can get at this year.

There are a good many others that our colleagues are working on and that will be embodied in the tax relief package that is placed in this to this budget resolution.

Once again, let me praise the chairman of our Budget Committee, and that committee and the will of the Republican Congress that says that a balanced budget is something we will keep and continue to work for and that surpluses should be handed back as rewards to the American taxpayer instead of spent. That is what this budget does. I am proud to have been a part of it.

I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

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

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

Mrs. HUTCHISON. Mr. President, I believe everyone knows that today is tax day in America. I think we have been talking about it. And I think it is very appropriate that we have a budget resolution on the floor today that we can say will give tax relief because that is set aside in this budget.

The tax burden on Americans is too high. The average American family pays 38 percent of its income in taxes to some government—the Federal Government, the State government, and

the local government. As a percentage of gross domestic product, taxes are higher today than they were at any time in this country since World War II.

That is why the budget resolution that we are going to pass is significant. The American people should know that on April 15 this Congress is going to pass a plan that provides a \$770 billion tax cut over the next 10 years. There couldn't be a clearer message from this Congress about what our priorities are, and that is tax relief for hard-working American families.

There are some, including the President, who oppose our plan. They say that Washington will save money for working Americans. But we know that is not going to happen. We have heard that before. And we know that we haven't had a budget surplus nor tax cut in this country—until this Republican Congress was elected—for 40 years. So we know who cares about tax cuts for the American family.

I think we have chosen the right course. Giving the extra money to the Government would not ever get it back to the people. But we believe that people who earn the money have the right to it. And that is why we will have a tax bill when this budget is passed.

There are many tax proposals that come before the Senate, many of which I support. Certainly reducing capital gains taxes would be good for our country. Reducing or eliminating the estate taxes would be good for this country; and across-the-board tax relief, 10 percent across the board, so that when you are writing your check today, you can just take 10 percent of the check you wrote and know that would not be in your tax bill next year and you would be able to spend that money the way you think it is best for your family.

But there is one that is my priority, and it is to eliminate what I think is the worst transgression we have in our Tax Code. That is the marriage tax penalty. Right now, 21 million American families pay up to \$1,400 on average more just because they are married. So we say to people, you have to choose between love and money in our country.

If you want to get married, start a family, and build up your savings to make a downpayment on a new home, we will make you \$1,400 less able to do that. That is a lot of money to the hard-working couples who are hardest hit by this tax.

I have introduced legislation to eliminate this penalty. We could allow couples to split their incomes evenly or we could double the standard exemption to widen the tax brackets for married couples so they match those of single filers. We could also let people choose if it is better for them to file as singles or as married couples. That way, no one would pay a penalty for getting married. I hope it will be our highest priority with the tax cuts that are provided in this budget.

I read in USA Today an op-ed piece this morning on the marriage tax penalty. Their contention is that this only affects the higher-income couples. They say that the bulk of those suffering this marriage tax penalty are dual-income families at the middle-income level, \$50,000. I have a legislative correspondent in my office and his combined family income is \$50,000. He makes about \$25,000 and his wife must work for them to be able to make ends meet. She makes about \$25,000. They are a young couple. I don't think that people who make \$25,000 a year are wealthy, and I most certainly think if they have to have two incomes in order to make ends meet that we are not increasing the standard of living in this country. To go forward and say two people who make \$25,000 a year should owe Uncle Sam \$1,400 more, I think is absolutely wrong, particularly a young couple that is trying to get started, to make a downpayment to buy a home.

I hope we can correct this inequity. I think two-income earners at the \$25,000 level deserve some help. I am going to try to get it for them.

This is a red letter day. This is the day that we see how much it costs for us to support government. All of us want to do our fair share. I would never say we should have no taxes because we do enjoy good service—hopefully—for the taxes that we pay. However, 38 percent of a person's income in taxes is hard to explain. It is hard to explain that you are getting that much service for your dollars. I think you could get a lot less service and a lot more choice if we lower the taxes for everyone in this country so that hard-working Americans could see the benefits of working harder and doing better. That is the American dream. That is what made this country great—that we would say to people, if you work harder you can do better and you can give a little more to your family or your children. That is why adding on some of these taxes is so important.

Today, we are going to pass a budget resolution that will do that, that will say to the hard-working American that help is on the way. I just hope we can come to terms with the President so that we will be able to pass a tax bill that really will go to the hard-working American who is struggling to make ends meet.

I appreciate the leadership of Senator DOMENICI and Senator LAUTENBERG for putting this budget resolution forth. I think it is a good one. It is a responsible spending of our hard-earned tax dollars. Most important, on tax day, I hope people realize that we are going to try to cut that burden. This budget resolution is a start in the right direction.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

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

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

Mr. LAUTENBERG. Mr. President, we are coming to "H" hour here. That is not happy hour, as far as I am concerned. I can think of other words that start with an H—like horrific, horrendous, horrible, hurtful—but I won't use that vocabulary. I will just infer it.

The occupant of the Chair has been in government for some time, and I am sure he has seen it from a different perspective. We see good people sincerely believing in what they are doing at odds with one another, in such contrasting views that it is hard to reconcile the difference of what is and what isn't the reality. This is no suggestion of prevarication or fabrication. I am not talking about that. I know there is genuine belief.

I differ sharply with my friends and colleagues on the other side regarding this budget. Few people have I more respect for than the chairman of the Budget Committee, Senator DOMENICI. Boy, we have some scraps. They are really good ones. The fact of the matter is, he is a bright guy. He understands a budget as few here do. He is one of the few Senators who has to teach his staff what it is all about. That is intended to be a joke.

The rest of us do it differently. I hope the public doesn't take that too seriously, Mr. President.

The fact of the matter is Senator DOMENICI very well knows "budgeteering," but I think in this case it is fair to say there is an error in the approach. I think the policy as proposed by the budget conference report is fiscally dangerous. I think if we go the way it appears that we will go, we could be approaching in the not-too-distant future a shutdown of the Government. Everybody who has been around for any length of time remembers how painful the last shutdown was: People were not getting Social Security checks, veterans' benefits were not being paid, services people count on for their everyday existence were just unavailable. Other matters that seemed to be routine, such as entrances to national parks, families planning for a year to visit one of our national parks and finding out they were closed. Became important. Airplanes, trains, buses, cars—all that planning, gone.

I predict we are going to be playing Russian roulette to see who pulls the trigger on whether or not we have a Government shutdown because this budget "ain't for real," to use the language, when we look at what happens as a result of the intent to give a tax cut across the board—a lot of it to wealthy people—and we know that some time ago Senator DOMENICI said we were taking people's word for what the intention is without seeing it clearly spelled out.

Few people have as much authority around here as the distinguished Senator of the Finance Committee, Senator ROTH. He was speaking to Reuters and he said he was very much in favor of using bigger than expected budget surpluses to fund an across-the-board income tax of 10 percent or more. That is what Reuters reported:

"I don't think it is too big," the Delaware Republican said of the 10 percent income tax cut. "If anything, I would like to have it bigger."

That is a pretty good indicator of where we are going. We are not protecting Social Security in the way that we proposed here on the floor of the Senate 2 days ago. We had a vote. I offered the amendment. I said no Social Security surplus shall be used for anything other than Social Security, pure and simple.

The language is very direct. Mr. President, 98 people voted for it. We had zero opposition, 98-0. It went to conference with the House. For those who don't understand the arcane process here, the House and the Senate get together and have a conference to decide on what the various legislative programs will be, we agree between us on a conference report, and that is what we are voting on today.

As it happens, there is a Republican majority in the Senate. There is a Republican majority in the House. As was noted, we, the Democrats, do not participate. That is the game. It is understood. Next year, when we are in the majority, I expect to be more forgiving and perhaps we will even invite one of the Republicans to the conference meeting.

But the fact is, the product that came out is one that is a Republican delivery. Make no mistake about it. And the consequence of that is the bill we have in front of us with huge tax breaks for wealthy people. If you make \$800,000, you will get a \$20,000 tax break. If you make \$800,000, you get \$20,000 worth of extra spending money. That can buy, perhaps, a nice little boat or a downpayment on a summer home or something of that nature. But the person who makes \$38,000: \$99, that is what he or she is going to get in terms of a tax break, \$99. Don't spend it all in one night, friends, because it is supposed to last for a whole year. That is a tax cut: \$99.

So when we look at it, it is obvious that we are not dealing with the needs of the average working person, the hard-working person, a family making \$38,000. We have heard the distinguished Senator from Texas talk about a person working in her office who, with his spouse, put together an income of \$50,000. That is not a lot of money today. Those are the kinds of folks to whom we have to be sensitive, to target tax cuts for them and make sure the woman who wants to work can get some decent child care and get some credit on her taxes for it. If you have an elderly parent who needs long-term care, get a tax credit for that; a

tax credit for education; those are the kinds of tax credits or tax breaks I think we ought to be giving. That is what the Democrats are proposing.

One of the things we are doing is proposing a tax cut that, in the course of 10 years, will be three-quarters of a trillion dollars—\$750 billion in round terms. The consequence of that, the result of that, is going to be that we will not have sufficient funds to pay for Government services. We will not have enough funds to pay for full staff for the FBI. We will not have enough funds to pay for full staffing of drug enforcement agents. We will not have enough funds to include 800,000 low-income women, infants, and children in programs for nutrition assistance.

We are not talking about extra money to take a trip to Europe; we are talking about food. Mr. President, 800,000 of those people are going to lose assistance from the Government. The number of students in work/study programs decreases by 12,000 people. Head Start is designed to take children who come from poverty-ridden homes to start to learn—Head Start. It is preschool. It is before they get to kindergarten or first grade. We are going to take away services for 100,000 children. For those who need energy assistance, 600,000 low-income families could lose that energy assistance.

The FBI, the cut to the FBI could result in the reduction of 2,700 FBI agents. Mr. President, 73,000 summer jobs lost. And the list goes on: More than 2,200 air traffic controller positions would be cut. I am very active in air transportation matters and very concerned about where we go. Y2K, will we have the right kind of personnel to handle the shift? Here we are, getting a budget in front of us. It is there in print for everybody to see. It is designed by the majority. We are saying that more than 2,200 air traffic controller positions would be cut and \$255 million.

The IRS customer service: Today everybody is probably as angry at the IRS as can be, but when they see what it is we are paying for, we are paying for a country designed to give everybody opportunity. We are doing better at it. Jobs are more available, there is low unemployment, our national health is better than it has ever been. That is what you pay your taxes for. You do not pay it for some idle bureaucrat sitting in a chair. We pay for services. Do we get 100 cents on a dollar? Probably not. I ran a big corporation and it was a successful corporation. We didn't get 100 cents' worth of value on every dollar that we spent, but that's life.

Mr. President, we now are preparing ourselves to vote for a budget that I think is shameful, that could be called a sham. Again, there is no accusation here of dishonesty or skullduggery. What it is is a misinterpretation of what things are about. It is playing dice with our national economy. It says if you give tax cuts, it is going to

generate something else and it will be good for us. Baloney.

What happened under President Reagan's regime, when we gave tax cuts? I will tell you what we got for it. Some of the biggest debt this country ever had, and it grew by leaps and bounds. When President Clinton took over, there was a \$290 billion deficit in front of us, and this year we are looking at a surplus of about \$100 billion. Things have changed materially in the 7 years that have passed.

So I am hoping we will get a vote that reflects what is best for the American people, and that would be to deny acceptance of this budget report that is in front of us. I hope we will perhaps be able to convince some of our Republican friends to come over, take another look at the budget and see what we can do to improve the situation, because right now we are headed for a potential fiscal disaster just when things are really going good.

I want to say something in response to an earlier argument I heard from the other side when it was said there is going to be more money put into Social Security than the Democrats are proposing. It is not true, because hidden in there is some arcane language that says "retirement security." They want to put the money away that can be used for retirement security—not Social Security. They are both two words but they have different significance. One is a Government program established for people who are dependent on the Government for their retirement and their pension. The other could be Heaven knows what.

So I caution everybody, as we prepare to vote, which is imminent, that the American public ought to be looking very closely at what it is we are going to do. I hope they will respond as they see it, to those Senators who are casting a vote at this moment. I hope the vote will wind up with a majority saying no.

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. LAUTENBERG. I yield the floor.

#### LAND AND WATER CONSERVATION FUND

Mr. CHAFEE. Mr. President, I would like to engage my distinguished colleagues, Senator SMITH of New Hampshire and Senator DOMENICI, in a colloquy, with their indulgence. As my colleagues are aware, the Land and Water Conservation Fund is the primary vehicle through which the Federal Government funds the acquisition of land and water resources throughout the Nation. It does so through two programs, one allowing for Federal land acquisitions and one providing for matching grants by State and local governments. However, funding for the LWCF has been sporadic, and for the State-side program, funding has been non-existent since 1995.

Mr. SMITH of New Hampshire. I would like to emphasize that the

State-side program of the LWCF receives widespread support across the Nation, particularly from State and local governments.

Mr. CHAFEE. I would like to bring to my colleagues' attention an amendment I offered, with great assistance by Senator SMITH of New Hampshire, as well as Senators LEAHY and FEINGOLD, that increased Function 300 by \$200 million, with a commensurate decrease from Function 370. The amendment included language that this increase was to fund the State-side program of LWCF.

Mr. SMITH of New Hampshire. Accompanying the amendment were floor statements expressing our intent that the offset be derived from within the Department of Commerce, and specifically within Function 370. After negotiations with Senators LEAHY and FEINGOLD and other Democratic colleagues who cosponsored the amendment, we reached a bipartisan agreement that the \$200 million would come from within the Commerce Department.

Mr. CHAFEE. I would like to ask the distinguished manager of the budget resolution whether these assumptions still apply, even if they do not appear in the resolution?

Mr. DOMENICI. As far as the Senate is concerned, these assumptions are still valid. Although the conference report is silent with respect to the \$200 million being directed to the State-side program, there is nothing to assume that the money is not for the State-side program. Indeed, the best indication of the Senate's intent with respect to the LWCF is the Senate-approved resolution.

Mr. SMITH of New Hampshire. Is the same true with respect to the offset?

Mr. DOMENICI. Yes. In fact, as my friends, the Senators from New Hampshire and Rhode Island may have already noted, the House receded in its disagreement with the Senate numbers for function 370. The Senate numbers were \$200 million lower in both budget authority and outlays for this function than the House.

Mr. CHAFEE. Is there a presumption that the Senate, in accepting the House-passed, higher funding level for Function 300, is also adopting the assumptions that may have been used by the House in reaching its Function 300 spending levels?

Mr. DOMENICI. There is no such presumption. The Senate assumptions are as equally valid as the House assumptions. The real challenge lies ahead when the Appropriations Subcommittees begin marking up their separate appropriations bills. Since our budget assumptions are just that—assumptions—and do not bind appropriators to specified funding levels for individual programs, Senators must vigorously continue to make their case for funding favored programs with the relevant Appropriations Subcommittee. I do

know that the State-side land acquisition program could not have better advocates than the Senators from Rhode Island and New Hampshire.

Mr. CHAFEE. I thank my colleague from New Hampshire, as well as the distinguished manager of the budget resolution, for engaging in this colloquy. I also wish to wholeheartedly thank the manager for his support on this issue throughout the consideration of the budget resolution.

Mr. DOMENICI. I thank the Senator from Rhode Island for his kind remarks. I would add that the inevitable challenges of moving a budget resolution through the Senate to final passage were made far less difficult by the hard work of Senator CHAFEE and his staff, whose understanding and accommodation allowed us to complete our work in a timely fashion. It is a great pleasure to work with him again on the conference version of the resolution.

TECHNICAL CORRECTION TO SECTION 104 OF THE BUDGET RESOLUTION

Mr. DOMENICI. Mr. President, I rise today to alert my colleagues in the Senate to a technical error which occurred during the drafting of section 104 of the Conference Report to accompany H. Con. Res. 68—the Concurrent Resolution on the Budget for Fiscal Year 2000.

Section 104 of the resolution sets out the reconciliation instructions for the Committee on Finance in the Senate. This instruction calls for a net reduction in revenues over the 10-year period of fiscal years 2000 through 2009. As is always the case with a reconciled revenue reduction, the amounts contained in the instructions to both the Senate Finance and the House Ways and Means committees are intended to be the same. However, due to a technical drafting error with respect to the instruction to the Finance Committee, the amounts are not the same. Three “zeros” were omitted from the instruction such that the amount for fiscal years 2000 through 2009 is \$777,868 million instead of \$777,868 billion.

If my colleagues look to other sections of the budget resolution and the statement of managers which accompanies it they will see that the conferees clearly intended the amount in the instruction to the Finance Committee be \$777,868 billion not \$777,868 million. In addition to the language found in the statement of managers, this intent is evidenced by the figures set out in section 101(1)(B) of the resolution (which states on a year-by-year basis, the amount by which the aggregate levels of Federal revenues should be changed—the sum of these figures is \$777,868 billion) and the figures set out in section 101(5) of the resolution (which displays the appropriate levels of the public debt).

Moreover, I have consulted with the Parliamentarian of the Senate and have been assured that for the purpose of determining whether or not the legislation reported by the Senate Committee on Finance complies with the

reconciliation instruction contained in section 104 of the budget resolution the Parliamentarian will honor the intent of the conferees—that the 10-year figure is \$777,868 billion, not \$777,868 million. I am gratified that the Parliamentarian will support a rational result.

CORRECTIONS TO FY 2000 BUDGET RESOLUTION  
SENATE COMMITTEE BUDGET AUTHORITY AND OUTLAY ALLOCATIONS AND RECONCILIATION INSTRUCTIONS

Mr. DOMENICI. Mr. President, I ask unanimous consent to submit for the RECORD corrections of typographical errors on tables that originally appeared in the April 13, 1999 CONGRESSIONAL RECORD on pages H1963 and H1964 in the Statement of Managers to accompany the FY 2000 Congressional Budget Resolution, H. Con. Res. 68. I further ask that these corrected tables be considered to be the allocations required by section 302 (a) of the Congressional Budget Act of 1974.

On the table titled “Senate Committee Budget Authority and Outlay Allocations Pursuant to Section 302 of the Congressional Budget Act, Budget Year Total 2000 (in millions of dollars),” the figure for Appropriations Outlays, General Purpose Discretionary should be \$536,701. Appropriations Outlays, Total should be \$875,243.

Direct spending jurisdiction, Budget Authority for the Finance Committee should be \$683,102. Direct spending jurisdiction, Outlays for the Finance Committee should be \$676,153.

Direct spending jurisdiction, Budget Authority Total should be \$1,426,720. Direct spending jurisdiction, Outlays Total should be \$1,408,082.

On the table titled “Senate Committee Budget Authority and Outlay Allocations Pursuant to Section 302 of the Congressional Budget Act, 5-Year Total: 2000–2004 (in millions of dollars),” the figure for Direct spending jurisdiction, Budget Authority for the Finance Committee should be \$3,389,039.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. DOMENICI. Mr. President, I further ask unanimous consent that the corrected tables, which I now send to the desk, be printed in their entirety in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

SENATE COMMITTEE BUDGET AUTHORITY AND OUTLAY ALLOCATIONS PURSUANT TO SECTION 302 OF THE CONGRESSIONAL BUDGET ACT

[In millions of dollars]

Committee	Direct spending jurisdiction		Entitlements funded in annual appropriations act	
	Budget authority	Outlays	Budget authority	Outlays
BUDGET YEAR TOTAL: 2000				
Appropriations		0	0	
General Purpose Discretionary	531,771	536,701	0	0
Violent Crime Reduction	4,500	5,554	0	0
Highways	0	24,574	0	0
Mass Transit	0	4,117		

SENATE COMMITTEE BUDGET AUTHORITY AND OUTLAY ALLOCATIONS PURSUANT TO SECTION 302 OF THE CONGRESSIONAL BUDGET ACT—Continued

[In millions of dollars]

Committee	Direct spending jurisdiction		Entitlements funded in annual appropriations act	
	Budget authority	Outlays	Budget authority	Outlays
Mandatory	321,502	304,297	0	0
Total	857,773	875,243	0	0

Agriculture, Nutrition, and Forestry	10,843	7,940	26,696	9,419
Armed Services	49,327	49,433	0	0
Banking, Housing, and Urban Affairs	4,676	(1,843)	0	0
Commerce, Science, and Transportation	8,420	5,774	721	717
Energy and Natural Resources	2,336	2,258	40	63
Environment and Public Works	36,532	2,041	0	0
Finance	683,102	676,153	156,910	157,096
Foreign Relations	9,354	11,976	0	0
Governmental Affairs	59,501	57,941	0	0
Judiciary	4,759	4,235	234	234
Labor and Human Resources	9,023	8,363	1,309	1,309
Rule and Administration	114	289	0	0
Veterans' Affairs	1,106	1,381	23,667	23,540
Indian Affairs	151	150	0	0
Small Business	0	(155)	0	0
Unassigned to Committee	(310,297)	(293,097)	0	0
Total	1,426,720	1,408,082	209,577	192,378

5-YEAR TOTAL: 2000–2004

Agriculture, Nutrition and Forest	40,012	24,704	100,467	52,240
Armed Services	263,769	263,577	0	0
Banking, Housing, and Urban Affairs	31,606	(2,459)	0	0
Commerce, Science, and Transportation	64,653	50,445	3,887	3,868
Energy and Natural Resources	11,023	11,009	200	236
Environment and Public Works	179,132	8,214	0	0
Finance	3,889,039	3,569,977	905,958	909,007
Foreign Relations	42,596	52,913	0	0
Governmental Affairs	317,701	309,374	0	0
Judiciary	23,791	22,792	1,170	1,170
Labor and Human Resources	48,269	45,687	6,784	6,784
Rules and Administration	488	660	0	0
Veterans' Affairs	5,097	7,108	125,438	125,110
Indian Affairs	716	717	0	0
Small Business	0	(625)	0	0

Mr. DOMENICI. Mr. President, I also ask unanimous consent that for the purpose of executing and enforcing the Senate's reconciliation instruction set out in section 104 of the conference report to accompany H. Con. Res. 68—the fiscal year 2000 budget resolution—that the dollar amount of the revenue reduction for the period of fiscal years 2000 through 2009 be considered to be \$777,868,000,000 rather than \$777,868,000.

This corrects a technical drafting error (three “zeros” were omitted) in the resolution and conforms with the instruction for the House of Representatives and the description of section 104 that is contained in the statement of managers which accompanies the budget resolution.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. JEFFORDS. Mr. President, I congratulate the Chairman of the Budget Committee, Senator DOMENICI, for producing an on-time budget for only the second time in the 24-plus-year history of the Budget Act.

I rise today to support the fiscal year 2000 budget resolution now before the Senate. I am pleased that this budget will pay down the Federal debt, boost

education spending, and increase veterans health care spending. I am disappointed that budget conferees could only fund \$6 billion of the \$10 billion proposed by myself and Senator DODD in child care grants for low-income families and child care tax cuts. However, I appreciate the hard work Senator DOMENICI and others put into getting these funds.

While I realize that our amendment would not have guaranteed an increase in child care spending, Congress needs to face up to the reality that low-income mothers need to work, and to make work pay they need child care assistance. As Chairman of the Health, Education, Labor, and Pensions Committee, I can assure supporters of child care subsidies that this will not be the last word on this issue during the 106th Congress.

On a more positive note, this budget adheres to the historic Balanced Budget Act of 1997, while at the same time, over the next ten years, pays down \$1.8 trillion of the \$3.6 trillion in publicly held debt and provides for modest tax cuts until larger on-budget surpluses emerge.

Additionally the Republican budget will fence off the portion of the surplus generated through Social Security payroll taxes. I would like to reassure all Vermonters that not a dollar of these funds will be used to fund tax cuts. Instead, Social Security payroll taxes will go towards shoring up the program and possibly go toward providing capital for an overhaul plan. While this alone will not ensure the long-term financial health of the program, it will have the effect of reducing Federal debt and extending the solvency of the program.

Mr. President, the budget before the Senate also protects Medicare for our Nation's seniors. Funding for Medicare is increased significantly, but like Social Security, the long-term health of the program is dependent not on providing additional funds, but on enacting needed structural changes. As the resolution indicates, Medicare beneficiaries must have access to high-quality skilled nursing services, home health care services and inpatient and outpatient hospital services in rural areas. The availability of these services is at risk, especially for rural populations, and I will do all I can to ensure that they are addressed as a part of any Medicare legislation. I am particularly pleased that the resolution includes a Medicare drug benefit reserve fund. The availability of a drug benefit for seniors is one of my highest priorities, and I plan to work with other members of the Finance Committee to have it included as a part of any Medicare reform effort.

Mr. President, I am very pleased that the budget resolution adopts my Senate-passed language that will provide funding to foster the employment and independence of individuals with disabilities. I am also pleased that the resolution contains Senator COLLINS'

and my Sense of the Senate in support of increased funding for the Pell grant program, the campus based programs, LEAP and TRIO. These programs have helped make the dream of college a reality for many of our Nation's neediest students. Providing an increase in funding for these tested and proven programs will open the doors of higher education to more educationally motivated young people, specifically those who have the most financial need.

Lastly, Mr. President, given world events and the ever-increasing demands we place on our military, I am pleased that this budget calls for an increase in military pay. We need to do more to alleviate the quality of life concerns of our men and women in uniform. However, I am concerned that some of the military increases in this budget are not going to the things that the military needs most, as evidenced by the current crisis in Kosovo.

This budget, like all budgets passed by Congress, is an expression of political intent and a starting point for bargaining. Much work remains to be done to pass the 13 appropriations bills that actually fund the government. In areas where I disagree with the budget resolution, I plan to work hard with appropriators to adjust spending levels and turn this budget into reality.

Mrs. FEINSTEIN. Mr. President, it is with some degree of regret that I rise to oppose this budget resolution conference report.

Thanks to continued economic growth and the tough choices we made on the budget in 1993, this year, for the first time in a generation, we have been given the opportunity to structure a budget which is balanced, fiscally responsible, and makes important investment in America's domestic priorities.

When I first came to the Senate some 6 years ago, we faced \$200 billion annual deficits as far as the eye could see. Now, thanks to the tough choices we made in 1993, then fiscal discipline we imposed on the budget, and a vibrant economy, we are able to reap the benefits of the difficult choices. Now we are running surpluses—projected to be as much as \$4.7 trillion over the next 15 years by the Office of Management and Budget.

Thanks to these surpluses we have an unparalleled opportunity to set our budgetary house in order and meet the challenges of the future.

We have the opportunity to save Social Security and Medicare. To invest in education, environment, and health care. To provide for a strong national defense.

And I also believe that we have an important opportunity to provide responsible tax relief for working families—and I intend to introduce legislation to provide just such a tax cut with my colleague from Iowa, Senator GRASSLEY.

But this conference report ignores these opportunities. It fails to meet the test of saving Medicare. It fails to

make the important investments in health care, education, and child care. And it endangers other programs vital for law enforcement, environment, and continued economic growth.

This conference report does not do anything to meet Medicare's solvency crisis or extend the life of this vital program beyond the projected 2015 bankruptcy. I agree with those who say that we must reform Medicare, but we also must provide it with the additional funds it needs. The President has proposed allocating 15 percent of the surplus for Medicare to add 12 years to life of program. This budget rejects that initiative, creates some vague "reserve" which may or may not help Medicare, but really uses the money that should go to Medicare for tax cuts instead.

This budget does not do enough to extend Social Security. Again, I would agree with those who say we need to adopt Social Security reform to strengthen the Social Security system and assure it is on sound footing. But this budget allows some of the Social Security surpluses to be used for purposes other than Social Security, and, frankly, I do not think that that is wise.

Yesterday, the Senate voted by 98-0 to instruct our conferees to use all Social Security surplus funds for Social Security. This conference report, however, creates a "lockbox" for Social Security, but then proceeds to remove the lock by allowing any legislation that "enhances retirement security" to raid Social Security surplus funds..

Finally, although this conference report protects some important domestic priorities, such as transportation, it cuts other essential but "unprotected" programs, such as the border patrol, the Federal Bureau of Investigation, job training programs, child care assistance, head start, and on and on. The strictures of this budget—driven by an overlarge tax cut—may necessitate cuts of 11 percent in many of these important programs.

Mr. President, I think our current economic strength has presented us with a unique opportunity—we can save Social Security and Medicare, make important investments in domestic priorities, provide for a strong national defense, and also provide the American people with tax relief.

Unfortunately, this conference report, by adopting unrealistic tax cuts, puts at risk all these goals, and may well set us down a path of fiscal irresponsibility that will endanger all our gains of the past few years. I urge my colleague to oppose this conference report.

Ms. SNOWE. Mr. President, I rise to speak in favor of the FY2000 budget conference report we are now considering and to urge for its adoption.

I would first 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 debt have been temporarily calmed. And, by maintaining these principles in the House-Senate budget conference report, we may be able to maintain the current budgetary calm for many years in the future.

The conference report not only maintains fiscal discipline, but it also ensures that critical priorities are protected and addressed in fiscal year 2000 and beyond.

Specifically, the conference report contains the following key provisions:

First, it sets-aside every penny of the Social Security surplus, unlike the President's budget proposal.

Second, by retaining an amendment I offered to the Senate budget resolution, 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 priorities 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 by retaining language from an amendment I offered to the Senate budget resolution, it highlights marriage penalty relief as being one of the forms of tax relief that could be accommodated in any forthcoming tax cut package. 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 conference report deserves broad bipartisan support by the entire Congress.

Mr. President, to appreciate the provisions in this conference report, I believe it is appropriate to compare it to the only other major budget proposal on the table: the budget proposal put forth by President Clinton on February 1. In particular, I believe the manner in which these proposals treat the Social Security surplus should be carefully compared.

As mentioned, the first priority that is protected in the Republican conference report 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 budget resolution sets the stage for "lock-box" legislation that will accomplish what many of us have desired for years: a bona fide means of taking Social Security off-budget. Put simply, this resolution ensures that Social Security surpluses are set aside and not raided to pay for other federal programs.

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

Specifically, over the coming 5 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 5 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 of the Senate resolution that rejected the President's proposed use of Social Security's surpluses.

Specifically, my amendment outlined the 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 Budget Committee when offered as an amendment later in the markup, and by a vote of 97 to 2 by the full Senate later on the floor.

Mr. President, the manner in which Social Security surpluses are treated is but one of the ways in which these two proposals could be compared, but the bottom line is that the House-Senate conference report is simply superior to the Clinton plan. By maintaining fiscal discipline, protecting Social Security surpluses, providing funds for a Medicare prescription drug benefit, and enhancing funding for shared priorities such as education, I believe this conference report 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 urge that my colleagues support this carefully crafted and fiscally responsible FY2000 conference budget report—and work to ensure that the parameters it establishes are used to protect and advance the priorities we share.

Thank you, Mr. President. I yield the floor.

Mr. SARBANES. Mr. President, I rise in opposition to the conference report now before us on the budget resolution.

The Congressional budget process as we know it is 25 years old this year. Silver anniversaries such as this one are important milestones, but this year's budget resolution provides no cause for celebration. For a number of reasons, I am deeply disappointed in the resolution that my Republican colleagues appear determined to adopt today.

First are issues of process. As a member of the Budget Committee, I have been disappointed in the amount of time that we have had available to study the budget proposals before us. Consideration in committee, on the Senate floor, and now in relation to this conference report has been marked by the absence of detailed, written proposals that would provide the basis for sound decisions.

Indeed, I understand that at the conference on this resolution, there was not even a draft resolution to which members could react. After less than 6 hours of consideration, and with no text available, the conference committee hurriedly approved this report early Wednesday morning. The Senate has not had the chance to give the measure a proper review, yet here we are the very next day asked to approve a \$1.4 trillion budget. It is troubling that the majority's desire to beat today's statutory April 15 deadline has prevailed over thoughtful consideration and debate. The result of this haste and the deficient policy making process will be quite clear to the American people once they understand this budget's real implications.

Mr. President, I believe that this budget will take the country in the wrong direction. We are now in the 96th month of the longest peacetime economic expansion in U.S. history. We are truly in a virtuous economic cycle, as growth reached 6.1 percent in the last quarter of 1998, and 3.9 percent for the year. 1998 was the sixth year of such steady growth, a pattern of robust increases that many economists once thought unsustainable over such long periods.

I am proud to have been a part of the effort in 1993 that helped to create this

positive economic climate. Working together, President Clinton and congressional Democrats crafted a package that finally brought the federal deficit under control. By making difficult but critical decisions to cut federal programs and raise revenues, we tamed the deficits that plagued the Nation throughout the 1980s, placed enormous pressure on important federal initiatives, and hampered our economic growth. Most Republicans argued at the time that this responsible package would ruin the economy and send markets tumbling. They were dead wrong.

Thanks to the strong economy and the fiscal discipline begun in 1993, the country is in a fiscal position no one dreamed possible even two years ago. In 1997, the Congressional Budget Office, the Office of Management and Budget, and nearly everyone else were predicting substantial budget deficits far into the next decade—as high as \$159 billion in fiscal year 2000, \$153 billion in fiscal year 2002, and continuing for the foreseeable future. Earlier in the decade, OMB estimates for the 2002 deficit ran as high as \$576 billion. This year, those forecasts have been turned upside down. CBO's recent projections call for unified budget surpluses rising from \$131 billion in fiscal year 2000 to \$381 billion if fiscal year 2009.

The budget resolution before us will seriously endanger this hard-won progress, and will short-change national priorities that the American people have clearly indicated they want to see addressed. Depending upon one's point of view, this is either the last budget of the old millennium, or the first of the new. In either case, it is an opportunity for us to think seriously about our Nation's needs and priorities as we look into the next century, and chart an appropriate course for the future. This budget, however, is less a forward-looking policy blueprint than a political document aimed at short-term gain.

This is unfortunate, because as we look toward the future we face some very real challenges, the most significant of which will come in Medicare and Social Security. Together, these are two of the crowning achievements of American government, and have lifted literally millions of older Americans out of poverty. These programs have worked, and continue to work every day for our senior citizens and their families.

To prepare the country for the future, any budget that we pass must meet several criteria. It must extend the solvency of Social Security and Medicare. It must recognize the magnitude of these obligations in a forthright way, and include a mechanism to boost national savings and economic growth, so that we are in a better position to meet them. It should be designed to reduce, not increase, the growing income disparities that can fray our social fabric. Finally, it should protect other important national priorities. Support for commu-

nities, scientific research, veterans benefit, education, environmental protection, and the like should not be sacrificed for tax breaks for the well-to-do.

This proposal fails to meet any of these criteria. Instead, it appears tailor-made to accommodate the majority's priority of huge tax cuts for the wealthy. While the total available for tax cuts starts off at \$15 billion in fiscal year 2000, that mushrooms to \$142 billion over 5 years and \$778 billion over the next 10 years. Who will benefit from these tax cuts? If past is prologue, lower and middle income Americans will not. Capital gains cuts, repeal of estate taxes, and more corporate loopholes all give tax relief where it is least needed—to those already at the top of the income scale. These have been part and parcel of previous Republican tax cut packages, and there is no reason to suspect that this year will be any different.

The Republican budget would require devastating, unsustainable cuts in critical programs that serve millions of Americans. In order to provide massive increases in defense outlays while trying to stay under the discretionary caps passed 2 years ago, this plan makes dramatic cuts in almost every other area of government. According to estimates from the Office of Management and Budget, the combination of defense increases, protection of a select few programs, and retention of the budget caps would force spending reductions in non-defense discretionary programs of \$26.9 billion in fiscal year 2000 alone. This would require an unprecedented across-the-board cut of over 11 percent in real terms from fiscal year 1999 levels across a broad array of important government functions.

On top of these huge cuts, this budget will cripple important programs far into the future in order to fund the majority's tax cuts. After the current spending caps expire, any future increases would be held to well under the rate of inflation. This means that every year, important functions will continue to suffer real cutbacks amounting to billions of dollars. Incredibly, discretionary levels in 2009—10 years from now—will be just 2.6 percent over those enacted this fiscal year, 1999. This will not even begin to make up for losses to inflation, to say nothing of increased needs caused by a growing population.

I also must note that the conference report does not specifically call for continuation of the traditional parity in pay increases between military and civilian government employees. I successfully sponsored an amendment to maintain this parity in S. 4, the military pay increase bill passed by the Senate earlier this session, and I urge the Senate to continue its support for this principle as the appropriations process moves forward.

Mr. President, this budget proposal falls far short of the mark in almost

every important respect. It would harm important programs ranging from Head Start to the FBI, from air traffic control to food safety inspections, while providing a huge tax cut for the wealthy.

The plan utterly fails to meet the most fundamental tests—it does not extend the solvency of Social Security in any way, and does nothing meaningful to address the more immediate problems in Medicare. When Democrats introduced amendments in the Budget Committee and on the floor that would specifically put saving Social Security and Medicare ahead of the Republican tax cut, the measures were defeated. Republicans opposed Social Security and Medicare at their inception, and this budget resolution shows that they still do not see how important these programs are to millions of individuals. The Republican priorities evident in this resolution simply are not shared by most of the American people.

I strongly oppose this resolution, and I urge my colleagues to reject it.

#### AVIATION BUDGETING

Mr. HOLLINGS. Mr. President, I wish to draw my colleagues' attention to an opinion piece in today's Washington Post on air safety. The article, titled "Yes to Air Safety" by Congressman SHUSTER, Chairman of the House Transportation and Infrastructure Committee, talks about the critical need to fully fund our air traffic control system and to build our nation's airports. It is a simple proposition that is being put to Congress—if you take money from airline passengers, you must use that money to build and sustain the system.

We all leave here every weekend, journeying across the country. Each of us encounters delays at Reagan National. Right now, the FAA operates the safest air transportation system in the world. Maintaining this high standard requires money—plain and simple. We can underfund the agency and we can take the airline passenger money and give people a tax cut. If we do this, then we can not complain about delays—it is our fault for the short-change. If we take the Trust Fund money and use it for a tax cut or other purposes, it is our fault, not Jane Garvey or Rodney Slater's, but ours alone.

We have an opportunity to restore the "Trust" in the Airport and Airways Trust Fund, and to give to our constituents what they need and have paid for—a safe, and efficient air transportation system. We should not let it pass us by. Congressman SHUSTER has got it right.

Here are the facts:

From Fiscal Year (FY) 1982 through 1999, Congress appropriated more than \$27 billion for the modernization program. FAA estimates that the effort will need an additional \$14 billion for FY 2000–2004. The FAA requested \$2.3 billion for FY 2000, which represents an increase of 11 percent over the FY 1999 appropriation level of \$2.1 billion. But it is not enough to fully modernize the national air system (NAS).

Accident rates for the U.S. air transportation system, compared to other areas of the world or other modes of transportation, all indicate that the U.S. aviation system remains the safest in the world. For example, aircraft hull loss rates for the U.S. and Canada are 0.5 per million departures, compared to 3.8 per million for Asia and the Pacific islands. For 1998, there were no commercial passenger fatalities within the U.S.

As the FAA aviation forecast information, released just a few weeks ago, indicates, there will be almost 1 billion passengers (up from 607 million in 1998) and an increase in the total number of flights from 65 million to about 82 million by 2010. Today, the FAA, in many instances, is using outdated equipment that must be replaced in order to meet the expected demand.

In 1997, the Congressionally created National Civil Aviation Review Commission (NCARC) found that gridlock in the skies is a certainty in the near future unless the ATC system is modernized. According to the report, an increase in delays of just a few minutes per flight would seriously inhibit the ability of carriers to operate hub and spoke systems. I must note that one DOT study suggests that adding 48 more flights at Reagan National would create approximately 3 to 4 minute more delays per aircraft. This report was further supported by an American Airlines study detailing how a four minute increase in delays would seriously impact the ability of carriers to operate hubs. The FAA estimates that if demand increases as expected, no new runways are added to major airports, and no advances are made in air traffic control, then 15 of the U.S.'s major airports will be severely congested by 2006. In January 1997, the White House Commission on Aviation Security and Safety recommended that we expedite the modernization of the ATC system and complete the project by 2005, ten years earlier than originally planned.

If we do manage to fix the air traffic control system to make it more efficient, we still need to have more runways and terminals to accommodate the expected growth. Again, it is simple, if one has too many planes trying to land on one runway, one will have delays. Runways do not come cheap. The runway in Seattle, which we agree is sorely needed, will cost more than \$830 million. A new runway in Atlanta, Chicago, or Dallas likewise will cost hundreds of millions of dollars. Without that added capacity, delays will increase. We know this. No one disputes this. It gets back to money—we have a Trust Fund which will have \$79 billion by 2008 just sitting there. The General Accounting Office has also told us of the looming funding crises for airports. We simply can not ignore our duty—we can not use that \$79 billion for anything other than funding our air transportation system.

I ask unanimous consent that the editorial be printed in the RECORD.

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

YES TO AIR SAFETY

(By Bud Shuster)

Although the safest in the world today, America's aviation system is hurtling toward gridlock and potential catastrophes in the sky. Unfortunately, The Post's April 2 editorial "A No to Mr. Shuster" did not accurately describe the efforts of the House Transportation and Infrastructure Committee during the budget debate to unlock the ticket taxes paid by airline passengers into the Aviation Trust Fund so they could be used for their intended purpose of improving America's aviation system.

Contrary to the editorial's assertions, our bipartisan proposal would not cut one penny from other federal programs. Rather, it would provide that the ticket taxes be used for aviation improvements instead of being used to pay for a small part of the \$800 billion tax reduction proposed over the next 10 years. In fact, we provide for an open debate and floor vote on whether the money going into the trust fund should be used for aviation improvements (which we support) or for a reduction in the aviation ticket tax. It is grossly unfair to take airline passenger ticket taxes and then give them away as part of a general tax cut.

The Post was absolutely correct, however, in acknowledging that "no one disputes a need to increase aviation spending." Since airline deregulation, passenger travel has increased from 230 million annually to 600 million last year and is projected to be 660 million this year and more than a billion annually in the first decade of the next century. A 30 percent increase in aircraft operations is forecast for our top 100 airports in the next decade, with a 50 percent increase in the number of commercial jets in our skies. Air cargo, which increased 74 percent in the last 10 years, is growing even faster.

Airport congestion is already skyrocketing. The FAA reports that our 27 largest airports each are experiencing more than 20,000 hours of recorded flight delays annually, costing the airlines \$2.5 billion and the American people more than \$7 billion in lost productivity. But that's only the tip of the iceberg. Airlines are building delays into their schedules. For example, Washington to New York should be only a 45-minute flight, but it's scheduled for an hour. The actual cost of congestion may be approaching \$20 billion annually. One study estimates that we need a 60 percent increase in airport infrastructure investment just to maintain the current levels of delay.

The General Accounting Office states that \$17 billion will be needed during the next five years just for air traffic control modernization. Last year our air traffic control system experienced more than 100 significant system failures. Dulles went down for more than 10 hours just a few weeks ago. The National Civil Aviation Review Commission states that "without prompt action, the United States' aviation system is headed toward gridlock . . . [and] a deterioration of aviation safety [which would] harm the efficiencies and growth of our domestic economy, and hurt our position in the global market place." Last month, two jet cargo planes came within a hundred feet of a mid-air collision over Kansas because the Kansas City Air Traffic Control Center lost radio contact with them.

The good news, however, is that the ticket taxes flowing into the Aviation Trust Fund can provide a substantial increase for aviation improvements. Specifically, more than \$10 billion is going into the trust fund annually, while spending is around \$7 billion. If

nothing changes, during the next 10 years more than \$90 billion will accumulate in the Aviation Trust Fund.

The speaker has agreed to bring our "Aviation Investment and Reform Act for the 21st Century" (AIR 21), which passed our committee unanimously; to the floor for a fair and open debate. It will unlock the Aviation Trust Fund so the ticket taxes paid into it can be used for aviation improvements, provide for increased capacity at our airports, modernize our air traffic control system and ensure continued safety for the world's best aviation system. Increased airport capacity will mean more airline competition, which is part of the long-term solution to better customer service.

The Post can't have it both ways, saying we should spend more on aviation while opposing using the money paid into the trust fund for that purpose. But I'm beginning to get it: The Post thinks it's good government to spend \$900 million out of the Highway Trust Fund for one Woodrow Wilson Bridge in the Washington area but bad to use the Aviation Trust Fund to improve aviation across America.

MR. McCAIN. Mr. President, I will vote today, somewhat reluctantly, in support of the Fiscal Year 2000 Budget Resolution. I say reluctantly because I am very concerned about the inadequate level of funding provided in this resolution for national defense.

On the positive side, this budget resolution establishes a road map for this Congress to enact the largest tax cut since the Reagan Administration, lock up the Social Security surplus, shore up Medicare, substantially reduce the public debt, and still keep spending within the limits established in the 1997 bipartisan budget agreement. It also provides the largest increase in history, \$1.8 billion above the President's budget, for veterans' health care, which has been consistently underfunded for years.

Most important, the resolution takes an important step toward preserving Social Security for current and future recipients. It reaffirms the 1990 law, now expired, that prohibited using the Social Security Trust Fund surpluses to offset other spending, and it establishes a new point of order against spending any of the Social Security surplus on anything other than payment of Social Security benefits or reforming the system. This resolution walls off the Social Security Trust Fund so that money paid in by taxpayers for their retirement cannot be stolen by spendthrift politicians to pay for their favorite pork-barrel projects or new government programs of dubious merit.

Saving Social Security and providing greater retirement security for our citizens should be our first priority. We must find a viable solution to the impending bankruptcy of Social Security which restructures the system in a manner which provides working Americans with the opportunity, choices, and flexibility necessary to ensure their future retirement needs are fully met. Everyone who has worked and invested in the Social Security system must be guaranteed to receive the benefits they were promised, but reform must not

place an unfair burden on today's workers. Until we find that solution, however, it is imperative that we shore up the system to ensure payment of benefits will continue, on time and in full, to everyone who has earned them.

To do this, we must not only protect the existing Social Security surplus, as this resolution does, but ensure that additional funds are available, if needed, to shore up the system in the absence of meaningful reforms. The President's "smoke and mirrors" budget promised to save 62 percent of the non-Social Security surplus to shore up Social Security, but that has been shown to be a baseless claim when his budget is carefully analyzed. Unfortunately, this budget resolution did not dedicate additional funds to save Social Security either. I believe we should set aside a significant portion of the additional surplus to extend the fiscal viability of the system and ease the fears of our senior citizens, and I intend to work to see that happen.

Locking up the Social Security Trust Fund surplus and setting aside a significant portion of the non-Social Security surplus does not mean we cannot also provide significant tax relief to those who need it most—lower- and middle-income Americans and their families. The Budget Resolution provides for \$142.3 billion in tax relief over the next five years, amounting to \$779.9 billion over ten years. The tax cuts are appropriately targeted toward eliminating the marriage penalty, expanding the lowest 15% tax bracket, estate tax relief, more favorable tax treatment of health insurance cost for the self-employed, and capital gains tax fairness for farmers.

But Americans need and deserve an even bigger tax cut. Federal taxes consume nearly 21% of America's gross domestic product, the highest level since World War II. A recent Congressional Research Service study found that, over the next ten years, an average American family will pay \$5,307 in taxes over and above what the government needs to operate. Congress did not balance the budget so Washington spending and government bureaucracy could continue to grow at the taxpayers expense. Letting the American people keep more of their own money to spend on their priorities will continue to fuel the economy and help create more small business jobs and other employment opportunities.

The tax cuts in this Budget Resolution are significant, but I think we should return even more of the surplus back to the taxpayers. I believe we should reserve part of the non-Social Security surplus to shore up the system and give a bigger tax cut to American families, which would be paid for partially by closing tax loopholes and eliminating inequitable corporate subsidies to offset the cost.

Saving Social Security, cutting taxes, providing for our veterans, and many other aspects of this Budget Resolution are sufficient reason to vote for

it. However, the shortfall in defense spending in this budget raises very serious concerns.

It is no secret that there are serious readiness, retention and recruiting problems throughout the military. The Service Chiefs testified before the Senate Armed Services Committee in September last year, and again in January, that they require an additional \$20 billion over the fiscal year 1999 budget in fiscal year 2000 to stop declining force readiness. The President, after promising an additional \$12 billion, only added \$4 billion in his budget request. Then, during this year's budget hearings, the Service Secretaries and Chiefs confirmed that readiness unfunded requirements still exist and submitted lists to meet their readiness requirements. Yet the Budget Resolution does not provide sufficient funding to meet the minimum requirements of the Joint Chiefs of Staff to adequately fund critical readiness, personnel and modernization programs.

The Conference Report veils its underfunding of vital defense programs by putting an additional \$8.3 billion for Fiscal Year 2000 in the Pentagon's bank in the form of increased budget authority, but because of the arcane scorekeeping rules of the Congressional Budget Office, the Services would not be able to actually spend that money because it would exceed the outlay cap. Fortunately, the conference agreement provides \$2 billion more in outlays than the Senate version, but the spending limit is still \$6.7 billion less than the President's budget when estimated by the Congressional Budget Office. And the resolution shortchanges defense next year and every year thereafter.

Earlier this year, the Senate passed legislation of which I was a primary architect, along with Senator ROBERTS, Majority Leader LOTT and Senator WARNER. This legislation, the "Soldiers', Sailors', Airmen's, and Marines' Bill of Rights Act of 1999", would restore military retirement benefits to a full 50 percent of base pay for 20-year retirees, includes a 4.8 percent pay raise effective January 1, 2000, pay table reform, Thrift Savings Plan proposals, and a Special Subsistence Allowance to help the neediest families in the Armed Forces who now require federal food stamp assistance. This Budget Resolution puts all these recruitment and retention tools in jeopardy because it does not provide the dollars needed to fulfill these promises to our service members and their families.

Mr. President, the nuclear carrier U.S.S. *Enterprise* (CVN-65) is currently deployed in the Persian Gulf, undermanned by some 800 sailors. We are losing pilots to the commercial airlines faster than we can train them. The Navy has one-half the F/A-18 pilots, one-third of the S-3 pilots, and only one-quarter of the EA-6B pilots it needs. Only 26 percent of the Air Force pilots have committed to stay beyond

their current service agreement. The Army says that five of its ten divisions lack enough majors, captains, senior enlisted personnel, tankers and gunners.

The military's problems do not stop at recruiting and retention issues. For example, the Army's number one modernization program, the Comanche helicopter, is undergoing flight testing with just one asset. If that helicopter has a serious malfunction or is lost, who knows how long the program will be delayed. The Army has another test platform but has testified that they simply cannot afford to fly it.

With the recent deployment in the Balkans, the world watched night after night as the Air Force's main bomber, the B-52, was once again called to duty to deliver air launched cruise missiles in combat. How many times has the Air Force called upon this 40-year old workhorse to deliver devastating fire-power? The B-52 bomber was already old when I saw it fly in Vietnam, and yet the Air Force plan will carry the current bomber fleet through the next 40 years, with a replacement to the B-52 tentatively planned in 2037.

The Navy is struggling to maintain a fleet of 300 ships, down from over 500 in the early 1990s. The fiscal year 2000 budget will not support a Navy of even 200 ships. The Marine Corps saves money in spare parts by retreading light trucks and Humvees, so as to afford small arms ammunition for forward deployed Marines.

The list goes on and on, but what we must recognize is that it illustrates very serious readiness problems that continue to grow and must be stopped if we hope to preserve the world's finest military and continue to support the men and women in uniform, many of whom are in harm's way in Operation Allied Force in Kosovo today.

Mr. President, I could go on, but suffice it to say that the military needs more money to redress the serious problems caused by more than a decade of declining defense budgets. Those of us who have been criticized for sounding alarm bells about military readiness now have the empty satisfaction of seeing that there is more to maintaining a strong defense than a politician's history of falsely promising to do so. What is at risk, without exaggeration, are the lives of our military personnel and the national security of the United States.

Mr. President, for many years, the Services have struggled to make do with the funding we provide to them, as Congress persists in draining away resources for low-priority, wasteful, pork-barrel spending projects. After hearing from the Service Chiefs in testimony this year, I hope my colleagues are prepared to halt the long-standing practice of earmarking funds for home-state programs and special interest items. If not, we will exacerbate the dangers of failing to provide the resources necessary to maintain military readiness and our war-fighting capability.

Mr. President, I will vote for this Budget Resolution because it provides a measure of tax relief, additional veterans funding, and, most important, locks up the Social Security Trust Fund for Social Security. But I am gravely concerned about the defense spending levels in this budget, and I intend to do everything I can to ensure that every dollar in the Defense and Military Construction Appropriations bills is used for high-priority defense requirements, like recruiting and retention incentives, operations and training, and urgent modernization programs. I urge my colleagues to put aside their parochial interests and join me in that effort.

Mr. DASCHLE. Mr. President, it is an unfortunate fact around here that budget resolutions are frequently seen as little more than meaningless manipulations of numbers. They are perceived by some to have no real impact on Congress and even less on the American people. Whether you agree or disagree with this perception of previous budget resolutions, I think we can all agree that the budget resolution before us is different.

What we have been debating and are about to vote on, is our nation's first budget of the 21st century. The FY 2000 budget resolution represents a blueprint for our future. The decisions made on this resolution could determine how we live—not just next year—but for a generation—maybe longer.

Before getting into the specifics of the budget proposals before us, let me say a few words about what a budget resolution should do. In my view, a budget resolution should be visionary. It should look at today's circumstances, assess where improvements are needed and apply the appropriate amount of resources.

A budget resolution must be fiscally responsible. Prior to 1993, previous Presidents and Congresses have frequently failed to live within their means. The result was large annual deficits and a \$4 trillion national debt. Since 1993, we have reduced the deficits 7 years in a row. Future budget resolutions must continue this pattern.

A budget resolution must save money to keep promises we've already made. The federal government has legally binding commitments on Medicare, Social Security, child nutrition and student loans to name a few. A budget resolution must live up to the federal government's legal obligations in these areas.

Finally, Mr. President, a budget resolution must invest in the future—in things like education, transportation, technology, and health care—so we can pass the promise of America onto our children.

Unfortunately, the budget resolution before the Senate today does none of these things. This resolution is deceptive and fiscally irresponsible in the extreme. It claims to protect Social Security and Medicare. It claims to live within our means. In reality, this

budget fails on both scores. It does not adequately lock away Social Security trust funds and fails to add any resources to Medicare. It also includes hundreds of billions of exploding tax cuts that are paid for with projected surpluses. There is a huge problem with this approach. The tax cuts come and keep on coming whether or not the surpluses ever appear.

This approach adopted by my Republican colleagues represents a radical departure from the policies that lifted America out of recession in the late 1980s and early 1990s and created the strongest economy in a generation. After a decade of massive deficits caused primarily by ballooning tax breaks, President Clinton and a then Democratic Congress embarked on a new path, a path that coupled spending cuts with targeted investments and tax cuts for working families. This budget abandons that successful approach and will return this country to the large deficits of the 1980s.

Even more distressing to me, if we follow this plan, we will squander the best opportunity—perhaps in our lifetimes—to keep our commitments on Medicare and Social Security and effectively deal with some of the most serious social and economic needs facing our country—now, before they become crises.

It is my impression that debate on this year's resolution has been short, indeed, perhaps the shortest in my memory. The reason may well be that there are not a lot of small details to debate. Instead, we face a single major question: What should we do with the \$4.6 trillion in surpluses projected over next 15 years? Without a doubt, this is the most important fiscal decision confronted by Congress in generations. With this budget resolution we face real choices with real consequences. Every family, every business, in America will be profoundly affected by how we answer this one question.

Unfortunately, the Republican budget resolution conference agreement makes too many wrong choices. It is wrong on Social Security and Medicare. It is wrong on debt reduction. It is wrong on tax relief with its emphasis on tax breaks that favor the wealthiest over working families. It is wrong on education, health care, and other critical investments. Therefore, I've concluded this resolution is wrong for America. And I will vote against it.

I would like to say a few words about the choices we face in the future. However, first, I think it's important to take a brief look back. When President Clinton took office in 1993, the budget deficit was a whopping \$290 billion—the highest level in this nation's history. And, it was projected to grow to more than \$500 billion by this year. In that year, 1993, President and Democratic Congress—without a single Republican vote—took action; together we passed the largest deficit reduction package in our nation's history.

Our political opponents condemned our plan; they predicted economic ruin.

They said it would destroy our economy and trigger a second Great Depression. Many who made those predictions are still here today. Many who bravely voted for our plan are not. They knew they were risking their careers when they voted for our plan. But they did it anyway, because they believed we could not continue the ruinous economic policies of past.

Today, the results of Democrats' 1993 economic plan should be clear to all. The deficit has declined 7 years in a row—the first time that's happened in our nation's history. Last year, this nation enjoyed the first unified balanced budget in 30 years. This year, we expect a \$111 billion unified surplus. In addition, we are experiencing the strongest economy in a generation. Eighteen million new jobs have been created since 1993. We have the lowest unemployment rate in nearly 30 years—4.5 percent. We have the lowest core inflation rate in more than 2 decades—2.5 percent. We have witnessed a 2.5 percent rise in wages—the fastest growth in wages in more than 20 years. We are living during the longest peacetime economic expansion in our history. Largely as a result of this string of economic good news, the Congressional Budget Office is now projecting budget surpluses for as long as the eye can see—a total of \$4.6 trillion over the next 15 years.

So Mr. President, we faced the tough questions in 1993. The question facing Congress this year ought to be easy. Then the question was: how do we reduce the deficits? How do we get America working again. Now, the question is: what should we do with the surplus? How do we keep America working?

We've already proved tough decisions don't have to be cruel decisions. We can continue to make economic progress today, without sacrificing our economic future. With the plan we offered this year, Democrats balanced the budget—and cut taxes on working families—without gutting our investments in our children's education. We balanced the budget—and cut taxes on working families—without raiding Social Security and Medicare. We balanced the budget—and cut taxes on working families—without sacrificing our ability to protect our environment. We balanced the budget—and cut taxes on working families—without adding more Americans to the rolls of the uninsured. In fact, we found a way to help parents who work full-time, but don't have insurance, to provide health insurance for their children.

Our budget plan builds on our past success. We make tough decisions. But we also make smart decisions. We honor the commitments our nation made in the past, and we invest in the future. The Democratic vision for our fiscal future is based on 4 principles. First, we protect and preserve Social Security and Medicare. The Democratic plan locks away every penny of the \$2.9 trillion Social Security surplus, plus an additional \$700 billion for

Medicare. We are first to admit: our plan doesn't solve all the issues facing these two important programs. We know we also need to make structural reforms. But, by locking away every penny of Social Security and saving 15 percent of the unified surplus for Medicare, we can avoid a crisis—which dramatically reduces chance of having to make radical changes.

Second, our plan pays down the national debt. In 10 years, we can reduce our public debt from \$3.5 trillion, to \$1.6 billion. In 18 years, under our plan, we can eliminate the debt entirely. By 2018, America could be debt-free. Debt reduction keeps interest rates down. This means lower mortgage rates, lower rates on car loans, lower monthly credit card bills, and lower student loan bills. It also means more investments for businesses, more economic growth, more jobs, and more opportunity for the future.

Third, our plan cuts taxes for America's working families. Our plan provides \$400 billion in targeted tax relief to help families save for retirement and pay for child care. Our plan also includes a \$1,000-a-year tax credit for elderly and disabled Americans who need long-term care—or the family members who provide that care. It cuts the marriage penalty tax. And, it provides tax credits for research and experimentation.

Fourth, our plan invests in America's future—over \$400 billion in key priorities. These resources can be used to provide for more teachers for our kids, more pay and better housing for our troops, and more law enforcement agents. It provides more for job training, more for safe drinking water and clean air quality. It will result in better roads and safer airports and rail lines.

The Republicans are offering a very different plan. It makes very different choices. Their plan sets aside nothing for Medicare. As I said earlier, we save 15 percent of the surplus—\$700 billion—for Medicare. We put it in a real lockbox; these funds can't be used for anything but Medicare. Their plan does not save one penny specifically for Medicare. Moreover, when Senate Republicans introduced their budget resolution, they said they were setting aside \$133 billion for Medicare. Later, they revised that figure down to \$100 billion. In the conference agreement before us today, there's nothing to preserve the existing Medicare program. The truth is Republicans are not setting aside any money specifically for Medicare. Their budget resolution recommends we extend the solvency of Medicare through benefit cuts alone.

If we act as this resolution proposes and fail to set aside real money for Medicare now, and fail to enact real reforms soon, the Medicare trust fund will go broke. That would be an emergency of staggering proportions. And the Republican budget does nothing—nothing—to prevent it.

Their plan does not guarantee one additional day of solvency for Social

Security. Under the Democratic plan, Social Security's solvency is extended until at least 2055—23 years longer than what's now projected.

Now, Republicans say they will set aside 62 percent of the surplus for Social Security—the same as our plan. But nowhere in their plan do they say what they intend to do with that money. While they say they will put every dime of Social Security taxes in the Social Security trust fund, nowhere in their plan do they promise to keep the funds there. Nowhere do they guarantee that Social Security will continue to provide a monthly benefit. Nowhere do they commit to preserve unemployment benefits workers now get, or death benefits for their survivors. In fact, the conference report before us specifically allows Republicans to divert Social Security resources out of Social Security and use them to pay for private retirement accounts or additional tax cuts.

If the Republican majority believes the federal government should keep the commitments it has made, they should say so, clearly, in writing. Social Security taxes for Social Security benefits is not a difficult concept to grasp, and an even easier one to say. Despite all their rhetoric during the budget debate, the Republican budget resolution chooses not to say it. And even worse, it does not do it. Instead, the Republican resolution treats Social Security as just another piggy bank to pay for their tax breaks or private retirement accounts. That is its second major failing.

The third major problem with Republican budget resolution is the choice it makes about who gets tax relief. Our budget targets tax cuts to the needs of working families. Republicans say their plan is better because it contains tax cuts for everyone. That's not true! Under the 10 percent across-the-board tax cut endorsed by many in their party, nearly two-thirds of benefits would go to the wealthiest 10 percent of Americans. If you earn \$800,000 a year, you save \$20,000 a year in taxes. But if you earn \$38,000 a year or less—like 60 percent of American families—you'll save \$99 a year—27 cents a day. That's if you're lucky. According to the Joint Tax Committee, Congress's official tax-estimating body, 48 million middle-class families would get nothing under a 10 percent tax cut. Not a nickel!

What would that 27 cents cost America's families? It means there will be nothing left over to protect and preserve Medicare. It also means crippling cuts in education, health care, environment, agriculture, food safety and countless other critical areas. According to an analysis by the Office of Management and Budget, the Republican budget will cut domestic investments by 11 percent across-the-board this year. By 2004, these cuts will grow to 27 percent. The Republican budget resolution would eventually force the federal government to cut more than one out

of every four dollars it now spends on critical domestic priorities. Frankly, it's amazing to me that some of the same people who only weeks ago said Congress would be forced to break budget caps this year can now claim, with a straight face, that they can cut federal spending by 27 percent over next five years.

Their tax cut plan is unfair and unworkable, and we all know it. The last time we tried their tax plan—the last time we tried to grow the economy by cutting trillions of dollars in taxes and giving most of the money to wealthiest Americans—we quadrupled the national debt and ran the economy into the ground.

In conclusion, Mr. President, there are terrible problems with the Republican budget resolution. Democrats tried to correct these problems in the Budget Committee. We tried to make adjustments on the Senate floor. In both places, we were defeated on party-line votes. So, we will pass this conference agreement in a few minutes.

And while we may disagree on its merits, we all know, Democrats and Republicans alike, this plan will never become law. So, we have a lot of work ahead of us in the next several months. Democrats will listen to any reasonable, responsible plan anyone wants to propose. We're willing to negotiate across the aisle, and make compromises, to come up with budget proposals that can be signed by the President. However, we will not compromise on our commitments. We will not repeat mistakes of the past. We cannot squander this opportunity.

#### THE DISCRETIONARY CAPS

Mr. DOMENICI. Mr. President, I want to add one response to those who criticize this budget resolution as necessary resulting in all manner of dreamed-up, horror-story kind of cuts in federal border agents, food safety inspections, and other programs selected for the maximum scare value.

Here is the truth instead. In 1997, just 2 years ago, the bipartisan budget agreement, and the law that implemented it, set out caps on discretionary spending for 1998 through 2002. And yes those caps were expected even then to be tight as they were encountered each year. In his budget request for 2000, the President appeared to pledge fealty to those caps for 2000, claiming that the caps could be complied with even as CBO demonstrated the President could not deliver on all his spending promises without exceeding the caps by at least \$17 billion.

Further, the respective minority leaders of both the House and the Senate castigated the congressional majority for even exploring the idea of increasing the caps in this resolution and instead the minority leaders reiterated their devotion to the caps set 2 years ago. So this budget resolution does comply with the caps, just as the President and the Democratic congressional leadership insist it should.

But a fair question would be: how do we fund all the discretionary appropriation needs while complying with the discretionary cap discipline? As always, that will be up to the appropriations process. The budget resolution never dictates to the appropriations committee how individual programs or bills should be funded. What the budget resolution does do is suggest in broad categories what some spending priorities ought to be, and in some cases, it suggests, as sort of a menu, some spending reductions or other offsets that the appropriators could consider in constructing the 13 appropriation bills. For example, the Senate-passed resolution indicated that repeal of the Davis-Bacon Act and the Service Contract Act would save significant construction and contract dollars that could be applied to increases in education or defense. Other sources of savings mentioned include food safety inspection fees and spectrum lease fees to encourage more efficient use of spectrum by both private and government users. And in certain specific budget functions, to offset discretionary spending, some functions call for the sale of certain federal assets and other assume specific savings amounts in mandatory programs, which include requiring securities registration for five government-sponsored enterprises and other incentives to encourage competition and rededication to their missions. Other functions call for reducing excessive flood insurance subsidies and imply reductions in certain grants to local governments that are often misdirected to those not the most financial needy. If the appropriations fairly consider these as well as many other savings items contemplated in this budget resolution, they will have opportunities to provide the increases demanded by some and avoid the decreases in vital programs imagined by others, while still complying with the caps.

The PRESIDING OFFICER. The question is on agreeing to the conference report. 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 Arkansas (Mr. HUTCHINSON) is necessarily absent.

Mr. REID. I announce that the Senator from New York (Mr. MOYNIHAN) is absent due to surgery.

I further announce that, if present and voting, the Senator from New York (Mr. MOYNIHAN) would vote "no."

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

The result was announced, yeas 54, nays 44, as follows:

[Rollcall Vote No. 86 Leg.]

YEAS—54

Abraham	Brownback	Cochran
Allard	Bunning	Collins
Ashcroft	Burns	Coverdell
Bennett	Campbell	Craig
Bond	Chafee	Crapo

DeWine	Hutchison	Santorum
Domenici	Inhofe	Sessions
Enzi	Jeffords	Shelby
Fitzgerald	Kyl	Smith (NH)
Frist	Lott	Smith (OR)
Gorton	Lugar	Snowe
Gramm	Mack	Specter
Grams	McCain	Stevens
Grassley	McConnell	Thomas
Gregg	Murkowski	Thompson
Hagel	Nickles	Thurmond
Hatch	Roberts	Voinovich
Helms	Roth	Warner

NAYS—44

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

NOT VOTING—2

Hutchinson	Moynihan
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The conference report was agreed to.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I believe that completes our work. I want to thank everyone, whether they were with the budget that I prepared or whether they were against it, for their cooperation. And I thank our leadership for getting that budget down here, and the minority leader and the majority leader for helping expedite it.

This is the 15th. We know it is a very ominous day out there in America. It is tax day. But on a smaller scale, the Budget Act of the United States says the budget shall be finished in both Houses on this date. I do not think it had anything to do with tax day, but they occur together every year. Only twice in the 25-year history of the Budget Act have we produced budgets in both Houses, the blueprints.

They are congressional in nature. They are not Presidential budgets, nor does he sign them. It is historic and significant that as we attempt to get our work done this year and make sure that the American people understand that we are on target for the issues they are concerned about—Social Security, Medicare, tax reduction, defense spending, education and the like—we want them to know that the budget is ready to lead us into a new approach for the next millennium.

Everyone doesn't agree, but a very large percentage of the Senators here have voted in favor of this new approach, which I believe will add significantly to the economic future, economic growth and jobs, and at the same time set a pretty good priority for the American Government's expenditures.

This does have a philosophical bent to it; that is, if you have excess revenues, you pay down the debt. We have done that. We have almost paid down one-half of the national debt in the next decade—rather significant, good for the economy. We believe when you

have even more excess than that, some of it ought to go back to the American people by way of tax reductions, tax reform measures and the like.

I regret to say that I believe when the American people have understood all of this, and when they understand these surpluses are not Social Security surpluses, they are over and above that, I think they will agree with us that some of that ought to go back to the American taxpayer. I think it is a good balance between the Government's needs and the taxpayers' rights and the taxpayers' needs.

I thank the staff, minority and majority, for the very dedicated service in getting this complicated resolution to the floor.

With that, I yield the floor and thank everyone for helping.

The PRESIDING OFFICER. The Senator from Georgia.

#### ORDER OF PROCEDURE

Mr. COVERDELL. Mr. President, in just a few minutes, in the order of a previous unanimous consent agreement, we are going to move to S. 767, but the two distinguished Senators from Connecticut have a very important resolution relating to their State. It will take a few minutes. I ask unanimous consent that they be allotted up to 5 minutes, beginning immediately, to present their resolution.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Connecticut.

#### CONGRATULATING THE 1999 UNIVERSITY OF CONNECTICUT MEN'S BASKETBALL TEAM

Mr. DODD. Mr. President, on behalf of myself and my distinguished colleague from Connecticut, Senator LIEBERMAN, I send to the desk S. Res. 77 and ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 77) commending and congratulating the University of Connecticut Huskies for winning the 1999 NCAA Men's Basketball Championship.

There being no objection, the Senate proceeded to consider the resolution.

Mr. DODD. Mr. President, it is somewhat appropriate, I say to my friend and colleague from Connecticut, that the Presiding Officer is from Ohio. But for Ohio, we would not have made it to the Final Four, the final game.

This is a moment of great joy for my colleague and I and for the people of Connecticut. We express our condolences to the delegation from North Carolina, the home of Duke University. It is a fine university with a fine basketball team that led the Nation ranked number one for a good part of the season. But, unfortunately, on that night of March 29 in St. Petersburg, FL, the Blue Devils met the Husky team from Connecticut in what many have described as one of the best national championship finals in collegiate basketball history. Ultimately,