

things are that way. There needs to be flexibility; in one particular school, perhaps what is most needed is to build a new school or replace the old school; in another school, what is needed is computers, teacher training, or more academic materials. "One size fits all" does not work. Frankly, that has been the underlying difficulty in this entire debate.

The President of the United States will be here this afternoon pushing for his plan so bureaucrats in Washington can decide and dictate what the Federal dollars are spent for. On the other side of that argument, we have given more dollars to the budget than even the President asked for. We are saying those ought to offer flexibility so local people can decide the best use for the dollars, yet with accountability for the taxpayers' dollars.

The Democratic approach has been a series of mandates: 100,000 federally funded teachers, federally funded school construction, federally funded afterschool. All those are fine if that is the priority in your particular school district. However, we are not in the business of having a bureaucracy in Washington make those decisions.

There have been difficulties moving forward:

The Taxpayer Relief Act, vetoed by the President, over \$500 million in family tax relief—families could have used that money at any level to have supported schools;

Passing the Ed-Flex bill, with Federal requirements being waived if they are interfering with what they seek to do.

These are the items we are debating with regard to education.

We are, hopefully, near the end of this session. We will wind up next week. We have accomplished quite a number of things. Some people talk about a do-nothing Congress, which absolutely is not the case. The Republicans have balanced the budget, pushed forward and obtained the balanced budget in 1998, the first time since 1969 we have had a balanced budget. We saw that because of some restraints on spending, because of the flourishing economy bringing in more dollars. Nevertheless, it is the first time we have had enough dollars to balance the budget outside of Social Security dollars. We have changed the deficits to surpluses and lowered interest rates, paid down the debt \$360 billion over the past 3 years.

In addition to that, of course, at the same time, Republicans have lowered the tax burden over the next 5 years. The tax cuts will provide the average household with almost \$2,000 in tax relief. We enacted the \$500 child tax credit that keeps \$70 billion in the checking accounts for 25 million families. These are important things. We created the individual retirement accounts with IRAs to help families save more money, help people prepare for their own retirement, so that Social Security is a supplement, as it was designed to be.

The Republicans have stopped the raid on the Social Security trust fund and set aside Social Security funds so that they will be spent on Social Security and not borrowed and spent for other programs. We need to ensure that continues to be the case.

Welfare has been reformed and has helped Americans go back to work. In 1995, there were 13 million Americans on welfare. In 1996, there was reform, helping more than 6 million of those, nearly half, to be now employed—to be able to sustain themselves. That is really the purpose of Government programs. It is not to have a continuing source of relief but to provide an opportunity to help people help themselves, which not only is a good issue governmentally but, of course, individually it is something that is so important.

We strengthened the military. More needs to be done. We find ourselves in the situation where we have had more military deployments out of this country over the past 6 or 8 years than we have ever had in the past. We find ourselves, of course, in sort of a semipeaceful time but with a voluntary military, so we have to be able to compete somewhat with the private sector in pay so people will join. It is not only in the recruiting, of course, but the maintenance of people who have been trained so they will stay in the military. We have done that. We need to do more, of course.

We need to change the military. Our needs are different than they were 20 years ago. We are not going to see ourselves having to send 12 divisions with tanks somewhere. We are going to see ourselves with smaller, more flexible combat units moved quickly to a place with enough support to stay there for some time.

These are some of the things that continue to be important. I hope we continue to focus on them. Our job now, of course, is to get out about three or five more appropriations bills and fund those programs. I am a little discouraged at the amount of spending we have had this time. Much of that has come from pressure from that side of the aisle and the White House. They will not agree to appropriations bills unless they have all the things in them the President wants. He is entitled to do that. But this is one of the three units of Government, a separate unit. We ought to do those things we think are right and the President can do what he thinks is right. But I hope we do not get ourselves into a position where the President is deciding what we in the Congress do. That is not the system. We ought not be doing it that way.

I look forward to us moving forward, completing our work, and coming back with a new Congress, able to take a look at where we are going. I hope each of us, as Americans, gives some thought to where we would like to be, where we would like to see these various programs go—regardless of which you are looking at; whether you are

looking at education; whether you are looking at reregulation of electricity; whether you are looking at the military. One of the difficulties is we move forward many times and make decisions that impact those issues without having a very clear-cut image of where we want to go. It is a little like Alice in Wonderland where she was wandering around and no one was able to tell her anything. She finally saw the Cheshire cat. There was a fork in the road and she said, "Which one should I take?" The cat said, "Where are you going?" "I don't know," Alice replied. The cat said, "Then it doesn't make any difference which road you take."

That is true. So we need to come with an idea of what our goal or mission is, where we want to end up over a period of time in education, and what are the steps we can best take to ensure that happens. Regarding Social Security, where do we want to be in 20 years or 30 years? These people who are paying in 12.5 percent of their salaries into Social Security, are they going to have benefits 40 years from now when they are entitled to them? Not unless we make some changes.

The choices are fairly clear. You can raise taxes; people are not excited about that. You can cut benefits; that is probably not a good idea. One of the alternatives we are pursuing, and there may be others, is to take a portion of the Social Security dollars that have been paid in over time by younger people to make that decision for themselves—take a portion of that and have it invested on their behalf in their accounts in the private sector so the return, instead of being 2.5 percent, could be 5 percent or 6 percent.

People say: Well, look at the market now. Look at the market over time. The market over each 10-year period has grown fairly substantially.

So these are some of the things I hope we consider. I hope we consider them promptly so we are out next week.

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. KENNEDY. 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. KENNEDY. Mr. President, are we in morning business?

The PRESIDING OFFICER. We are in morning business.

Mr. KENNEDY. Is there a time limitation?

The PRESIDING OFFICER. The Senator has 31 minutes.

Mr. KENNEDY. I thank the Chair.

#### FOCUSING ON PRIORITIES

Mr. KENNEDY. Mr. President, as we are coming into the final hours, the final days of the Senate session, there are still a number of measures which

need focus and attention and priority. I welcome the leadership that is being provided now by the President and a number of our colleagues to try to make sure that before we leave town we try to remedy a situation that has developed since we passed the Balanced Budget Act in 1997. Included in that balanced budget effort were cuts that were directed to the health care providers. It was estimated at that particular time that the cuts would be about \$100 billion. What we have found out over the last several years is that the projected cuts have been well over \$200 billion. As a result, there have been unintended consequences that have developed.

It seems only fair that when we look at the steps that were taken in the past that resulted, and continue to result today, in some very dramatic adverse impacts to a number of different providers in our health care industry, that we remedy that situation. It is particularly important to remedy their situation when we have the fortuitous economic situation in terms of the surplus that we are faced with.

I doubt very much—in fact, I am quite sure—that if we had known in 1997 the actual impact the projected cuts were going to have on health care providers, that those particular provisions of the Balanced Budget Act would have been successful. I am sure they would not have been successful. I certainly would not have voted for those provisions.

But I welcome the opportunity to join with a number of our colleagues to try to remedy the situation. It is the responsible thing to do. It is absolutely necessary. It is not only affecting many of our excellent health care providers in our urban areas, but it also reaches out to many rural communities.

We have had an excellent presentation from our friends as to what these cuts have meant for rural health care and rural health care providers. Let me mention, for a few moments, what is happening to some of the different health care providers now.

We are very fortunate in Massachusetts to have some of the best teaching hospitals in the world. These teaching hospitals are the backbone of our quality health care system in America and the world.

We are facing many challenges in our health care system. The most obvious one today is a Medicare prescription drug benefit. That is the challenge that comes first to the minds of people when we talk about health care needs and needed changes in our Medicare system. That is a very legitimate challenge. We think of our Patients' Bill of Rights. Many of us deplore the fact that we have not addressed these issues in the Senate.

It is irresponsible that we have not taken action on a Patients' Bill of Rights. Although we have a majority of the Members of the House and a majority of the Members of the Senate in

favor of a strong Patients' Bill of Rights, still we are denied the opportunity of addressing the issue. We know that every day we fail to do so, there are tens of thousands of Americans who are suffering as a result.

We are unable to free ourselves from the power of the HMO industry to successfully pass legislation that would allow doctors to make health care decisions, unfettered by the decisions of bean counters from the HMOs who are more interested in profits than in the health of individuals. That is certainly one very important issue. I think we fail in this Congress by the fact that we have not addressed it.

I am constantly amazed as I travel around my State, and the States of Pennsylvania and New York and a few other places where there are candidates running for Congress. One of the first pieces of legislation they say they support is a Patients' Bill of Rights, which obviously has nothing to do with the strong Patients' Bill of Rights that has been supported by more than 300 health providers representing women and children and the disabled, cancer research groups, the doctors, the nurses, the medical professionals. That is one issue. The second, as I mentioned, is a prescription drug benefit.

We also are now focusing on teaching hospitals. These are the hospitals that provide the training and teaching for our future medical professionals including doctors, some of the applied health professionals, and advanced practice nurses. We have the best teaching hospitals in the world. We ought to keep them healthy, not endanger them. By not providing a healthy and robust provision in legislation in these final 2 days, we risk endangering our teaching hospitals.

What do these teaching hospitals do? No. 1, they provide the best teaching. Secondly, they provide about 30 percent of the indigent care in our country, primarily—obviously—in the communities in which they serve. They play a very important role in providing health care to those who have no health insurance. Third, they are also the places that are developing the new technologies and techniques used in treating some of the most complicated cases. From there the research disseminates; other hospitals and other health care delivery centers benefit from the research done at teaching hospitals.

These teaching hospitals are really the jewels of our health care system, and we cannot put them at risk. And they are at risk. The proposal that is being advanced by the Republicans is basically a nice blank check to the HMOs, the industry that is leading the fight against the Patients' Bill of Rights. Yet there is no guarantee that they will continue to provide health care to people in our society or to Medicare recipients. More than 900,000 Medicare recipients will be dropped from HMOs next year. Yet we find the Republicans shoveling billions of dollars into HMO coffers without any as-

surance that they will use those resources to look after the elderly. The Republicans are shoveling the funds into HMOs rather than investing in a prescription drug program for our seniors.

We know we have the teaching hospitals on the one hand. Next we have the community hospitals. The community hospitals are the backbone of health care delivery in our communities. They are the primary health delivery provider in communities all across this country. They have an irreplaceable position. They are exceedingly hard pressed and stressed in being able to perform this function. They need some relief. Any legislation ought to have provisions in it to help provide needed assistance to community hospitals.

Then there is the home health care system—the visiting nurses, home health care agencies. We have seen a significant decline in home health care agencies and home health care services generally. At a time when our senior population is going to double over the next 20–25 years, we are seeing a significant decline in home health care services, which makes absolutely no sense. We end up finding out that if patients aren't going to be able to receive home health care services, they will have to go into the more costly hospitals and nursing homes. It makes no sense from a health standpoint, and it certainly makes no sense from a humane standpoint.

Our nursing homes are facing bankruptcy in increasing numbers. We have seen scores of bankruptcies of nursing homes in my own State of Massachusetts. The number of nursing homes going bankrupt is increasing every single day. They are in desperate straits. Not only are they in desperate straits, but other health care providers, such as the hospice program that provides such important help and assistance to those who have terminal illnesses, are in desperate straits as well.

It isn't just those of us who have these facilities in our States. We have heard eloquent statements from those who come from rural areas. We want to work with them as well. We are not trying to rob Peter to pay Paul. We ought to have something that is going to address the needs of rural areas, and we welcome the opportunity to work with our colleagues.

Under the leadership of Senator DASCHLE and Senator REID, Senator MOYNIHAN on the Finance Committee, Senator BAUCUS, and others, an excellent program has been developed from our side. We want to try to make sure that that is going to be considered. We don't want to be shut out of the process, as we are shut out of a lot of issues here.

We have heard a good deal of debate about desiring bipartisanship. Well, for a good part of the time I have been in the Senate, when we had these kinds of matters that needed to be discussed or debated, we had Republican and Democratic leaders working these matters

out with the Administration. But we are finding out that this apparently is a solo flight by our Republican friends, to the great disadvantage of our health care system. That makes no sense.

The President has indicated he would veto this early proposal that has been put forward by the Republicans as a nonstarter. I certainly would defend that position and welcome the opportunity to discuss it or debate it, whatever will be necessary, because their proposal just does not do the job. It is one of the key remaining issues we have as we come to the end of this session.

Finally, I do hope we will be able to have included in the final wrap-up in our balanced budget refinement the Grassley-Kennedy bill that helps parents of children who have disabilities. Last year, in a bipartisan effort, we developed legislation that permitted those individuals who were disabled to go into the labor market and not lose their health insurance. We had a good debate on it. We passed it. Now we find people saying, Why did it take you so long? What is happening is these individuals are moving towards greater independence and self-reliance. They are becoming taxpayers and paying into the public system rather than just drawing from it. It has taken a good deal of time to achieve, but it has been enormously important.

What we are saying now, Senator GRASSLEY and I—and I pay tribute to Senator GRASSLEY for the hard work he has done on this in the Finance Committee—is help parents who have children with severe disabilities. So many parents have children who have severe disabilities. The parents are unable to take any increase or any enhancement of their own pay because if they do, they will no longer qualify for Medicaid. And if they no longer qualify for Medicaid, they lose the health care they get for their children under Medicaid, and they can't afford the health care bills. These parents have to refuse pay increases and advancement to remain below the income levels for Medicaid coverage. Of course, this not only does an enormous disservice to that individual but also to the other members of the family.

Many of these children with severe disabilities have brothers and sisters, yet the parent still has to work at a wage below the Medicaid level in order to qualify for health coverage of their children. It makes no sense. It is wrong. We have legislation that will address it, and we hope that will be considered.

We say once again that the proposal our Republican friends are putting forth is a nonstarter, because we know what they are trying to do; that is, to give a great bundle of cash—so to speak a blank check—to the HMOs that have been resisting our ability to take actions to protect American patients. It makes no sense. It is unfair, and it is fundamentally wrong.

We are going to do everything we can to try to fashion a proposal that is bal-

anced, fair, and that really meets the health care needs of our people.

#### EDUCATION AND HEALTH CARE

Mr. KENNEDY. Mr. President, on Tuesday night the American people witnessed the third and final Presidential debate between Vice President AL GORE and Governor Bush.

We are now less than 3 weeks away from the election. As the debate demonstrated, the choices for the American people could not be clearer.

Are we going to continue the economic prosperity of the past 8 years? Or are we going to waste it on excessive tax breaks for the wealthiest one percent of Americans?

I remember in 1981 when the economic program of then President Reagan came to the Congress. It had the same kind of rhetoric around it. We are going to cut all of the taxes and increase defense spending and balance the budget, all at the same time. During that period of time, only a handful of us voted against it. It was so clear and obvious at that time that we were going to move into large deficits, which we eventually did—deficits in the hundreds of billions of dollars.

I am always amused to hear from others who say it really wasn't the establishment of economic policies; it was just the American energy. If it had been the American energy, why wasn't it the American energy when we were running up deficits? It is quite clear that you had two entirely different economic policies that were being followed. One was a disaster.

I am always interested in the fact that it was President Bush who called Ronald Reagan's proposal "voodoo economics."

Now we are coming right on back again to that similar kind of proposal of excessive tax breaks for wealthy individuals. That is the heart and soul of the Bush proposal, although it was difficult to quite understand what it was following the debate the other evening.

Are we going to continue to have balanced Federal budgets? Or are we going to return to the bad old days of trickle-down economics that created the biggest deficits in our history?

And perhaps most importantly—are we going to stand with working families to make the critical investments in education and health care that are needed to help children, help parents, help working men and women, and help senior citizens in their retirement years?

These issues are critical not only for the Presidential race but in Congress as well.

Governor Bush and the Republicans like to talk education and health care. But look what has happened in this Congress. For the first time in 35 years, they have not reauthorized the Elementary and Secondary Education Act. They are 3 weeks late in providing the needed funds for the Nation's public schools.

The time has expired. The new fiscal year is here. Yet we haven't done our

business. We always leave the appropriations bill which funds the schools in this country for last.

It is always interesting to me to hear and watch these promises that are made by the Republican leadership on education.

On January 6, 1999, Senator LOTT said:

Education is going to be the central issue this year. . . . For starters, we must reauthorize the Elementary and Secondary Education Act.

On January 29, 1999, he said:

But education is going to have a lot of attention, and it's not going to just be words.

On June 22, 1999 the Majority Leader stated:

Education is Number one on the agenda for Republicans in the Congress.

On February 1, 2000 he said:

We're going to work very hard on education. I have emphasized that every year I've been majority leader. . . . And Republicans are committed to doing that.

On February 3, 2000:

We must reauthorize the Elementary and Secondary Education Act. . . . Education will be a high priority in this Congress.

On May 1, 2000:

This is very important legislation. I hope we can debate it seriously and have amendments in the education area. Let's talk education.

Why don't you bring up the appropriations to fund education? Why is it 3 weeks late? Why is it the last appropriations bill? Why is it that we didn't reauthorize it? Don't come and tell American families that education is number one in your priorities when for the first time in 35 years we don't have a reauthorization.

What is the Republican leadership going to do? They are calling the bankruptcy bill back up—the bankruptcy bill. We had 14 days and 55 amendments on that bill. But that isn't enough. They are going to call that up later on for a vote this afternoon. They are going to try to jam that bill, which benefits a small group of credit card companies, rather than deal with the education of American families. That is their priority. Any American family can understand that.

We are here. We are prepared to deal with the education program. Oh, no. We can't do that. We are going to go back to bankruptcy which is so important. Important for whom? Important for the credit card companies. Just as in their patients' bill of rights, they have not been able to quote a single health organization in the country that supports them because it is fraudulent. Every health group in the country supports the proposal that was passed by a bipartisan majority in the House of Representatives, and that was supported by the Democrats and a few Republicans in the Senate. Every health organization—over 300 of them.

Now we have the industry itself saying no, no—the HMOs saying don't pass the good bill, because we don't want it. Now what happens? The credit card industry says they want this bill. And