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Senate

The Senate met at 10 a.m. and was called to order by the Honorable GEORGE ALLEN, a Senator from the State of Virginia.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Trust in the Lord with all your heart, and lean not on your own understanding; in all your ways acknowledge Him, and He will direct your paths.—Proverbs 3:5,6.

Gracious God, we put our trust in You. We resist the human tendency to lean on our own understanding; we acknowledge our need for Your wisdom in our search for solutions all of us can support. As an intentional act of will, we commit to You everything we think, say, and do today. Direct our paths as we give precedence to patriotism over party and loyalty to You over anything or anyone else. We need You, Father. Strengthen each one of us and strengthen our oneness. In the name of our Lord. Amen.

PLEDGE OF ALLEGIANCE

The Honorable GEORGE ALLEN led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. THURMOND).

The legislative clerk read the following letter:

U.S. SENATE,

PRESIDENT PRO TEMPORE,

Washington, DC, February 27, 2001.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby

appoint the Honorable GEORGE ALLEN, a Senator from the State of Virginia, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. ALLEN thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business, with Senators permitted to speak up to 10 minutes each. Under the previous order, the time until 11 a.m. shall be under the control of the Senator from Wyoming, Mr. THOMAS, or his designee.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The acting majority leader, the Senator from Wyoming, is recognized.

SCHEDULE

Mr. THOMAS. Mr. President, on behalf of the leader, the Senate will be in a period of morning business throughout the day. At 12:30, the Senate will recess for weekly party conferences to meet. When the Senate reconvenes at 2:15, there will be an additional period of morning business to allow Senators to introduce legislation and to make statements.

By previous consent, when the Senate completes its business this afternoon, it will recess until 8:30 tonight. Senators are reminded to be in the Senate Chamber by 8:30 to proceed as a body at 8:40 this evening to the Hall of the House of Representatives for the President's address.

THE BUDGET

Mr. THOMAS. Mr. President, one of the most important things we do in the Senate throughout the year is to put together a budget. The budget, of course, on its face, is how we spend the money. However, it is much more than that. It sets the priorities of the Senate and the Congress and the Government, what the Government will do throughout the year, by adjudicating and allocating these expenditures to certain areas.

In addition, of course, it has to do with the broader issue of what size Government we have, what is the role of the Government, and what is the role of the Federal Government vis-a-vis other governments. So it is one of the most important documents and one of the most important activities we engage in during the entire year.

The President this evening will lay forth his priorities for budgeting, which, of course, will be very important. He will set out the expenditure level for this country. These things all become very important. We are going to hear more about it today.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Utah, Mr. BENNETT.

THE PRESIDENT'S ADDRESS

Mr. BENNETT. Mr. President, tonight we will hear from President Bush as he presents the budget. I remember when I first came to this town as a very young man back in the 1960s, one of my wise mentors commented that every President enjoys a honeymoon, and it lasts until he offers his first budget. Once we get down to the money, the platitudes stop; that is when the honeymoon ends.

I suppose tonight we will see the end of whatever honeymoon President Bush is experiencing as people begin to disagree with his priorities with respect to the money. That is as it should be.

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



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We should get away from the generalities and, frankly, the hyperbole of the political campaign and down to the realities of governing as quickly as possible.

I can't help but think back over my first experience as a Member of this body some 8 years ago when President Clinton presented his first budget. I was a brand-new Member of the minority. I had gone through the campaign with President Clinton. He and I had both campaigned on the same thing: Change. He, of course, wanted to change the Presidency; I wanted to change the Congress. He succeeded; I didn't. But I at least got elected back into a Congress where the Republicans were very much in the minority.

In his campaign, President Clinton promised a middle-class tax cut. But when he stood before America on that first occasion and presented his first budget, he said things were so much different once he had gotten into the Presidency than he had thought they were when he was running for the Presidency he had to not only rescind his call for a tax cut but ask for a tax increase.

One of the things I am looking forward to tonight is that President George W. Bush will not change from the position he took in the campaign. He promised he would campaign for a tax cut, for tax relief, and I understand tonight he will, in fact, propose that on which he campaigned—tax relief.

He will propose a number of other things. We will go down them in the standard checklist, laundry list fashion of politicians, and say that is too much for this, that is not enough for that, we are in favor of this, but we want to amend that. And we will go down it as if this is a checklist that is cast in bronze. We will fight over the details.

Again, I have learned that is what goes on around here. In fact, however, if we can step back from that process for a minute, we should realize the economy is not a checklist. The economy is a constantly shifting, constantly changing series of literally millions of priorities on the part of individuals. Individuals change jobs; individuals graduate from college; individuals start businesses; individuals see their businesses fail. Sometimes large corporations see their businesses fail. The best projections come to sometimes unpleasant surprises.

Look, for example, at what was billed as the largest merger in the history of the automotive industry, Daimler and Chrysler. Daimler, the organization from Germany, thought they were buying the crown jewel of the American automobile industry in Chrysler, the most profitable of the big three in America, only to discover a few years later their projections had gone awry and they were facing mountains of red ink. Now they are scrambling to change.

We are looking at the best projections we can find with respect to what will happen in the American economy

over the next 10 years, and we are setting down some priorities as to how we will respond if, indeed, those projections come to pass. I make here a very bold prediction: The projections we have before us for the next 10 years will not be accurate.

That is a very far limb I am going out on, I realize, but I feel confident with that. I will be even more specific: They will either be too good or too bad. We have never had the experience of any Federal agency making projections over the coming years with anything like the pinpoint accuracy we presume when we debate budgets around here. We stand here and we say this is so many billion too high for this and so many billion too low, and so on. Then reality comes in, and we are always stunned that it is different from our projections.

When I first came here 8 years ago and debated President Clinton's first projections, we were being told with absolute certainty that we were facing budget deficits as far as the eye could see and we had to have this tax increase to deal with these overwhelming deficits. Now we are being told we are facing budget surpluses that will go on as far as the eye can see into the trillions of dollars.

I happen to think we will, indeed, see surpluses but they will not be in the exact order of magnitude that our current projections say they will. They will be, I say with great confidence, either higher or lower. It is similar to the question someone asked of, I believe it was J.P. Morgan, when they said, "What will the stock market do today?" thinking he was the greatest expert on the stock market. He looked at his questioner with great sagacity, and he said: "It will fluctuate."

What will the economy do? It will grow or it will shrink, and it will do so in a pattern that is virtually impossible to estimate with the exactness that we get budget figures. To say the total surplus over the next 10 years will be exactly \$5.6 trillion is an exercise in guessing—creative guessing, educated guessing, well-researched guessing, but it is still guessing.

So as we get into the budget President Bush will give us, and as we go through the necessary exercise of adopting exact numbers, let us recognize that this is an exercise we go through every year. Every year we adjust the budget, every year we adjust our guesses, every year we try to do a little better than we did the year before, and every year we have a year's more hard data behind us that we hope will help guide us where we are going in the future.

We now know, for example, when President Clinton said we were in a serious recession as we were adopting the budget in 1993, if we look back at the economic data, the recession in fact ended in 1991. It still felt like a recession, but we were, in fact, not in one. I think we took some steps that, in retrospect, we probably should not have

taken on the basis of what things seemed to be rather than on the basis of what things were.

All right, having said that, let me comment on what I see in President George W. Bush's budget. He is setting out his priorities. I think that is what we should focus on: What are the priorities that this President hopes this Congress will adopt as we look to the future.

My own guess of the future surplus is that it is going to be better, in terms of Federal income, than \$5.6 trillion. I think the \$5.6 trillion number which has been adopted as the best summary of the various estimates is probably low. If I were the CEO of a business looking at this kind of forecast, I would say let's get fairly aggressive at trying to grow the business, let's get fairly aggressive at taking those steps that will prepare us for the prosperity that we think lies ahead.

I think there are those who say: No, no, the \$5.6 trillion number is too high; let us get very conservative; let us get very restrictive with what we do with the money in this budget. My own gut tells me that is the way to make sure we do not hit the \$5.6 trillion, that we constrict the growth, and we see to it that this economy gets less rather than more in the future.

But these are the President's priorities as I understand them. Let me just list them and then talk about whether or not it is a good set of priorities. His first priority has to do with improving our educational system. I think our educational system since the demise of the Soviet Union has become the No. 1 survival issue for the United States. If we do not get our educational system geared to the needs of the future, we will pay a huge price in the future. So his priority of improving education strikes me as the right budgetary priority, the thing that should be first.

Next is protecting Social Security. That has become the Holy Grail of American politics. Every politician says he wants to protect Social Security. It is to be expected that President Bush will put it right next to education.

Next, preserve Medicare. I have a little bit of a reaction to that language, "preserve Medicare," because I have found that everybody who deals with Medicare in its present structure hates it. Oh, they don't hate the idea of having money to deal with their health care problem, but the structure is absolutely devastating. Yes, from a budgetary standpoint I think what the President is going to propose is wise. But I hope as we go through that process we can start talking about changing Medicare so human beings can understand it.

Just a quick vignette: I have a constituent who came to me and she said: I am a very intelligent person, I think. I am a college graduate, and I have a professional life. I take care of my mother's medical problems, and my mother is on Medicare.

She said: I am totally defeated by the paper that comes through the mail to me with respect to mother's Medicare, and I finally adopted this strategy. I throw everything away, and once a month I call the Salt Lake Clinic where my mother is being treated and I say, "How much money do I owe you?" And they give me a number, and I write them a check.

She said that is the only way she can deal with the complexities that come out of Medicare.

A much younger man who came to me when we were out in our home States celebrating Presidents Day said: My father just went on Medicare. I had no idea how disastrously complicated that really is and how far short of really meeting his needs it is.

So let's not get carried away in the political rhetoric of preserving Medicare to think that the Medicare system as it is currently running makes any sense at all. Let us understand that if we are going to fund Medicare—and President Bush recommends that we do—we have the responsibility to do some fairly heavy lifting between now and the time that funding comes along, to examine the way Medicare is run.

I hope Secretary Thompson, as the new Secretary of HHS, will take a long, hard look at HCFA and say what can be done to make the Medicare accounting process and examination of claims process intelligible to human beings because it is clearly not that at the moment.

All right: Education, Social Security, Medicare—defense. One of the things we have seen over the last 8 years has been what used to be called the peace dividend. Ever since Ronald Reagan and George Bush's father, Bush the 1st, or Bush the 41st—whatever shorthand title we wish to put on him—ended the cold war and the Soviet Union disappeared, we have seen the defense budget as a percentage of gross domestic product decrease dramatically. We should see that happen. That is the peace dividend we should hope for.

When President Clinton used to stand and say this is the smallest Government in a generation, basically he was talking about the Defense Department. All of the shrinking of civilian jobs in the Government, of which he was so proud, occurred primarily in the Defense Department. We got to the point where we went a little too far with that. Our defense budget is now a smaller percentage of the gross domestic product than it was prior to World War II.

It is back to the 1939–1940 level. It is beginning to show. We do not need the kind of defense we needed during the cold war, but we need a defense that can deter anyone who would like to take us to world war III. It is appropriate that President Bush has listed that as his next priority.

Improving health care. I have already talked about improvements I would like to see in Medicare. President Bush recognizes that this is an area where we need to spend more, not less.

Interestingly, many Republicans say any kind of government expenditure is bad. They want to cut anything. And any budget cut that comes along, they immediately clear. This is an area where we should not be cutting because it is an investment that will, indeed, pay huge dividends in the future. I am delighted, as one who has supported doubling the funding for NIH and other basic research in health care, to note that President Bush is going to double the funding for medical research on such important health issues as cancer. I look forward to the country reaping the benefits of that kind of investment.

The fact that President Bush can talk about that kind of an increase even as he is talking about presiding over a smaller government demonstrates that this is a man who has his priorities straight. This has been a Republican initiative right from the first. It started with Senator Connie Mack of Florida who has had personal experience with the ravages of cancer. He didn't just have a knee-jerk response to those experiences but began to look into what was being done at the National Institutes of Health and the National Cancer Institute, and came back to the rest of us and said this is good, sound investment.

Hearings were held. Testimony was taken. We Republicans led the way on seeing to it that basic health research would be increased very substantially in this country because we recognized the dividends that would pass.

I am delighted to note that President Bush is going to carry on that Republican initiative that began on the floor of this Senate with Senator Mack from Florida and is proposing this kind of an increase for NIH medical research.

Next, the environment. We hear an enormous amount of conversation about the environment. We must cut back on this; we must do that, and so on. Frankly, if you dig into it, from my point of view, much of it is based on what is being called junk science.

Junk science, to summarize it very quickly, is that science that is produced and then taken to the media rather than for peer review. Scientists come to a conclusion and then call a press conference rather than turning to other scientists to say where they went wrong. Once the media has hold of it and has spread it, then there is no calling it back. Then it gets set into the public mind, and the public culture is absolute truth. Those who try to catch up with it after the fact always have difficulty. We have seen examples of that. One that rankled the agricultural field was the excitement over the alar scare where film stars suddenly became scientists and testified before the Congress about all of the apples being tainted. Checking into it carefully and doing peer review indicated that, in fact, alar was not going to poison every man, woman, and child in the United States. But the scare had a tremendous impact on apple growers. Frankly, parents wanted kids to eat more apples.

And it has taken a long time for the reality to catch up with that kind of junk science.

When we are talking about the environment, let's not talk about junk science. Let's talk about some significant investments in the environment that make sense.

President Bush is proposing fully funding the Land and Water Conservation Fund, which is a \$900 million commitment, and he is giving EPA the second highest operating budget in its history which, for whatever it is worth, happens to be \$59 million higher than the request from President Clinton.

I am not at all impressed with the idea that we must spend more than President Clinton in a certain area. But since there are those in the media who think President Clinton was the example of how you fund efforts on the environment, I think it is important to point out that George W. Bush is not cutting back on that kind of commitment.

Those are his priorities. Identify first; then the standard, Social Security and Medicare; a new one for the administration, which is defense, funding for health care research, and activities to protect the environment. Those are a pretty good series of priorities, in my view.

But there are two others that are in this particular budget that are different from what we have seen. One is a commitment to pay off the debt.

When I first got here 8 years ago, we were told with the same confidence that we are being told about surpluses how we would have deficits as far as the eye could see. Those deficits have disappeared. They have turned into surpluses because the economy has—surprise—grown faster than anybody anticipated it would and registered those projections, inaccurate as that. As that is going on, we must continue to pay down the debt. George W. Bush said we will do that.

It comes down to this: He says: These are my priorities; these are the priorities I recommend to the Congress. Once these priorities are fully funded, we have this much left over. And what do we do with the money left over? He says we do two things: First, we pay down the debt; second, we give whatever is left back to the people who have been overcharged for the Government services they have been buying with their taxes.

I think that is an appropriate arrangement of the money. Here is the priority. Here is what we are going to spend it on. Yes, we are going to be spending more than we were spending in the past, but we still have this much left.

What do we do with that which we have left? We pay our debts and we give money back to people whom we have overcharged. Could anything be fairer than that? Can anything be simpler than that? But the big fight, of course, is going to be on the last item—giving money back to those who have been

overcharged. Who are they? Maybe the people who should get the money back shouldn't be the people who sent it here in the first place. Maybe the money should not go back to the people who were overcharged but to the people who never shopped in the first place.

That would be the conversation we would have if this were a business. Of course, it wouldn't be cast in those terms because this is not a business. This is a government. As a government in a democracy, this means there are votes to be courted. There are special interest groups to be satisfied. When we get back to that area of money to be given back to those who have been overcharged, that is where the heat will come. That is where the rhetoric will come. That is where the shouting will come. That is where we will have our most bitter debates.

I, for one, am encouraged by the fact that the heart of President Bush's tax plan is the reduction of the marginal rate. This is why.

First, there is the question of fairness. Should anybody be required to pay more than a third of his or her income to the Federal Government? If you take a poll—there are those who live by polls in this Chamber—and ask the American people what should be the highest total anybody should pay, over the years the numbers have stayed pretty stable. It is 25 percent. Most Americans think no one should be forced to pay more than 25 percent of his or her income into the Federal Government. We are now close to 40. President Bush is saying no. Let's bring that number back to a third. Let's bring that number back to 33. I don't think that is unreasonable. I think it fits with where the American people think we ought to be.

The second reason why I think we ought to bring down the top rate from roughly 40 to a third is because I recognize that it is in that area that the American entrepreneurial machine takes hold. Look at our counterparts in Europe. Japan: I have owned a business in Japan. I have been involved in a joint venture with companies in Europe. I know that in those countries they have many of the things we have. You think they are almost identical. They have big corporations. They have hard-working people. They have a well-educated workforce. The one thing they don't have that is almost uniquely American, with perhaps the exception of Hong Kong, is they do not have the entrepreneurial spirit. And where do the entrepreneurs fund their businesses? They fund their businesses—the growth, the new jobs, the new creation—at the edge of the marginal tax rate.

If you bring the top marginal tax rate down from 40 percent to 33 percent, you are going to see a whole host of new industries, new enterprises, and new activities spring up that will make it possible for the higher end of the projection of what will happen in the economy come to pass.

Mr. President, that is a brief overview of the President's proposal. I look forward to hearing him flesh it out tonight in his presentation to the joint session of Congress. I express my delight that we are going to hear this President stand true to the things he said during the campaign. It will be a refreshing change.

With that, I yield the floor.

The PRESIDING OFFICER (Mr. THOMAS). The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I thank my colleague from Utah for his remarks about the budget.

I have had some White House briefings on what would be in the President's budget. It is so refreshing to see a President, who made promises, and tonight is going to unveil his plans to keep the promises he made to the American people.

I, as one Member of the Senate, am certainly going to try to help the President keep those promises because I, too, made those promises to the American people because I believe we can treat this budget as any family in America treats their household budget; that is, we can make priorities. We can decide what we want to spend more money to do, what we want to spend less money to do, and where our priorities are going to be for saving our own money. That is the theory behind the President's budget.

He is basically saying: We are going to cover our priorities. We are going to increase spending in the priority areas. We are going to flat line the areas that are not priorities or areas where the project is complete. And we are going to have more of our own money back in our pocketbooks. At the same time, the President is going to pay down the debt at the greatest rate that we can pay it down. I think that is a balanced approach.

Let's talk about some of the priorities. One that I am very pleased the President is going to put forward is the No. 1 priority, which is education. Public education is the foundation of our country. It is what makes us different from most other countries in the world; and that is we want public education to give every child the chance to reach his or her full potential; that they can go to public schools all their life, and they will have a great education that will allow them to do whatever they want to do in life. That is the American way. We have fallen behind in that dream. The President wants that dream to come back. And Congress is going to support him. We are going to make sure every child can reach his or her full potential in this country with a public education.

So we are going to target those funds so that when the local school district wants to do creative things—wants to have teacher incentives, wants to encourage people to come from careers into the classroom, or from military retirement into the classroom—we will allow that alternative certification to bring that person in to give language

or math or science that is not able to be offered in that school unless we do some creative recruiting.

Those are the kinds of things that we want to foster with the Federal funds. We want the decisions to be made at the local level. We want goals to make sure every child can read by the third grade because we know if a child cannot read in the third grade, they are going to start falling behind. Of course, they are not going to be able to pass algebra if they do not have the basic reading skills. So we take one step at a time. And we start with the basics. That is what the goals will be.

Secondly, tonight our President is going to call for prescription drug benefits and options under Medicare. That is very important. Fifteen years ago, people would have had to go in the hospital; they would have to have major surgery to treat an illness. Today, that can be done with drugs. And, yes, those prescription drugs are expensive. So we need to make sure we are covering those drug costs and giving people the options to be able to afford the drugs they need to stay healthy, while at the same time having their other living expenses be covered.

So we want to have a prescription drug option in Medicare. We want to have benefits for those who cannot afford it. That is going to be a priority in the President's budget.

We are going to keep national defense as our highest priority. We are going to make sure our military is strong and ready. I have visited our troops in the field all over the world. I know morale has been low. We have not focused enough on our national defense and the people who are serving in our military. So we are going to have pay raises, we are going to upgrade the health care for our military personnel and their families, and we are going to make sure they have quality housing.

Just last week, in Texas, I was at Fort Sam Houston and I walked through housing where the paint was peeling. That is not acceptable. We are not going to have that for our military personnel. We are going to give them good, quality housing and health care. We are going to make sure their children have quality education, especially on the bases that have school districts within the bases. We are going to step up to the plate to make sure we are doing what is necessary to give our young people, who are the dependents of military personnel, a quality public education.

So we are going to do those things to upgrade our military. And we are going to make sure we have the quality equipment and the training to give these people who are pledging their lives for our freedom the chance to do their jobs, and to do it right. We are going to support our military.

These are areas where we are going to increase spending.

I believe Congress will support President Bush's initiatives in the budget.

Also, another priority we have not talked very much about is a rainy day

fund. President Bush is going to put in place a rainy day fund. Some people are concerned that maybe our economy will go soft. We do not want to get into a deficit again. So he is going to suggest we have a rainy day fund. And I am going to support him all the way. I will introduce legislation to make sure we have a rainy day fund, just like every home in America will have if they have a quality budget in their homes—a rainy day fund for emergencies.

So those are the priorities we will have in our budget. But it is no less of a priority that we also pay down the debt and that we have more money for taxpayers in their own pocketbooks because they are sending too much to Washington in income taxes.

It is very important that people be able to keep more of the money they earn because people are paying higher taxes than they have ever paid in peacetime. We need to give them some relief, particularly because the economy is a little soft right now. We want people to have the confidence they can spend their money.

But we also want them to be able to save some of their money. So we are going to have a balanced plan that will pay down the debt and will give tax relief for hard-working Americans—for every hard-working American. We are going to have priority spending, and we are going to do what every household in America will do; that is, provide for the priorities in our budget and not spend more in the areas where we do not need to spend more and target those areas where we know we are going to have to do a better job than we have been doing in national defense, in education, in prescription drug options. Those are the things we will focus on in this budget.

I am so pleased our President is showing the leadership we have needed in this country to go in the right direction for responsible stewardship of our taxpayer dollars.

Mr. President, I thank you and look forward to introducing the legislation and working with others who have already introduced legislation to accomplish the goals that will be outlined tonight by the President of the United States.

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. BROWNBACK. 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. BROWNBACK. I ask unanimous consent to speak in morning business for up to 10 minutes.

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

THE PRESIDENT'S BUDGET PROPOSAL

Mr. BROWNBACK. Mr. President, I wish to address my colleagues for a few minutes about the budget proposal that the President will put forward tonight. I look forward to the proposal. I think it is going to have a number of priorities for the country and the direction in which the country should move. These priorities include fiscal restraint, debt reduction, and responsible tax relief. It is these three areas that I want to address briefly today. The President will put forward a budget request that certainly has plenty of spending in it—in my estimation, probably too much. It is a \$1.9 trillion budget. That is a very large proposal. It includes responsible tax relief—\$1.6 trillion in tax relief over a 10-year period of time. This will set the stage for an honest discussion of taxes and needed tax cuts.

As colleagues know, the budget surplus projected by the Congressional Budget Office is lower than it would have been without the increases in spending by Congress over the past few years.

I have a chart that points out what happens with surpluses. We should be saving the surplus and cutting taxes with it, however people say: We have all this money, let's spend it. This is what happened during the spending spree in the last 6 months of last year, which reduced the 10-year surplus by \$561 billion alone. That happened during a 6-month period at the end of last year. There is an iron rule of government that if you have money lying on the table, it is going to be spent. We need to pay down the debt and cut taxes; we don't need these sizes of spending increases across the board. We need increases in some areas, and we need to cut spending in other areas.

The second point is fiscal discipline, particularly in the area of corporate welfare. Now is the time, as we look at re-prioritizing—putting more money in some areas and less in others—to address corporate welfare and zero these areas out, putting funds from these areas in such places as the President has proposed, and increasing the budget for the National Institutes of Health.

The President is proposing an increase in NIH funding of \$2.8 billion, or almost 14 percent. I think this is something for which we can all be proud. It is a basic research function. It helps us in discovering what we can do to live longer, healthier lives. That is very good. Let's take the increase in funding from places like corporate welfare and put it into NIH without a huge growth in the overall spending.

I am particularly heartened that the President is looking at doing exactly this—cutting in some areas to produce increases in other areas. Yet, at the same time, the President is trimming the growth of Government spending down to a 4-percent growth rate. This constitutes important increases in

funding for programs in Government that deserve more funding, as well as reductions in other areas of Government that need to be reevaluated.

I want to point out two other things because there are a number of people saying the size of the tax cut is too big. It is \$1.6 trillion over a 10-year period. To give the overall example of what is taking place, here is a pie chart of the Bush tax cut as a portion of the total revenue during this 10-year time period. Total revenue is \$28.4 trillion; the Bush tax cut is \$1.6 trillion. The Bush tax cut proposal is a small portion of total revenue. In a situation where we are overtaxing the public, we can afford to do this.

What about the allocation of this surplus that we have? Are we using enough to pay down the debt? The answer is, yes, we are. We should pay down the debt, and we can pay down the debt. The remaining surplus is \$1.1 trillion; the Bush tax proposal is \$1.6 trillion. The Social Security and Medicare funds set-aside are \$2.9 trillion. This is an allocation of where the overall surplus is going. Most of it is going to Social Security and Medicare.

So what we need is a good, honest debate about tax cuts.

A final point I want to make is about triggers on tax cuts. Some say, well, OK, we will do tax cuts, but if our receipts aren't as large as projected, if the surplus isn't as big as it is projected to be, let's cut the size of this tax cut. I don't think that is a good idea. Tax cuts need to be firmly in place for the community and the Nation to be able to react and say: I am going to have more confidence and wherewithal to spend if I know the tax cut will be here.

I don't think triggers are a good idea. But if triggers get put in for a smaller tax cut—say, if our receipts are lower than we project and we put in a trigger to make the tax cut smaller—we should say if the surplus is bigger than projected, let's have a trigger for a bigger tax cut. If we are going to produce a trigger for a smaller one, let's look at a trigger for a bigger tax cut if receipts are larger than currently being projected in the budget.

This is an exciting time for us in the country as we look at the prospects of the new President putting forward his budget allocations. There is going to be a lot to talk about, in a positive sense, on fiscal restraint, debt reduction, and tax relief—important topics for this body and for the American public.

I yield the floor.

The PRESIDING OFFICER (Mr. BROWNBACK). The Senator from Minnesota is recognized.

Mr. WELLSTONE. Mr. President, if there is time remaining for the majority party, I won't take their time.

The PRESIDING OFFICER. I believe there will be. The time expires at 11.

Mr. WELLSTONE. Fine.

Mr. THOMAS. Mr. President, what is the parliamentary status?

The PRESIDING OFFICER. We are in morning business.