

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

Mr. VOINOVICH. Mr. President, I ask unanimous consent to speak as in morning business for up to 20 minutes.

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

DEBT REDUCTION AND SPENDING CUTS

Mr. VOINOVICH. Mr. President, in a few short weeks, it will have been two years since the people of Ohio elected me to represent them in the United States Senate. One of the main reasons I wanted to serve in this body was to have an opportunity to bring fiscal responsibility to the nation's capital and eliminate the gigantic debt burden that we have put on the backs of our children and grandchildren.

As my colleagues know, for decades, successive Congresses and Presidents spent money on things that, while important, they were unwilling to pay for, or, in the alternative, do without. In the process, Washington ran up staggering debt, and mortgaged our future.

Today, we have a \$5.7 trillion national debt that is costing us \$224 billion in interest payments a year, and that translates into \$600 million per day just to pay the interest.

Out of every federal dollar that is spent, 13 cents will go to pay the interest on the national debt. Think of that. In comparison, 16 cents will go for national defense; 18 cents will go for non-defense discretionary spending; and 53 cents will go for entitlement spending. Right now, we spend more federal tax dollars on debt interest than we do on the entire Medicare program.

As the end of the 106th Congress draws near, I look back with mixed feelings at the actions that this Congress has made towards bringing our financial house in order. While we have made some strides in paying down the national debt, there is a lot more that we could have done. For example, we could have done a much better job of reining-in federal spending. Regrettably, we have done the opposite.

What many Americans don't realize is the fact that Congress increased overall non-defense domestic discretionary spending in fiscal year 2000 to \$328 billion. That's a 9.3 percent boost over the previous fiscal year, and the largest single-year increase in non-defense discretionary spending since 1980.

In an effort to bring spending under control, my friend, Senator ALLARD, and I offered an amendment this past June to direct \$12 billion of the FY 2000 on-budget surplus dollars toward debt reduction. While that amendment passed by a vote of 95-3, the victory did not last long—all but \$4 billion of that \$12 billion was used for other spending in the Military Construction Appropriations Conference Report.

Nevertheless, we have had reason to celebrate some good news. Just last year, many of us fought to "lock box" Social Security. In spite of the fact

that many of my colleagues on the other side of the aisle defeated the bill, Congress did, though, for the first time in three decades, not spend a dime of the Social Security surplus.

I have to say that I take great offense at the fact that the Vice President is out there taking credit for "lock boxing" Social Security and Medicare. My colleagues—and indeed the American people—should be aware that, in fact, it was this administration—the Clinton-Gore administration—that sent a veto threat to the Senate regarding the Abraham/Domenici Social Security "lock box" amendment that we considered in April of 1999.

Here is the direct quote from that veto threat: ". . . If the Abraham/Domenici amendment or similar legislation is passed by the Congress, the President's Senior Advisors will recommend to the President that he veto the bill." I would presume that the term "Senior Advisors" would include the Vice President.

Although Congress has agreed by consensus not to use the Social Security surplus for more spending, Congress, still has not been able to pass "lock box" legislation. And because Congress has not passed a "lock box" bill, I am fearful that if things get tight in the future, Congress will revert to its old ways.

Probably the best news from fiscal year 2000 is that despite spending roughly \$20 billion of the on-budget surplus this past summer, Congress did not touch the additional \$60 billion on-budget surplus that CBO announced in July. In other words, when fiscal year 2000 came to an end on September 30th, that \$60 billion on-budget surplus had not been spent nor used for tax cuts. Instead, it will go towards reducing the national debt.

When on-budget surplus funds are used to lower the debt, it sends a positive signal to Wall Street and to Main Street that the federal government is serious about fiscal discipline. It encourages more savings and investment which, in turn, fuels productivity and continued economic growth.

All the experts say that paying down the debt is the best thing we could do with our budget surpluses. Indeed, CBO Director Dan Crippen said earlier this year: "most economists agree that saving the surpluses and paying down the debt held by the public is probably the best thing that we can do relative to the economy."

I would like to say Mr. President, in the last month or so, I have had the opportunity to meet with director Crippen in my office a couple of times, including, most recently, this morning. He said that the only way we were going to be able to deal with the wave of Social Security and Medicare benefits that we will have to pay when the "baby boomers" start to retire, is to reform Social Security and Medicare, and most important, we should undertake policies that encourage a robust,

growing economy. And as far as I'm concerned, paying down the national debt is the best way that we can foster a robust growing economy.

Mr. President, in today's Washington Post, columnist David Broder, touched on this same theme in reporting about the need to exhibit fiscal responsibility. In case my colleagues have not read the article, I ask unanimous consent that it be printed in the RECORD at the conclusion of my remarks.

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

(See Exhibit 1)

Mr. VOINOVICH. In addition, just yesterday, the Congressional Budget Office released its report, entitled "The Long-Term Budget Outlook."

That report states that, "projected growth in spending on the federal government's big health and retirement programs—Medicare, Medicaid and Social Security—dominates the long-run budget outlook. If current policies continue, spending is likely to grow significantly faster than the economy as a whole over the next few decades. By 2040, CBO projects those outlays will rise to about 17 percent of gross domestic product—more than double their current share."

The report goes on to say, "'saving' most or all of the budget surpluses that CBO projects over the next 10 years—using them to pay down debt—would have a positive impact on the projections and substantially delay the emergence of a serious fiscal imbalance."

I believe that each of my colleagues should read this report because it might make them consider the consequences of all the spending that's going on in this body and help make the argument for more fiscal restraint in these last days of the 106th Congress. Therefore, Mr. President, I encourage my colleagues to look up the CBO report, "The Long-Term Budget Outlook," at the CBO website, www.cbo.gov.

Mr. President, I am a firm believer in the phrase, "prepare for tomorrow, today," and I believe that anytime we have an opportunity to enhance our future economic position, we cannot squander that opportunity. That is why I am deeply disappointed that the Senate is not going to consider the Debt Relief Lock-Box Reconciliation Act for Fiscal Year 2001, H.R. 5173. This is a bill that passed in the House of Representatives by a vote of 381-3, and which would have taken 90 percent of the fiscal year 2001 surplus and used it strictly for debt reduction.

As my colleagues know, the Congressional Budget Office has projected that in fiscal year 2001, the United States will have a surplus of \$268 billion, including an on-budget surplus of \$102 billion.

Under H.R. 5173—or the "90-10" bill as it has been called—\$240 billion of the \$268 billion projected surplus would go toward paying down the national debt. By using such a substantial amount of the surplus for debt reduction, Congress would be officially "lock boxing"

not only the Social Security surplus, but the Medicare surplus as well. Thus, some \$198 billion—the amount CBO predicts—will be in surplus for those two funds.

In addition to “lock-boxing” Social Security and Medicare, the legislation would appropriate \$42 billion of the fiscal year 2001 on-budget surplus projection toward debt reduction.

The remaining 10 percent—or \$28 billion—would be divided and used to cover whatever tax cuts or necessary and reasonable spending increases that needed to be made.

Even though it is not perfect legislation, I support H.R. 5173, because in my view, it is the best chance for Congress this year to make another significant payment on the national debt while keeping a tight lid on spending. Unfortunately, the “90-10” bill has never achieved the same kind of support here in the Senate as it did in the House, and therefore, the types of controls the bill would have put on spending will not be enacted in the Senate.

Instead, I fear that with the end of session “rush to get out of town,” Congress and the President are engaged in a spending spree the likes of which we haven’t seen since LBJ’s Great Society. While I am concerned that the President wants additional spending, I am particularly alarmed at the fact that many of my colleagues are trying their hardest to outspend the President. Under this scenario, it’s no wonder H.R. 5173 never had a chance.

Although we have not yet passed all of the fiscal year 2001 appropriations bills, the amount that spending has increased in the bills that have been passed is quite disturbing: particularly when compared to the Consumer Price Index, which is 2.7 percent.

For instance, the fiscal year 2001 Energy and Water appropriations bill that was just vetoed spends 12 percent more than its FY 2000 counterpart; the FY 2001 Interior appropriations bill represents a 26 percent increase; and the FY 2001 Transportation appropriations bill that we passed last Friday increased its discretionary spending by about 25 percent. So far, Congressional spending in fiscal year 2001 is on-track to make the 9.3 percent fiscal year 2000 non-defense discretionary spending increase look like “chump change.”

I would like to say to the citizens of Ohio that there are many good things in those bills that I would have liked to support, but spending increases of this kind are just outrageous.

What we should have been doing with these appropriations bills is prioritizing our spending and living within the budget resolution that we passed in the beginning of the year. Maybe I should ask my colleagues, if we are not going to live within the parameters of the budget resolution, then why did we spend to much time on it?

If, when I was Governor, I had ever gone to the Ohio legislature and told them I wanted to increase the budget by 25 or 26 percent, they would have

impeached me. The editorial writers would have said I had gone crazy, especially when my mantra when I came into office was, “gone are the days when public officials are measured by how much they spend on a problem. The new realities dictate that public officials are now judged on whether they can work harder and smarter and do more with less.”

And Mr. President I hate to think what the voters would have done to me.

Many of my colleagues do not seem to consider that each separate appropriations bill adds-up. There is no sense of concern that one particular appropriations bill increases its spending from FY 2000 by 20 percent, because it’s only \$2 billion to \$3 billion more than last year. Or, some may say we need to spend an extra billion dollars or so on this or that program because we have a huge surplus and we can afford it.

In a \$1.7 trillion overall budget, I can see how someone may got caught up in that logic.

However, in the words of Everett Dirksen:

A billion here, and a billion there, and pretty soon you’re talking about real money.

It is all real money—real taxpayer’s money. Congress and the President have got to admit that we cannot fund everything that we want. We have got to make hard choices with respect to spending if we are ever going to bring our debt under control.

The American people know that the spending Congress is engaged in right now must be accounted for somewhere, because they know there is no such thing as a free lunch. They know that ultimately they are the ones paying for what I like to refer to as a Congressional “feeding frenzy.”

They want us to make the hard decisions and most of all, they want us to pay down the national debt. When I go home to Ohio my constituents say to me: Senator, we want you to pay down the national debt.

On one other last note, Mr. President—if you take the 9.3 percent increase in non-defense discretionary spending from fiscal year 1999 to fiscal year 2000, and the rate of increase projected in the fiscal year 2001 budget, we are blowing a big hole in the CBO 10 year projected budget surplus.

The 10 year CBO budget surplus is predicated on a 2.7 percent increase in Federal spending over 10 years.

We must remember that the on-budget surplus also includes the Medicare surplus, and if we are ever successful at passing Medicare “lock box” legislation, those funds will be off the table for spending. Consider also the Medicare giveback which we must have to stabilize this country’s healthcare system which will also take part of the 10 year budget surplus; a prescription drug benefit that everyone agrees we must implement which will also take part of the 10 year budget surplus; we must spend more money to stabilize and improve our national defense

which will also take part of the 10 year budget surplus.

If you add up all of the numbers, including appropriations bills that have passed and those that are anticipated to pass and include the projected \$200 billion worth of tax reductions for the next 10 years, as well as the additional interest costs generated by Congress’ spending and reducing taxes, then Congress will have reduced the 10 year projected budget surplus by some \$750 billion. Let’s not let that happen.

If Congress intends to spend money on implementing programs, we need to tighten our belts on our current spending and not squander our on-budget surplus on the kinds of wasteful spending included in the various fiscal year 2001 appropriations bills. We cannot forget that we are facing a Social Security and Medicare funding crisis in the near future, and if we can’t prioritize our spending now, we will not be able to keep these programs solvent at their current level of benefits. The young people here who are pages will have that burden right on their backs.

That’s why I believe the best course of action we can take is to use whatever on-budget surplus we achieve to pay down the national debt.

For three decades, we borrowed from our children, mortgaging their future for our present. And now, when times are good and we have the most ideal situation to set things right, we cannot continue down the same flawed path as before. Have we learned nothing?

Our current economic situation is our second chance to pay our children what we owe and ensure fiscal solvency for future generations. We have an obligation to our children—indeed, a moral obligation—to pay down the national debt and rein-in our spending in order to give them back their competitive edge. If we do not act now, I fear we will not get another chance to do the right thing.

EXHIBIT 1

[From the Washington Post, Oct. 11, 2000]

HEEDLESS OF THE DEFICITS AHEAD

(By David S. Broder)

On the morning after last week’s vice presidential debate, Charles O. Jones, the University of Wisconsin political scientist and scholar of the presidency, remarked that the nation had witnessed “a great civic event,” a civil, substantive discussion of serious policy matters between two highly competent public officials, Joe Lieberman and Dick Cheney.

In fact, Jones said, “we are having a good election, something you don’t often get in good times.” Contrast the contest being waged by Al Gore and George W. Bush, he went on, with the last race conducted in a healthy economy and at a time when no incumbent president was on the ballot.

That would be 1988, when the father of the current Republican nominee squared off, as vice president, against Massachusetts Gov. Michael Dukakis. If the winning campaign of 1988 is remembered at all, the enduring images are the flag factories the elder George Bush visited in an implicit challenge to Dukakis’s patriotism and the Willie Horton ads his supporters aired. And the hapless Democratic effort was symbolized by

Dukakis's tank ride and his lame, emotionless answer to Bernard Shaw's question about how he would respond if someone raped and murdered Kitty Dukakis.

We've come a long way from that, with the four nominees for president and vice president arguing about such genuinely important topics as defense, education, Social Security and health care.

But before we get too giddy in celebrating our good fortune, let it be noted that historians are almost certain to remark on the purposeful myopia of the candidates in this first election of the new millennium, their deliberate refusal to acknowledge and discuss one of the biggest realities of our national life: The glorious federal budget surpluses they are happily parceling out for their favorite programs and tax cuts are a short-term phenomenon, soon to be followed by crippling deficits, unless we make some hard choices in the next few years.

In this respect, the 2000 campaign is reminiscent of 1988—but worse. In that year, Dukakis and the elder Bush avoided discussing the savings and that year, Dukakis and the elder Bush avoided discussing the savings and loan crisis both of them knew was around the corner. The reason: There were no easy answers, just bad news and an expensive bailout in store.

What we now confront is much, much bigger than the savings and loan bailout. Its dimensions were outlined last week in a report from the nonpartisan Congressional Budget Office (CBO)—a report that did not make the front page of any of the papers I read and that was ignored by most of the TV news shows.

Here's what it said: Assuming that the new president uses the expected surplus in Social Security of \$2.4 trillion over the next 10 years to pay down the national debt, as Gore and Bush say they will do, the government may be able to balance its books until about 2020.

But then the retirement and health care costs of the huge baby boom generation and the shrinkage in the number of Americans working and paying taxes will once again create a serious imbalance—and push us back into debt.

In the estimate of the CBO, "If the nation's leaders do not change current policies to eliminate that imbalance, federal deficits are likely to reappear and eventually drive federal debt to unsustainable levels." A chart accompanying the report shows the public debt in 2040 rising to 60 percent of the estimated size of that year's economy—creating a burden on the next generation of Americans half again as large as the accumulated debt of the past is on us.

As The Post's Glenn Kessler noted in his news story, "The report underscores how campaign rhetoric has become increasingly separated from the budget reality that will face the next president." While Bush pushes his trillion-dollar tax cut and tries to keep up with Gore's promises of new prescription drug benefits, 100,000 teachers and 50,000 cops, neither one is preparing the public for the steps that are needed to rein in runaway health care costs—the largest single force driving us back into deficits.

By 2040, according to the best available data, the percentage of Americans over 65 will rise from 13 percent to almost 21 percent. The share of working-age Americans, between 20 and 64, will decline by 3 points of slightly over 55 percent. The ratio of workers to retirees will drop from almost 5 to 1 down to less than 3 to 1. Unless we begin now to reorganize our dysfunctional health care system and take steps to rationalize provisions for retirement income, the demographic wave will sink us.

Someone has to force the candidates to confront that reality.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

APPOINTMENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, in accordance with 22 U.S.C. 1928a-1928d, as amended appoints the following Senators as members of the Senate Delegation to the NATO Parliamentary Assembly during the Second Session of the 106th Congress, to be held in Berlin, Germany, November 17-22, 2000: The Senator from Iowa, Mr. GRASSLEY; the Senator from Arkansas, Mr. HUTCHINSON; the Senator from Maryland, Mr. SARBANES, and the Senator from Maryland, Ms. MIKULSKI.

NATIONAL MUSEUM OF THE AMERICAN INDIAN COMMEMORATIVE COIN ACT OF 2000

Mr. WARNER. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 4259, which is at the desk.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 4259) to require the Secretary of the Treasury to mint coins in commemoration of the National Museum of the American Indian of the Smithsonian Institution, and for other purposes.

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

Mr. WARNER. Mr. President, I ask unanimous consent that the bill be read the third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

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

The bill (H.R. 4259) was read the third time and passed.

EXPORT ADMINISTRATION MODIFICATION AND CLARIFICATION ACT OF 2000

Mr. WARNER. Mr. President, I ask unanimous consent that the Banking Committee be discharged from further consideration of H.R. 5239 and the Senate then proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 5239) to provide for increased penalties for violations of the Export Administration Act of 1979, and for other purposes.

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

AMENDMENT NO. 4305

Mr. WARNER. Mr. President, Senators GRAMM and ENZI have an amendment at the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Virginia [Mr. WARNER], for Mr. GRAMM, for himself and Mr. ENZI, proposes an amendment numbered 4305.

The amendment is as follows:

(Purpose: To provide for a simple one-year extension of the Export Administration Act of 1979)

Strike all after the enacting clause and insert in lieu thereof the following:

Section 20 of the Export Administration Act of 1979 (50 U.S.C. App. 2419) is amended by striking "August 20, 1994" and inserting in lieu thereof "August 20, 2001".

Mr. WARNER. Mr. President, I ask unanimous consent that the amendment be agreed to, the bill, as amended, be read the third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

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

The amendment (No. 4305) was agreed to.

The bill (H.R. 5239), as amended, was read the third time and passed.

PROVIDING FOR DISPOSITION AND ARCHIVING OF RECORDS OF JOINT CONGRESSIONAL COMMITTEES ON INAUGURAL CEREMONIES

Mr. WARNER. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Con. Res. 148, submitted earlier today by Senator MCCONNELL.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 148) to provide for the disposition and archiving of the records, files, documents, and other materials of Joint Congressional Committees on inaugural ceremonies.

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

Mr. MCCONNELL. Mr. President, earlier this year the Joint Congressional Committee on Inaugural Ceremonies held an organizational meeting to officially begin preparations for the next Presidential Inauguration hosted by Congress to be held on Saturday, January 20, 2001.

Next year marks more historic milestones as it will be the 200th anniversary of the first Presidential Inauguration in our Nation's Capital, the first Presidential Inauguration of the 21st Century, and, not least of all, the first inauguration of the new millennium. 2001 also marks the 100th birthday of the Joint Congressional Committee on Inaugural Ceremonies, an entity which I am greatly honored to serve as Chairman.