Murkowski-Breaux National Energy Security Act of 2001. Let me explain briefly the difference because we are very close.

As Senator BINGAMAN knows, we are going to be holding hearings on these matters beginning next week. We will hold a hearing each week.

On LIHEAP, we have proposed an increased base from $2 billion to $3 billion and an increase in emergency funds from $600 million to $1 billion. The Bingaman amendment increases the base from $2 billion to $3.4 billion, so there is an increase. However, there are no emergency funds.

In weatherization, Senator BINGAMAN's proposal and our proposal in title VI increases to $500 million by the year 2005. In weatherization State energy programs, we propose an increase of $125 million by 2005, and it is my understanding the Bingaman amendment proposes $75 million by 2005. We have set State energy efficiency goals to reduce energy use by 25 percent by 2010, compared to 1990 levels, and we encourage State and regional energy planning to go ahead.

I remind everyone, while we need immediate relief until we get an energy plan passed in its entirety that addresses supply and conservation, we are not going to have the immediate relief we would like. We only increase authorizations by this in a sense. It is better to address these programs, along with the other energy needs, through the comprehensive approach which I think is an obligation of the Energy Committee which we collectively work toward. A piecemeal approach to energy policy hasn't gotten us anywhere and that is part of the problem of where we are today.

My point is, for example, what are we going to do this summer when gasoline supplies run short, as they are expected to do, and the consumers pay up to $2 per gallon? Will we take the opportunity now to address the need for refining capacity in a comprehensive bill while we have the opportunity? Or will we avoid the tough political expensive decisions and instead come back here at a later time and increase LIHEAP yet again?

I think the time has come to make those tough decisions. I look forward to working with my colleague. We want to find a solution to add fuel to the tank of our economic engine now that it is running almost on empty. We will have to enact this year a comprehensive national energy policy. Otherwise, we will be forever chasing high energy prices with yet more temporary funds and placing the economic health and the national security of the country at risk.

Just as we can and need to get our way out of this energy crisis, we cannot buy our way out. The energy crisis, as we know, will not go away until we make the tough decisions that are needed to increase the supply of conventional fuels and improve our energy efficiency and conservation and expand the use of alternative fuel and renewables.

I congratulate Senator BINGAMAN and would like to be added as a cosponsor to his legislation.

I again reemphasize the reality that the American people expect us to address this crisis that impacts every American family. This amendment does not solve the underlying problem we face. We should and must address the illness, not the symptoms.

We must develop a comprehensive national energy strategy; again, one that ensures clean, secure, and affordable energy supply into the next decade.

I look forward to working with my colleague and others to develop this comprehensive energy strategy.

I yield to the Senator from Massachusetts.

The PRESIDING OFFICER. Under the previous order, the Senator from Massachusetts is recognized.

Mr. KERRY. Mr. President, it is my understanding there is no further debate, this is accepted, and we can vote now.

The PRESIDING OFFICER. If there is further debate on the amendment, the question is on agreeing to the amendment, No. 28, as modified.

The amendment (No. 28), as modified, was agreed to.

Mr. KERRY. I move to reconsider the vote by which the amendment was agreed to.

Mr. MURKOWSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Massachusetts.

NORTH KOREA

Mr. KERRY. Mr. President, I was briefly downstairs in a meeting with President Kim Dae Jung of South Korea. I will take a few moments to share with my colleagues some thoughts about our policy with respect to North Korea, which obviously has profound implications for the region, as well as for the United States.

Mr. President, one of the major questions facing the United States and its South Korean and Japanese allies is how to deal with the ballistic missile threat posed by North Korea. Pyongyang has already demonstrated its capacity to launch a 500 kilogram warhead to a range of at least 1000 kilometers. The failed test of the Taepo Dong-2 missile in August 1999 clearly shows North Korea's interest in developing a longer range missile capability. North Korea's proliferation of missiles, missile components, technology and training to states such as Pakistan and Iran further magnifies the need to get Pyongyang to end its missile program.

The Clinton administration left a framework on the table which could, if pursued aggressively by the Bush administration, go a long way toward reducing the threat posed by North Korean missiles and missile exports. Our South Korean allies clearly want us to continue the discussions that the Clinton administration began with North Korea on the missile question. Two days ago Secretary of State Colin Powell stated that the Bush administration would ''pick up'' where the Clinton administration left off. Apparently not. Yesterday, President Bush told visiting South Korean President Kim Dae Jung that the administration would not resume missile talks with North Korea any time soon. I believe this is a serious mistake in judgment. I will suggest why.

Our South Korean allies are on the front line; they are under no illusions about the regime in North Korea or its leader Kim Jong Il. President Kim firmly believes that Washington and Seoul must continue their efforts to open up North Korea, and that the United States should move quickly to resume the missile talks. We should listen to him carefully. I and others raised this issue with Secretary Powell earlier today, when he testified before the Foreign Relations Committee. The Secretary indicated that some of the things put on the table by the Clinton administration are ''promising'' but that monitoring and verification ''are not there.'' He said that the Bush administration intended to do a comprehensive policy review and then would decide when and how to engage North Korea.

I don't think any of us in the Senate would second-guess the right or even the good sense of a new administration conducting a thorough review of a particular area of the world or a particular policy. That makes sense. However, I am deeply concerned that by sending the message we will not even engage in a continuation of talks where the Clinton administration left off, that we wind up potentially offering an opportunity to see a window closed or for people to misinterpret the long-term intentions of the United States and perhaps make it more difficult to pick up where the Clinton administration left off when and if the administration resumes.

We need to reflect on the fact that North Korea took some remarkable steps, heretofore unimaginable steps, and under the 1994 agreed framework, North Korea set about to freeze its existing nuclear energy program under the IAEA supervision to permit special inspections to determine the past operating history of its reactor program just prior to the delivery of key components of light-water reactors.

A few years ago when the United States was concerned that North Korea was violating the agreed framework by possibly building a new reactor in an underground site at Kumchangi-ri, North Korea ultimately allowed a team of Americans to inspect the site, first in May of 1999 and each year thereafter.

This showed, clearly, that monitoring and verification agreements can

be negotiated with North Korea. By the 11th hour of the Clinton administration, the United States and North Korea were discussing further proposals that would, indeed, prevent North Korea from developing missiles capable of striking the United States and bring a halt to North Korea's lucrative missile exports.

In my view, at this moment, now, we should still be encouraging progress in those particular areas. We should be particularly encouraging Pyongyang to continue down that path, not sending them a message that may, in fact, make it months later and far more difficult before we can do so. Delaying missile talks will not enhance the security of the United States or of the region about which we care. In fact, delay, coupled at this morning's hearing with Secretary Powell's somewhat lukewarm endorsement of the agreed framework could send a very negative signal about the nature and direction of United States policy toward North Korea.

The Clinton administration, in many people's judgment, may well have moved faster than some believed was prudent. But the reality is that negotiations have begun and proposals are on the table for discussion. Nothing has been agreed upon yet. There is no reason this administration could not pick up where the Clinton administration left off, even as it makes the decision to review and discuss alternative proposals. Nothing will preclude them from ensuring adequate monitoring and verification.

The issue of North Korea's missile capability is fundamental not only to security on the Korean peninsula but also to our own long-term security and also to the debate on national missile defense. The North Korean missile threat has been offered by the Bush administration and others as a major reason why the United States needs to move more rapidly with the National Missile Defense System. Given that, I am somewhat confused by the administration's go-slow approach on the missile talks with Pyongyang. If we can reduce or eliminate the threat posed by North Korea's missile program, not only to us but to others, we are going to be on a very different playing field. We will have greater security, on the one hand, and we will be able to look at other national missile defense options that may be less costly and less damaging to the arms control regime established by the Anti-Ballistic Missile treaty. With all of this in the balance, it seems to me that there is little to lose—and potentially much to gain—by getting back to the table with Pyongyang and seeing where the negotiations go.

It is my hope that this administration will rapidly move to do so.

I yield the floor.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

SOCIAL SECURITY AND MEDICARE LOCKBOX

Ms. STABENOW. Mr. President, I rise this afternoon to strongly support the Conrad amendment that is before us which would create a lockbox for Social Security and for Medicare.

As a member of the Budget Committee, I have watched and listened to the proposals of the administration as they relate not only to the tax cut before us but the spending priorities. I listened on the evening of the State of the Union to a variety of proposals, all of which sounded very good. In fact, in some cases sitting there knowing our fiscal constraints, it sounded too good to be true.

I find as a member of the Budget Committee looking at the details now that, in fact, it was too good to be true, and the budget that has been proposed proposes to use all of the Medicare trust fund and a portion of the Social Security trust fund in order to balance this budget. There is still a question about whether or not it adds up.

If we proceed as this body and the House of Representatives voted last year to protect Social Security and Medicare to keep it out of the revenue stream for spending proposals, if we support the lockbox notion, which I hope we will—again, it passed this body by 60 votes last year, and I am hopeful it will do the same this year—if we pull those dollars out and protect them as the people of the country expect us to do, not only the seniors but the baby boomers who will be retiring in large numbers beginning in about 11 years, and also my son and daughter who are young people, can look forward to the future expecting us to protect those funds. We find that the President's proposal for his tax cut takes up literally the entire discretionary dollars available to us except for Social Security and Medicare of over the next 10 years. That is assuming we believe the projections, and we certainly hope they are true for the dollars that have been projected in surplus.

But we all know, as Chairman Greenspan indicated, that these are educated guesses.

Given the fact that if you protect Social Security and Medicare, the President's tax proposal takes every dollar of discretionary income left, rather than the next 10 years and being able to balance that with some dollars for investments in education, infrastructure, prescription drug coverage for Medicare, and balancing that with an important tax cut for middle-class families, it doesn't add up. The administration has chosen to dip into Medicare and Social Security in order to be able to provide dollars for important investments in the American people's priorities in terms of education and other areas.

If you protect Social Security and Medicare, the dollars are not there for education.

The President has said we are going to say the Medicare trust fund doesn't exist anymore. We heard in front of the Budget Committee from our new Treasury Secretary, as well as the Director of Management and Budget, that they believe there really isn't a trust fund; that, in fact, there isn't a surplus in Medicare, even though every year we get reports regarding the solvency of the trust fund and the date at which it will become insolvent, and the fact that the date has been growing further into the future because of the good economy.

Now we fear there is, in fact, no trust fund. Those reports, I guess, meant nothing before.

In reality, there is a Medicare trust fund. We know that Part A has been an important part of the solvency of Medicare, and this trust fund is critical in maintaining and protecting the health care benefits for the seniors and future generations in our country.

I urge my colleagues to send a very strong message to the White House and to the American people that we intend to keep the promises of Medicare and Social Security, and to lock away the Medicare trust fund along with every penny of Social Security so that we will keep those as a separate promise and protect them for our seniors, for our families, and for future generations.

Without this lockbox, we will find ourselves in the situation of seeing the budget continue down the road with the full intention of using the entire Medicare trust fund in order to balance the books, and a portion of Social Security in order to balance the books.

That is not in the best interest of the American people. We can do better than that. We can design a budget that protects Social Security and Medicare and strengthens it for the future, provide a real tax cut for middle-class families, small businesses, and family farmers in this country, and also pay down the debt so the interest rates our citizens and businesses are paying for will continue to go down, and at the same time invest in the priority that President Bush has articulated well—and I agree with—which is the question of education and investing in the future for our children.

This budget is about more than numbers. It is about our values as American people. In times when we have choices that we can make because of projected surpluses, the real task for each of us is what will be our priority? What will the choices be when we can make choices?

I strongly hope one of the choices made by this Congress and administration is not to use the entire Medicare trust fund to fund other purposes in the budget; that we will join together on a bipartisan basis, as has been done in the past when Republicans and Democrats joined together to support locking away the Social Security trust fund and the Medicare trust fund so that they are outside the budget stream and are protected for now and the future.