

Under the previous order, the time until 11 a.m. shall be under the control of the Senator from Illinois, Mr. DURBIN.

MEASURE PLACED ON THE CALENDAR—S. 328

Mr. NICKLES. Mr. President, I understand there is a bill at the desk due for its second reading.

The ACTING PRESIDENT pro tempore. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 328) to amend the Coastal Zone Management Act.

Mr. NICKLES. Mr. President, I object to further proceedings on the bill at this time.

The ACTING PRESIDENT pro tempore. Under the rule, the bill will be placed on the calendar.

Mr. NICKLES. Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from New York, Mrs. CLINTON.

Mrs. CLINTON. Mr. President, as we begin our work on the 2002 budget, we find ourselves at a crossroads, facing a very big choice. The choice we make will determine whether we pay down our national debt. It will determine our investments in priorities like education, the environment, health care and Social Security. And it will define the quality of life for millions of Americans for years to come.

The choice we face is this: Do we continue along the budgetary path that we, as a Government and a nation, have followed in recent years? Or do we make a break from that path, and return to the one we followed 2 decades ago?

Let's look, for a minute, at history. Eight years ago our budget deficit was \$290 billion—the largest in our history. The national debt was \$3 trillion and unemployment had surged to 7.8 percent. At the time, the Congressional Budget Office predicted that the deficit would reach \$513 billion by this year.

This year, the predicted deficit is, in fact, a surplus, likely to reach \$281 billion. We are scheduled to pay off \$600 billion of the national debt—concluding the largest three-year debt reduction in our nation's history. As Federal Reserve Chairman Alan Greenspan once said, our "commitment to fiscal discipline has been instrumental in achieving the longest expansion in the nation's history."

Now debt reduction has meant lower interest rates for college, car loans and home mortgages. With Government no longer draining resources out of the capital markets, private investment in equipment and software skyrocketed, and productivity gains kept fueling prosperity.

At the same time, we have invested in America's working families. We doubled student financial aid. In New York, for example, 45,000 more children

enrolled in Head Start in 1999 than in 1993 and this year New York schools will receive an additional \$100 million for renovations and repairs which, based on observations during my many visits, are very much needed.

Democrats and Republicans have worked together to set aside the Social Security and Medicare Trust Fund surpluses to extend their solvency. Together, we put more police on the streets, more teachers in classrooms and moved people from welfare to work.

And we have done all of this while holding Federal income taxes, as a percentage of income for the typical American family, to their lowest level in 35 years.

And something else happened. As the information age exploded, America flourished, making itself a leader in new technologies and increasing our productivity so that once again we became competitive in this new world. It turned out that these policies were not only prudent—but they opened the doors to the changes that prepared us and our children to be successes in the 21st Century. Twenty-two million new jobs were created—nearly 1 million in New York alone—unemployment dropped to 4 percent. And those jobs are pouring more than 900 billion dollars into our economy each year. That's how we have gone so quickly from deficit to surplus. But here's the catch: If we upset the careful balance of our economy, we can lose far more than the cost of the tax cut—a tax cut recession would cost us trillions more in lost income through lost jobs.

Mr. President, I share the concerns of many of my colleagues that President Bush's extremely large tax proposal will take us back to the days of big deficits, high interest rates, shrinking investment, and a growing national debt.

I may be old-fashioned, but as the daughter of a small businessman who did not believe in living outside our means and who even paid cash for the house where we lived, I just don't believe we should spend what we don't yet have in the bank. President Bush's extremely large tax plan would spend trillions we don't have, and may never have.

If we reverse the engines of economic growth by adopting President Bush's tax proposal, I fear that we will reverse the progress we've made—by increasing interest rates now and by saddling our children with big debts in the future.

I know and respect that President Bush supports faith-based programs, but his tax plan should not be one of them. Going forward with a huge tax proposal now is like getting a letter from Ed McMahon and going out to buy a yacht. A surplus projection is not a promise. And if the past is any guide, it's not even a likely outcome.

That is not my view alone. It is the view of many experts who have testified before the Budget Committee, on which I serve. It is the view of col-

leagues like the gentleman from West Virginia, Mr. BYRD and the gentleman from Florida, Mr. NELSON, both of whom voted for President Reagan's tax plans in the 1980's, only to regret those votes when those cuts plunged us deep into debt.

I encourage my colleagues to read the comments of both Mr. BYRD and Mr. NELSON in our Committee's proceedings, or speak with them personally about their historic and wise perspective.

The question before us is not whether or not we should enact tax cuts. I support tax cuts. The question is: how do we structure a responsible tax cut? A prudent tax cut that will allow us to pursue our important national values while keeping interest rates down and encouraging economic growth.

The path of fiscal discipline is marked by four signposts: It pays down the debt, it protects Social Security and Medicare, it invests wisely in children and families, and it reduces taxes in a prudent and sensible way.

I do not believe President Bush's tax plan meets those tests. It also fails the fairness test. President Bush says that, under his plan, the typical family of four will be able to keep \$1,600 of their money. Citizens for Tax Justice found that when the Bush plan is fully in effect, 85 percent of families would receive a nominal tax cut of less than \$1,600 or no tax cut at all.

Even if President Bush's proposal were fair to all Americans, it would not be prudent. During this time of surplus, it would leave nothing for the real reforms necessary to ensure that Social Security and Medicare are intact for future generations. The President's tax plan abandons the principle of putting first things first.

Just yesterday, some of America's wealthiest citizens came out against President Bush's estate tax repeal, saying that it was "bad for our democracy, our economy and our society." And I agree.

A tax cut that is fair to all Americans needs to be part of a framework that strengthens, not weakens, our economy. In my view, we can and should have a tax cut that cuts income tax rates, but we have to give relief to those paying the payroll tax on their income as well. And I believe there is a bipartisan consensus for smart, responsible and fair tax cuts.

It is smart to include a long-term care tax credit to provide relief for families caring for elderly and disabled family members. And the college opportunity tax deduction of \$10,000 a year, championed by my distinguished colleague from New York, would enable families to pay for college, graduate study, or training courses. Tax cuts like these will bring tangible relief to New Yorkers and working families everywhere.

It's also both smart and responsible to invest in our people, especially in building the knowledge economy. And I know that the President has had first

hand knowledge of that in his former position. We have to bring new technology to smaller communities across the country so they can take advantage of the well-educated workforce and higher education infrastructure that already exists in or near so many of these smaller communities.

And, we have an obligation to ensure fairness. We should not favor the richest Americans at the expense of the vast majority of Americans.

So how should we go forward? Will President Bush try to push through his one-sided and lop-sided proposals with the votes of his own party? If he does, I will respectfully have to dissent. Or will he sit down and negotiate to reduce its size and make it fairer to more Americans? If he does this then I hope I can support the outcome. Bipartisanship is a two-way street—it's not about Democrats supporting Republican proposals or even Republicans supporting Democratic proposals. It's about Republicans and Democrats working together to do what is right for the country. And the true test of leadership is not appealing to the people under the guise of bipartisanship, but actually hammering out a bipartisan compromise bill that merits the support of both sides of the aisle. That's the right way to pass a tax cut and protect our budget priorities.

And it is certainly what I hear when I meet with business leaders, workers and civic leaders in places like Rochester, and Rome, and Brooklyn and Watertown, just to name a few of the places I've been in the last week. They want a tax cut, but they also want to make sure we make the right choices for our budget.

History calls us to reject a spendthrift tax plan that would threaten our efforts to reform and modernize Medicare—including a long overdue prescription drug benefit that is voluntary, affordable and available to all beneficiaries.

I also fear a spendthrift tax plan would hurt our ability to invest in the military. As the gentleman from Connecticut, Mr. LIEBERMAN, said this week, “the President's tax plan would consume more than 80 percent of the on-budget surplus, leaving nothing but fiscal leftovers for national security.”

I don't think any of us want that.

For me, the details of the 2002 budget have to be negotiated. But the big choice is clear. We must pass a budget that keeps paying down the debt, provides sensible tax cuts and invests in priorities that matter to the people we represent. We must stay the course that has helped us build the longest economic expansion in our nation's history. And we must avoid a course that takes us back, throws caution to the wind and risks mortgaging our children's future.

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

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

The assistant legislative clerk proceeded to call the roll.

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

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Under the previous order, 20 minutes shall be under the control of the Senator from Missouri, Mrs. CARNAHAN.

The Senator may proceed.

Mrs. CARNAHAN. Thank you, Mr. President.

(The remarks of Mrs. CARNAHAN pertaining to the introduction of S. 342 are located in today's RECORD under “Statements on Introduced Bills and Joint Resolutions.”)

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

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

The assistant legislative clerk proceeded to call the roll.

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

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DORGAN. Mr. President, is there an existing order with respect to morning business?

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from North Dakota, Mr. DORGAN, has 15 minutes under his control.

CONGRATULATING SENATOR CARNAHAN

Mr. DORGAN. Mr. President, Senator CARNAHAN just gave her first speech in the Senate. I listened to her speech. Our country has been blessed with men and women who have stepped forward to serve over many years. Some have stepped forward during times of great difficulty, none in more difficult circumstances than Senator CARNAHAN. Her husband, a candidate for the Senate, was tragically killed in an airplane crash, and she subsequently was appointed to the Senate.

I listened to her speech this morning. She will make a significant contribution to this country and to the debate on important issues such as education in the Senate. I know her late husband would be so proud today of the legacy for which she continues fighting—progress in our country's education system. I thank her for what she is doing and for her service to our country and congratulate her this morning on her statement to the Senate.

ENERGY PRICES

Mr. DORGAN. Mr. President, I rise to comment about the situation in this country with respect to energy.

Last evening I was signing letters, as is so often the case for those of us who serve in public life. We receive a great deal of mail, many phone calls, hundreds of e-mails every day, and then, of course, the old-fashioned way—we get letters actually written and stuck in

an envelope and mailed to us. It is among the most important things we do, to try to respond to constituents.

Last evening, as is the case with most of my colleagues, I was spending time late in the evening reading mail and signing mail that has come from North Dakota. I came across a couple of letters I want to read to my colleagues and then describe what it is we need to be doing to respond to some of these issues.

I received a letter from a man named John. I have not contacted him, so I will not use his last name. John, from Fargo, ND, wrote the following:

Dear Senator DORGAN,

I am in complete shock after receiving my natural gas bill yesterday. I live in a modern house that is well insulated, I am careful about closing doors and ensuring that all the windows are sealed, I set my thermostat at 68 degrees (now even lower), and yet I receive a bill for natural gas alone, for over \$726 for a one month period. How is that possible?

Please tell me, Senator, how it is that we can live in the most technologically advanced country in the world, yet we can't maintain adequate stocks of natural gas to get us through the winter. Are we being gouged by producers?

He then asks a series of additional questions. I will not read the entire letter. I will only say that he asks a question he could ask on behalf of millions and millions of Americans who are opening their bills now to heat their homes and discovering, after 2 of the coldest first 2 months of the winter in a century in this country, it is costing a fortune to pay for natural gas bills, propane bills, home heating fuel bills. John writes a letter saying: I am doing all the right things. I have a home that is well insulated. I seal it. I keep the thermostat at 68, and my heating bill for natural gas last month is \$726, and I can't afford it.

I have a second letter from another fellow also named John from North Dakota. He described what happened to him. He and his wife had purchased an older building that had been subdivided into several apartments. They took an apartment in their retirement years and were renting the others. He said he had been paying \$300 a month for heat. When his February bill arrived, it was \$1,091. He went to the office of the gas provider to talk to them. He said:

I left the office wondering what to do. I didn't want to tell my wife the truth about this. She doesn't know about it yet. Today is her birthday, and tomorrow is our 53rd wedding anniversary. We have been making it okay in our retirement years, nothing to spare with the \$1600 monthly income from our five apartments. This is our retirement home. We have no choice now but to sell it. Our \$1,000 monthly bill would be impossible and yet they say it is going to go up even more. We don't want to move, but there is not much else we can do.

I am sure all of us are getting identical letters from around the country. What is happening? What on Earth has happened that has caused fuel bills to double, triple, and, in some cases, even quadruple? When people get fuel bills for \$600, \$700, \$800 a month—and in