

The Senator from Wyoming is recognized.

Mr. WELLSTONE. Mr. President, I would be pleased to speak for the Republican Party if the Senator wants me to.

Mr. THOMAS. If the Senator would care to, I would be surprised but certainly happy about it.

Mr. WELLSTONE. I will follow the Senator.

#### THE PRESIDENT'S BUDGET

Mr. THOMAS. Mr. President, we are talking about the budget this morning, about the tax reductions that the President will speak of this evening, I think talking about the importance of how the budget is arranged, how it matches the needs of our people, of our country. It seems to me, as I think I mentioned before, it is one of the most important decisions we will make, and that is the allocation and indeed the priorities of what our program will be in the coming year.

I want to just talk in more general terms perhaps about some parts of it. First of all, I think in most everything we do here, we ought to try to have a vision of what it is we are seeking to accomplish a little way down the road and, hopefully, sometimes quite a way down the road, 10 or 20 years. What do we want the country to look like in 10, 20 years? What is it we want to do during the next year? That has a great deal of impact on what we do with financing and with the budget.

Of course, one of the priorities has been security and defense. I think, clearly, it is time to take a long look at that and make additional investments in our military and in our defense.

One of the things that needs immediate attention is the welfare of our military men and women. I think all of us have taken the occasion to visit military bases—in some cases overseas—such as Warren Air Force Base in Cheyenne, WY. Last year, I had the opportunity to return to the base where I served in the military, Quantico, VA. The first place they took me, in terms of their needs, was housing for the military.

The President has indicated his desire to immediately increase spending for salaries for the military, housing, and health care. There is no question that ought to be one of our priorities.

Following that, there ought to be a substantial review of our military strategic needs, because changes have taken place in the world and changes have taken place in military structures. That is a wise thing to do in terms of further funding. It seems to me that priority is one that encompasses a notion that we want to take better care of those men and women who have volunteered to be in the service to protect their country, and then take a long look at our capacity to deal with today's threats and the threats we will see tomorrow.

Education: Every time one takes a poll or asks questions of folks in my State or nationwide, education is generally the No. 1 issue. It is easy to be for education, but it is a little bit more difficult to figure out what to do about it. Nevertheless, I think all will agree education is a high priority, that education is something we have to look to down the road. What is more important than providing a good education for the young people who are going to be running this world?

We find ourselves with some differences about how we do that. A strong feeling has existed that Washington ought to decide what the money is for; it ought to be sent from Washington with attached instructions as to how to use it. I believe strongly that the needs in Meetetse, WY, are different from the needs in Pittsburgh. Local people in the States ought to have the opportunity to use those dollars as they see fit, with some accountability, so we can ensure our kids are getting the best education and can have a successful life. Again, I hope we can see what we want for education.

I am particularly interested in the third priority the President has laid out, and that is energy. We have some problems in energy. Hopefully, some of them are short term. We have some long-term opportunities to do the things in the field of energy that we want to happen. One of them is to improve and increase domestic production so we are not totally dependent on OPEC and overseas imports of foreign energy. That is not wrong necessarily, but we become a victim of imports.

We need an energy policy. We have not had an energy policy over the last number of years. The policies are fairly broad, and they are implemented in more detail, but it is my view that we need a policy for energy. It ought to be one that encourages domestic production, and there are many ways to do that. Some, I suppose, will be by way of taxes. I am not as excited about that as I am the opportunity to encourage domestic production.

I spent last week in Wyoming. Wyoming is one of the large energy producers in this country. We have an opportunity to increase our gas production—we are doing that now—and we have an opportunity to increase oil production. We are the largest producer of coal in the Nation. Coal is a basic resource but can even be better as we do research. Domestic production is one part of a basic policy.

Research: We need to continue research. One area is to make coal cleaner and to enrich coal so we get more Btu's out of coal and bring the transportation costs down.

We want to do more with air quality, and we can. In almost any instance, it is fair to say when you have large electric generators, up in the 1,500-megawatt area, coal is the most efficient producer of energy, and we need to research that.

We need diversity of energy sources. I am a great supporter of natural gas,

but we find ourselves overly dependent on natural gas. Natural gas is a flexible fuel that can be used not only for stationary generation but also can be used for many other things.

I hope we will have some diversity, that we will have hydro, coal, and oil. We ought to also be working on diversity of renewable energy. We can do more in renewables than we have in the past, and that ought to be part of our basic policy.

Transportation: Energy has to be moved. We see the problem in California. Part of the problem is the unwillingness or the inability, at least the absence of transmission lines and pipelines, to move energy. Some people don't like to see transmission lines. They won't see them because it will be dark. That is the choice we have to make. We need to do that. It is increasingly difficult to get the easements to do that.

Conservation: Part of our policy ought to be the more efficient use of energy so that we can get more out of our energy and renewables, as I have mentioned. Of course, one of our goals, one of our missions, ought to be a reasonable price for the consumers. We have seen that change in the last several months. That is not something we want to continue.

We ought to be looking at defense, education, and energy. Medicare is very important to health care. It needs to be revised. There have been a number of efforts to do that. We have not completed those efforts. We need to include some aspect of pharmaceuticals.

What do we want to see in the future? I happen to be cochairman of the conference on rural health care in our caucus. Rural health care is a little different from health care in the large cities. Not every little town in every State is going to have all kinds of medical care. They are not going to have specialists. We need an outreach so that all people in this country have access to health care. It needs to be done differently. We need telemedicine. We need to do a number of things. That is another goal we need to pursue and envision where we want to be.

Social Security: If we do not do something with Social Security, these young people here, who now have 12.5 percent of their salaries withdrawn when they work, will not have benefits. We can change that. We are going to be talking about individual accounts that can be invested in the private sector, that can be invested in equities or bonds and can offer a much higher return so they will have benefits.

I hope, rather than seeking to find a political item to work on for the election of 2002, we can take a longer look at these issues and say here is where we want to be and here is what it takes to do that. We have a great opportunity in terms of tax relief, our budget, our spending, and we have that opportunity now. I hope we take full advantage of it.

I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

#### TAX CUTS

Mr. WELLSTONE. Mr. President, I won't speak for the Presiding Officer, the Senator from Kansas, or Republicans but I will speak for myself and I hope many in my party.

First, I start with what I think people in Minnesota and people in the country mean by civility. I don't think they mean there should be no debate. I think people are all for passionate debate. They just want to make sure it is civil debate. What I say on the floor of the Senate is based upon what I honestly believe is good and right for Minnesota and my country, but it is not at all directed at any of my colleagues on the other side in any personal way, nor is it directed at the President in any personal way.

Second, another operational definition before I go forward with my comments: what do people mean by "the center"? I think people want us to govern at the center of their lives. I will say something I heard my colleague from Wyoming mention and I agree. Part of what people are focused on is education—no question. People are focused on health security. People are very focused on affordable child care, which I view as education. It is silly to define education as kindergarten through 12. I think it is pre-K all the way to age 65. Elderly people and other working families are focused on the cost of prescription drugs. Many can't afford it. People are also focused, of course, on how to have a small business or a family farm or have a job from which they can support their family.

Those are issues that are terribly important to people, and there are other issues as well. One we will deal with within the next month will be reform and how we can really move to a political process which, hopefully, will be less dependent on big money and more dependent on big and little people.

I want to speak directly, given this introduction, to the President's tax cut. We have heard from a number of Senators about specifics, so I don't need to go over them. To make a very long story short, after we take this \$1.6 trillion tax cut and add additional costs, interest that has to be paid, and after we look at what we have by way of surplus—that is to say, non-Social Security, non-Medicare—basically, what we have is a tax cut that represents a Robin-Hood-in-reverse approach to public policy. That is what we have when, depending upon whose estimate one believes, the top 1 percent of our population gets anywhere from 40 to 45 percent of the tax benefits of the Bush plan. Unbelievable. It is similar to a subsidy in inverse relationship to need.

Now, again, understand—a Robin-Hood-in-reverse tax cut has the wealthy benefitting. At the same time, let me take the President's words in

his inaugural speech about leaving no child behind. At the same time, one-third of the children in America today live in families who will not receive one dime from this tax cut; 50 percent of African American children live in families in our country who will not receive one dime from this tax cut; and about 57 percent of Latino, Latina children live in families who will not receive one dime from this tax cut because none of it is refundable.

If you live in a family with an income of less than \$27,000 a year, you receive no benefit.

The argument is, they don't pay any taxes. These families pay payroll tax; they pay sales tax. You better believe they pay taxes. These are some of the children who are most deserving in terms of being given a chance to reach their full potential. It is not in this tax cut proposal.

While on the one hand we have most of the benefits going to the top 1 percent, we have very few of the benefits going to those families and those children most in need. It is outrageous.

One amendment I will prepare when we bring this reconciliation bill to the floor will be an amendment to make the child credit refundable. Then we can help a lot of children and a lot of families. For all Senators who say, "we are for children, we are for children, we are for children, we are for the future, leave no child behind," I want to give them a chance to vote on that.

Let me go on and make another point which I think is the second and, to me, the most devastating critique of this tax cut proposal by President Bush. It is not unlike 1981. If we do this, there will be precious little for any investment in any other areas—I think by design. I think this is an administration, in spite of its rhetoric about leaving no child behind, which basically believes most citizens should be on their own.

So there will not be the funding to make sure senior citizens can afford prescription drug costs. No question about it. There will not be the funding for expanding health care coverage for our citizens. No question about it. And there certainly will not be the funding for education and to leave no child behind.

Now, the President tried to argue the other day—it has already been shot down—that there is a huge increase in the education budget. Mr. President, some of it was forward funding from this past year. As it turns out, over the last 5 or 6 years, this is the smallest percentage increase we have seen except for one out of the last 5 years. That hardly represents some dramatic, new investment in children.

So my question is, How do you leave no child behind when only 2 percent of the children who could benefit from early Head Start—2 years of age and under, the most critical years for learning—right now benefit? That is all the funding we have. And there are really no additional resources for early Head Start. Only 50 percent of the chil-

dren who can benefit from Head Start—that is, to give a head start to the children who come from disadvantaged backgrounds—and there is going to be a pittance for any additional funding—when 11 percent of the children who could benefit from affordable child care—that is just low-income families, much less working families, much less moderate-income, middle-income families—11 percent who are of the eligible children right now are able to benefit because we so severely underfund early childhood development.

So we have a President who says he is committed to education, we have a President who says he will leave no child behind, and we have tax cuts that go to the wealthy. But will they benefit the families—one-third of the children who live in low- and moderate-income families, half of the children who live in low- and moderate-income families? We have a tax cut proposal that makes it impossible for us to invest in the health and skills and intellect and character of our children. Frankly, "leave no child behind" becomes just a slogan, and I express indignation about this.

There will be a pittance to make sure our children are kindergarten ready, and then when it comes to some of the K-through-12 programs, let me be really clear. Right now, the Title 1 Program for low- and moderate-income children is funded at the 30-percent level. There is, again, a pittance in this budget for any increase in that funding.

The IDEA program for children with special needs is vastly underfunded. In my State of Minnesota, from the Governor to Democrat to Republicans, they say: Live up to your 40-percent funding commitment, Federal Government. Then we would have some additional resources to do other things for children.

Guess what. In this budget we will see a pittance when it comes to any increase in funding for the IDEA program for children with special needs.

We have an education program called Leave No Child Behind, which is going to rely on testing, testing which makes it clear that we should not rely on one single standardized multiple-choice test which everyone who does testing says we should not do, which is educationally deadening; it puts the kids in a straitjacket; it puts the teachers in a straitjacket. We will not have that.

What we will do is take a lot of schools in this country that have been underfunded because they are in districts that are property-tax poor—not rich; they can't have the same resources; they don't have the same resources as the most affluent of suburbs—schools where children come from homes where English is the second language, children who come from homes where families have to move two or three or four times a year because of inadequate housing, children who come from homes where they are hungry when they come to school, children who come from homes where they