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Senate

The Senate met at 10 a.m. and was called to order by the Honorable SUSAN M. COLLINS, a Senator from the State of Maine.

PRAYER

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

Loving Father, You have taught us that the opposite of love is not hatred but indifference. Forgive us for indifference to the needs of the people around us. Here in the Senate, where debate over issues is the order of the day, it is a temptation to think of those with whom we disagree as adversaries, sometimes as political enemies. The very people who may need our prayers sometimes are neglected in our intercessory prayers because of their position on our cherished proposals. Often we become so intent on defeating political enemies that we forget they are fellow Americans, sisters and brothers in Your family, people You have placed on our agenda to affirm and encourage.

So may debate be to expose truth, creative compromise to maximize solutions, and caring relationships to enable an ambience of mutual support. Help each Senator, officer of the Senate, and Senate staff adopt the motto: "I may not agree with you, but I really care about you." Amen.

PLEDGE OF ALLEGIANCE

The Honorable SUSAN M. COLLINS 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 assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, March 26, 2001.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable SUSAN M. COLLINS, a Senator from the State of Maine, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Ms. COLLINS 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 therein for up to 10 minutes each, with the following exceptions: The Senator from West Virginia, Mr. BYRD, or his designee, from 10 a.m. to 11 a.m.; the Senator from Wyoming, Mr. THOMAS, or his designee, from 11 a.m. to 12 noon.

Who yields time?

Mr. BYRD. Madam President, I yield such time as he may consume to the distinguished Senator from North Dakota, Mr. CONRAD.

The ACTING PRESIDENT pro tempore. The Senator from North Dakota is recognized.

FORMULATION OF THE BUDGET

Mr. CONRAD. Madam President, I thank my outstanding colleague from West Virginia, Senator BYRD.

I rise today to discuss a matter of great importance to this body and I believe to the country that has to do with the formulation of a budget for the United States for the coming year.

Last week, the chairman of the Senate Budget Committee told me he does not intend to hold a markup in the

Budget Committee to craft a budget resolution for this year.

All of the Democrats on the Budget Committee have written the chairman asking him to hold a markup. Today I again publicly ask the chairman of the Senate Budget Committee to allow the Budget Committee to do its work. Never in our history have we failed to have the Budget Committee write a budget resolution for the country—never. There is no reason not to try this year.

I understand we have an unusual circumstance because the Budget Committee is divided equally between Democrats and Republicans. That has never happened before either. I do not think any of us can know what would happen if we met as a committee, if we debated, deliberated, and voted; it is amazing what can happen when we listen to each other.

I just had the experience of the staff of the Senate Budget Committee, the staff of the chairman, totally misrepresenting the plan I have proposed—to totally misrepresenting it. It is clear to me they are not doing that on purpose because I know they are people of good will and they are honest people. I know that. I know they are not misrepresenting it willfully. They are misrepresenting it because they do not understand it. They are misrepresenting it because we have not had a full chance to hear each other. That is why we have committees. That is why we have held hearing after hearing on the questions of how should we craft a budget for the country for the coming year. That is precisely what the Budget Committee has done.

The result is there is no group of Senators that has spent more time analyzing what the budget should be. There is no group of Senators that has more fully considered the question of the revenue base, the question of what the spending ought to look like going forward, what we ought to do in terms of paying down national debt.

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



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I think it would be a profound mistake for us to miss the chance to have the Budget Committee do what it was designed to do, which is to make the work of the larger body easier because of the concentration of effort of the members of the committee on the responsibility they have.

As I sat last week and heard my colleagues on the other side taking my budget proposal and completely misrepresenting it, I realized even more clearly why it is essential that we have a markup in the Budget Committee because that is one place where 22 Senators can sit across the table from each other and debate, discuss, explain, and vote.

If we just come out here on the floor, it is going to be chaos. Trying to write a budget for the United States out here on the floor of the Senate will be utterly chaotic. It is not the responsible thing to do.

The chairman says we are deadlocked. How do we know? We have never tried. We have never debated, discussed, or voted. That is the role of a committee. I do not think anybody can say where it would end.

Last week our colleagues were saying that my plan has more debt reduction in it than there is debt available to be retired. That is just not the case. The plan I have offered saves every penny of the Social Security surplus for Social Security. It saves every penny of the Medicare surplus for Medicare. That is a principle I think most people would endorse. We ought not raid the trust funds.

Then with what is left, my plan takes a third for a tax cut—\$900 billion—takes a third for high-priority domestic needs, such as improving education, providing a prescription drug benefit, strengthening national defense, dealing with the agricultural crisis, and then with the final third, it starts to address our long-term problem with the retirement of the baby boom generation by dealing with our long-term debt, the debt that is going to face us when the baby boomers start to retire and the requirements and the liabilities of Social Security and Medicare escalate dramatically.

What my friends on the other side of the aisle have done is to take the money we have set aside for Social Security and Medicare and say that since that money is not needed immediately, all of that will go for paying down the publicly held debt. And that is the case. That is exactly how the President's plan works with respect to the \$2 trillion of publicly held debt he wants to pay down. He is getting that money from the Social Security trust fund because that money is not needed right now. So all of that money is available to pay down the publicly held debt.

That is the way my plan functions in part as well, although I set aside all of the Social Security trust fund and all of the Medicare trust fund. The President sets aside just part of the Social Security trust fund and none of the Medicare trust fund. The total for paydown of the publicly held debt under my plan is \$2.9 trillion.

We just had testimony from the man who managed the very successful debt buydown program under the Clinton administration, Mr. Gary Gensler, that there is that much debt available to pay off. And in fact, it is very clear there is that amount of debt to pay off because just in terms of debt that is maturing in this next 10-year period, there is \$2.6 trillion. The President's people have said they can only pay off \$2 trillion. It is just not true. I don't know a nicer way to say it. It is just not true. There is \$2.6 trillion that matures during this 10-year period alone. Clearly, you can pay all that. We have done a detailed cashflow analysis, saving all the Social Security trust fund, the Medicare trust fund.

People have said, well, you have a cash buildup problem in the Federal coffers if you reserve all of the money for Social Security and Medicare. It is just not true. We have done a detailed year-by-year cashflow analysis, and it shows very clearly there is absolutely no cash buildup problem until the year 2010. And who knows, there may not be a cash buildup problem then because we are all operating off a 10-year forecast—a 10-year forecast—that the forecasting agencies say themselves there is only a 10-percent chance it will come true. That is the forecasting agencies, the people who made the projection, saying to us: We want to alert you; there is only a 10-percent chance this projection is going to come true; there is a 45-percent chance there will be more money; there is a 45-percent chance there will be less money.

How would you bet, based on what has happened in the last 6 weeks with the national economy? Do you think that forecast which was made 8 weeks ago is going to be on the high side or the low side? I know where I would be betting. I certainly would not be betting the farm that that number is going to come true.

That is unwise. There is not a company in America that would decide to make 10-year commitments of all its nontrust fund money—all of it—based on a forecast, a forecast that has only a 10-percent chance of coming true. It is just not wise. It is not prudent. It is certainly not conservative.

After my plan sets aside all of the Social Security surplus and all of the Medicare surplus, as I said, it then divides the rest in equal thirds—a third for a tax cut, a third for high-priority domestic needs, and a third for our long-term debt. That is where the confusion has come from with the other side. They think anything that has to do with debt must be the publicly held debt. Thus, they are taking the money I have set aside for Social Security and Medicare, which will go to paying down publicly held debt because that money is not needed for the other purpose at the present time, and adding it to the \$900 billion we have set aside in our plan to deal with long-term debt. They have assumed that means we are trying to pay off \$3.8 trillion of publicly held debt.

It is just not the case. It is not what the plan does, not what the plan says,

and obviously we know there is only \$3.4 trillion of publicly held debt that is currently on the books of the United States. We are not trying to pay off debt we do not have; we are trying to pay off debt we do have. We do have \$3.4 trillion of debt today, publicly held debt. That is not the only debt we have because in addition to that, we have the gross debt. The gross debt of the United States as we sit here today is \$5.6 trillion. And at the end of this 10-year period, if we follow the President's plan, it will be \$7.1 trillion. Gross debt is going up as the publicly held debt comes down.

How can that be? That can be because what is happening here is a transfer. As the publicly held debt gets paid down, it is getting paid down under the President's plan and any other plan by the surpluses of the Social Security trust fund. And guess what happens. That money from the Social Security trust fund—under the President's plan, \$2 trillion of it—is being used to pay down publicly held debt. So the Social Security trust fund has money in surplus at the present time. Part of that money is being used to pay down the publicly held debt. Guess what happens. The general fund of the United States that is receiving that money to pay down debt now has an IOU to the Social Security trust fund for the same amount. It is similar to taking one credit card and paying off your other credit cards and thinking you are debt free. We are not debt free. The gross debt of the United States is growing.

What my plan intends to do is not only address that short-term debt, the publicly held debt, and pay that down, but also to address our long-term debt crisis that is going to get much worse—not because of projections, not because of the forecasts, but because of what we all know is true: The baby boomers have been born, they are living, and they are going to retire. That process starts right beyond this 10-year period when we are all talking about these big surpluses. If we really honestly account for things, if we do it the way any company accounts for things, we do not have a surplus.

All this talk about surpluses. Well, I hate to rain on the parade, but there really is no surplus. If we were really being straight in the accounting systems, we would find we do not have a surplus because we have these long-term liabilities that we do not account for in the Federal system, and they are real; they are here to stay. We can just kind of forget about them and wish them away or put them off until tomorrow, but the hard reality is they are there, and they are growing. During this period when we are all talking about surpluses and we are all talking about paying down the debt, the gross debt of the United States is actually growing—\$5.6 trillion today. It is going to be \$7.1 trillion at the end of this 10-year period. Those are not KENT CONRAD's numbers; those are the numbers that are right in the President's

book he sent us, the budget blueprint. It says very clearly that gross national debt is growing.

The distinction between this publicly held debt and gross debt is the following: The publicly held debt is held outside government hands. The economists argue that is where you should pay attention because it is that debt of government which is competition with other debt. That is debt that is in the public marketplace. That is debt that has to be financed by somebody. That is the debt that is in competition with other, private sector players who are seeking to finance what they do—whether it is build a building, build an Internet highway, or build new housing. That is why economists say: Pay attention to the publicly held debt.

It is also true that this other debt, the gross debt of the United States, has exactly the same legal claim on our government as the publicly held debt. Just because the Social Security Administration holds the bonds and says, Federal Government, you have to pay us back, that is no different than a German bondholder, holding that bond, saying, we want to be paid back. Both of them constitute legal claims against this government. Both of them require our attention. So far the President only talks about the publicly held debt. He says he is paying off as much of it as can be done. We disagree on that point. We think we can pay off much more of the publicly held debt than he asserts. We think the hearing before the Budget Committee last week demonstrated that quite clearly, that there is more publicly held debt to be paid off than the President asserts.

The much larger point is the President is not addressing this long-term debt, this gross debt that is growing every day. He is doing nothing in terms of setting aside money to deal with that long-term debt.

That is why the plan I have proposed uses 70 percent of these projected surpluses—70 percent—for debt, both short term and long term. The President's proposal reserves about 35 percent of these projected surpluses for debt. The plan that I have proposed on behalf of Democrats pays down about twice as much debt as the President's plan. He has a much bigger tax cut; we have a much smaller tax cut. Our tax cut is about half as big as his because we are paying down twice as much debt. That is the biggest difference.

There are also some differences in spending, although they are more modest differences than the difference between what we are doing on the debt and what he is doing with respect to tax cuts. The big difference is, we are more aggressive at paying down debt; he is more aggressive with the tax cut. He says it is the people's money. He is exactly right; it is the people's money, but it is also the people's debt. Don't make a mistake about this. We are the ones who are going to have to pay this debt. It is the people's Social Security and it is the people's Medicare and it is the people's defense.

This is not a question of the government versus the people—not at all. The truth is, this is the people's money. I don't think any of us ever forget that. This is the people's money. It is also the people's debt. And that debt will come due just as certainly as we are standing on this floor today. If we have failed to be responsible about getting ready for when that debt comes due, all of us who are here now who make the fateful decisions are going to be held to account. It will be our names in the book of history as to what was done at the critical time in our Nation's economic future. It is our responsibility to be good stewards of the people's money.

I end by urging the chairman of the Senate Budget Committee to have a markup in the committee to establish a budget for the country for the coming year. We have that responsibility. The suggestion that we are deadlocked before we even start misses the point. We are often deadlocked before we debate and discuss and vote. That is why we have debate, discussion, and votes—to break deadlocks.

I hope very much that the Budget Committee will meet its responsibility and attempt to write a budget resolution. That is our obligation. I hope we will meet it.

I thank the Chair.

Mr. BYRD. Will the Senator yield?

Mr. CONRAD. I am happy to yield.

Mr. BYRD. I congratulate the Senator on his very illuminating remarks. I heard his talk about the gross debt, which really doesn't get mentioned very often as far as I can tell, and his discussion about the publicly held debt. I think this is very useful knowledge.

This is the people's money, as we hear. I take it that the interest we pay on the debt is also the people's money, am I correct?

Mr. CONRAD. The Senator is exactly correct. And of course that money we are using to pay interest on this debt can't be used for any other purpose. It can't be used for a tax cut; it can't be used to build a road; it can't be used to build a bridge; it can't be used to build a school; it can't be used to pay a teacher. It is money down a rathole, but it has to be paid.

Mr. BYRD. It can't be used to buy even a pencil.

How much money are we talking about in interest on the debt? We are talking about the people's money. The interest that is being paid on the debt is the people's money, as well. That comes out of the pockets of the tax-payers.

Does the Senator have information at his fingertips as to the amount of the people's money we pay in interest on the debt annually?

Mr. CONRAD. The gross interest that we are paying a year would be over \$300 billion. If you think about that, that is a stunning amount of money. The gross interest is over \$300 billion.

Perhaps one of the staff people has the budget book in front of them and can tell us a precise number.

While we are waiting for that—the point is very clear. Although you owe \$5.6 trillion, which is the gross debt of the United States, interest on the publicly held debt is what gets all of the attention. The press and our colleagues and our President have all focused on the publicly held debt. That is \$3.4 trillion. But that is the debt the Federal Government owes people who are outside the government. That is what we owe to bondholders. That is what we owe to kids who have a savings bond. That is what we owe to people who buy Treasury bills. That is what we owe to people who are holding instruments in other countries, who have loaned money to the United States. That is the publicly held debt, \$3.4 trillion.

But the gross debt includes the debt of the general fund to trust funds, money we have borrowed over time to trust funds to use for other purposes. We have borrowed hundreds of billions of dollars from the Social Security trust fund. We are paying interest on that, too. That is part of the gross debt, and that has to be paid just as certainly as this publicly held debt. It has the same legal position as the publicly held debt and it, of course, is much larger. As I said, that is \$5.6 trillion of gross debt that the Nation has today.

Mr. BYRD. Madam President, will the Senator yield further?

Mr. CONRAD. I am happy to yield.

Mr. BYRD. What is the rate of interest that the people are paying on the debt? I know it varies. Generally speaking, is there a figure we can use?

Mr. CONRAD. Generally speaking, we are paying between 5 percent and 6 percent on the debt of the United States.

Mr. BYRD. Is that the people's money?

Mr. CONRAD. That is the people's money, the people's money that we are paying to service the people's debt.

Again, I wish to be very clear. I agree with the President absolutely when he says it is the people's money—absolutely that is true. It also happens to be the people's debt. It also happens to be the people's Social Security and the people's national defense and the people's education.

The thing that worries me the most—I have been reading David Stockman's book, "The Triumph Of Politics." I hope every Member of this body will read that book before we vote on the budget. It goes back to 1981 when we had a massive tax cut, massive increase in spending for defense, and we put this country in a deficit ditch from which it took us 17 years to get out. We exploded the national debt, quadrupled the national debt.

That could happen again. Back in the 1980s we had time to recover. This time there is no time to recover because this time the baby boomers start to retire in 11 years. Back in the 1980s we had 17 years to get well. It took tax increases, it took spending cuts, it took tremendous political will to change the fiscal

course of the country, to get us back on track. But, make no mistake, this time there is no time to get well because the baby boomers start to retire in 11 years. If we get it wrong this time, that debt will eat our country alive.

I wish every Member could have heard the briefing we got from the Comptroller General of the United States, who warned us, who alerted us to where we are headed with debt. Yes, we have a surplus now. That surplus is temporary, and we are headed for big debt. We can either dig the hole deeper before we start filling it in—which is a very attractive thing to do because that means we all get to vote for a massive tax cut. I am advocating a tax cut, about half as big as the President's. But I think we all should be alert to what we are facing.

Mr. BYRD. Madam President, will the distinguished Senator yield further?

Mr. CONRAD. Yes.

The ACTING PRESIDENT pro tempore. The Senator from West Virginia.

Mr. BYRD. How much of this money, the people's money—the people of the United States—how much of that money that is being paid for interest on the debt is going into the pockets of foreign holders of these securities? What percent?

Mr. CONRAD. I do not recall the exact percentage that foreign debt holders have. It is interesting; I looked at those numbers last week, but as I am getting older, my mind retains things less well. Although I look young, I am aging rapidly.

Mr. BYRD. Is it not sufficient to say that a considerable amount of this money, which the Senator and I would probably agree is something like 40 percent—40 percent of these securities are held by foreign countries—

Mr. CONRAD. The Japanese and Germans and the Belgians—the Belgians have a lot of this debt.

Mr. BYRD. The Japanese are foremost; Great Britain is second.

Mr. CONRAD. Yes.

Mr. BYRD. I believe China is fourth or fifth or sixth; China.

This is the people's money, isn't it, that we are talking about? The Senator is trying to reduce that interest on the debt by reducing the debt. We are talking about the people's money. He is trying to save the people the people's money.

And a lot of it is going overseas. The interest that is paid on the debt, 40 percent of it, is not of securities held by Americans but by peoples overseas. Is that what we are saying?

Mr. CONRAD. That is exactly, in part, what we are saying. This debt is real. It is there. It is growing. We are paying interest on it.

One of the things we learned in the 1980s is it really works to reduce deficits and reduce debt. Alan Greenspan alerted us to this and Secretary Rubin alerted us to this, by saying: Look, when you are paying down debt instead

of building debt, you take pressure off of interest rates because it means the Federal Government is borrowing less money. When we borrow less money, that means there are fewer people in there competing for the funds to loan. That means interest rates are lower. That means the economy is stronger. That means our competitive position in the world is better. That means we have stronger economic growth.

In fact, I remember Secretary Bentsen saying for every 1 percent we are able to reduce interest rates, that lifted the economy by over \$100 billion because of the debt burden taken off the economy.

That is a bigger assistance to the American economy and American tax-payers than any tax cut we are contemplating around here.

Mr. BYRD. That is a real tax cut, isn't it? The equivalent of a real tax cut?

Mr. CONRAD. It is a real tax cut. It is a real cut in costs for Americans. It is a real lift to the economy. It is something that puts us in a much stronger competitive position. It puts us in a much stronger position when the baby boomers start to collect on their Medicare and Social Security because the country is then in a stronger financial position to deal with those liabilities.

Mr. BYRD. And that is a tax cut that is across the board, isn't it? It is across the board; it benefits everybody.

Mr. CONRAD. It benefits every taxpayer.

Mr. BYRD. Madam President, will the distinguished Senator yield further for a question?

Mr. CONRAD. I am happy to yield.

Mr. BYRD. Our time is short. We are about to use all of our hour. Let me ask the distinguished ranking member of the Budget Committee this question. First of all, I assume the Budget chairman's mark will include budget instructions. When does the ranking member expect to receive from the distinguished Budget Committee chairman information concerning the resolution that the chairman intends to send to the Senate without its being marked up by the Budget Committee?

Mr. CONRAD. The chairman of the committee has not told me that. After I asked him last week to reconsider the decision not to hold up a markup, he told me he would give me a final answer today. I still retain some hope that he will permit a markup in the committee.

Mr. BYRD. Yes. I hope so also.

I ask the distinguished ranking member of the Budget Committee, inasmuch as the budget resolution will contain instructions, the distinguished ranking member asked this Senator to move to strike those instructions; am I correct?

Mr. CONRAD. That is correct.

Mr. BYRD. If the resolution were marked up in committee, I assume the same motion would be available there.

Mr. CONRAD. It would. It would require a simple majority in the com-

mittee. When we get out here on the floor, as the Senator well knows, we have a different situation.

Mr. BYRD. I believe that the motion to strike even on the floor would require only a majority vote.

Mr. CONRAD. That is correct; on a motion to strike. As the Senator knows, we may face a series of different parliamentary circumstances both in the committee and on the floor, and the test, based on the parliamentary circumstance we face, may be different in the committee rather than on the floor. On the motion to strike, the Senator is correct.

Mr. BYRD. Let me ask this question: The committee is required to report the Budget Committee resolution no later than April 1, which will fall on a Sunday. So it would be April 2. Does the Senator contemplate that on April 2 it is the plan, as having been announced I think by the majority leader, that the Senate would proceed to the consideration of that budget resolution on that day or does the ranking member contemplate that the committee chairman might give us an extra day by not reporting the matter to the Senate, or at least by helping us to get consent to delay that for a day so we can study the resolution?

Mr. CONRAD. First of all, I am still retaining some hope that the chairman of the committee will go to markup in the committee. I really believe that is the right thing to do. Failing that, the Senator is exactly right. The Budget Committee is discharged on April 1, so we could have a budget resolution on the floor on April 2.

I hope that in the spirit of comity and bipartisanship we are permitted some time to review what the Budget Committee chairman will offer before we are expected to debate it and discuss it on the floor of the Senate, amend it, and vote on it—we would have an opportunity to review it.

Mr. BYRD. If the plan of the majority in the Senate is to complete action on the budget resolution by the end of next week, that would mean, would it not, that the Senate would have completed action on the budget prior to the submission of the budget by the President to the Senate, which I understand now is going to be on April 9, the first day of the 2-week Easter break?

If that is the case, what are the disadvantages to Members of the Senate as they act on a Budget Committee resolution without any knowledge other than what we have seen in this blueprint, which I hold here in my hand, of the President's—this is the outline, "A Blueprint For New Beginnings"—outline of his budget?

We don't have any idea, of course, what the President is going to recommend in filling out this bare skeleton outline, what kind of a position—I realize it was 1993 when the Senate acted on a budget resolution prior to the submission of the budget by the

President. That was a far different situation. What are some of the differences between the situation then and the situation now?

Let me preface that question by saying that last week the very distinguished chairman of the Budget Committee, for whom I have a very high regard, came to the floor and, in response to a statement I made on the floor, indicated that the budget resolution in 1993 was reported to the Senate and was acted upon by the Senate before the President of the United States had submitted his budget to the Senate.

That is one of the things about which I and others have been complaining. That is what is going to happen now.

The schedule, as I understand it, is that we are going to be acting on the budget resolution. It will be reported from the committee without a markup in committee, and, after the 50 hours have run their course, the Senate will act on the Budget Committee resolution. I complained about that.

The distinguished Senator from North Dakota pointed to the fact that the Senate had acted on the budget resolution in 1993 prior to the submission to the Senate and to the House of the President's budget. But there were very important differences. One was that in 1993 the Budget Committee marked up its resolution in committee before that resolution was sent to the floor. That is a very important difference.

The distinguished chairman of the committee, Mr. DOMENICI, said last week that we should consider the 1993 action on the budget resolution, prior to the submission to Congress by the President of his budget, to be a role model.

But I add, if that is going to be the role model, we should also have a markup prior to the committee reporting that budget resolution to the Senate, because the Budget Committee reported the resolution in 1993 to the Senate, did it not? If that process is going to be the role model, why not include that? I think it should be included.

What does the ranking member have to say about that, and what are some of other differences that confronted the Senate at that time with what we are going to be facing here?

Mr. CONRAD. The Senator may recall, I was here in 1993, as was the Senator from West Virginia. The Senator from West Virginia, as always, was in a critical role in the Appropriations Committee. I was serving on the Budget Committee.

There are a series of differences from 1993. First of all, the budget outline we had from that President was far more detailed than the budget outline we have from this President.

Mr. BYRD. That is correct.

Mr. CONRAD. We had a good deal of detail from that administration with respect to their recommendations to us on how much money we should spend on various items—what the tax base of

the Federal Government should be; what we should be doing with respect to the deficits.

There was really a rather detailed outline that is, frankly, missing from what we have been sent so far this year.

When you think about it, it is really a very odd circumstance. Not only did we have a full markup in the Budget Committee at that time, so that when it got to the full Senate they had guidance, they had a blueprint for the administration that had substantial detail, and they had full detail from the Senate Budget Committee.

What they are proposing this year is little detail from the President and no help from the Senate Budget Committee: Let's just put the budget of the United States out here. It is going to be chaotic because you don't have substantial guidance from the President; you have none from the Senate Budget Committee. There is going to be a free-for-all out here.

When they say 1993 should be a role model for what we should do now, there is no comparison. There is no "there" there.

Mr. BYRD. Madam President, will the Senator yield?

Mr. CONRAD. I am happy to yield.

The ACTING PRESIDENT pro tempore. The Senator from West Virginia.

Mr. BYRD. This is a 10-year plan that we are being told will be encompassed in the budget resolution of this year. Was that a 10-year plan in 1993?

Mr. CONRAD. No. That was a 5-year plan. That was a 5-year plan; this is a 10-year plan. And, of course, that means the whole basis for the plan is even more uncertain.

Now, I tell you, I used to have to project the revenue for my State. That was one of my jobs. I had to do it for 30 months—30 months. That was very difficult to do. The truth is, nobody can foretell 10 years into the future. There isn't a soul who knows what is going to happen—what we are going to face in terms of international conflict, what we are going to face in terms of natural disaster, what we are going to face in terms of a health threat, what we are going to face in terms of what this human genome research is going to mean to medical costs. There isn't a soul who can tell us today what we are going to face in terms of international threats, in terms of requirements for our military.

There isn't a soul who knows, with any certainty, what is going to happen for 10 years. Yet we have people who are betting the entire farm—I am from North Dakota. That is a phrase we use. We talk about betting the farm. You don't bet the farm in a cavalier way. And that is what is happening. We are betting the farm on a 10-year forecast that the forecasting agency itself says has only a 10-percent chance of coming true.

Mr. BYRD. Madam President, will the Senator yield further?

Mr. CONRAD. Yes.

The ACTING PRESIDENT pro tempore. The Senator from West Virginia.

Mr. BYRD. The Senate will be contemplating, in the consideration of the budget resolution this year, a massive tax cut. As one who had an important role in writing the Budget Reform Act of 1974, I had no inkling—young men dream dreams and old men have visions—I never had any dream or a vision at that point that we would ever use the Budget Committee resolution, that process, for increasing or for cutting taxes.

The idea was to bring about a resolution that would contemplate income and outgo in such a way that we would balance the budgets. We would have control over spending, control over outgo, and manage the income and the outgo in such a way that we would balance the budget. We never contemplated using that process—which is a beartrap because of its limitations on time for debate and on amendments—we never contemplated it would be used in the manner that it is being used and has been used more recently. The idea was to manage our affairs in such a way that we would keep our budgets balanced. We would balance the budgets.

That is not the case. The budget resolution, the budget process is going to be used now to bring about a huge tax cut. That is not going to balance the budget. That was not contemplated when we wrote that law. But is that not another major difference between the actions that were taken in 1993 with reference to the budget resolution and the actions that are being contemplated now?

Mr. CONRAD. Well, the Senator is quite right. What is being contemplated now is to use this special process that avoids the rules of the Senate called reconciliation. The reconciliation process was designed to reduce deficits. That is the whole purpose it was put in place. That was back in the time when we had massive red ink, running huge deficits, again, because of what happened in the 1980s, which I am very much fearful we could repeat this year. So a special provision was put in place back at the time that the Senator has addressed, a special procedure that avoided the rules of the Senate, that circumvented the rules of the Senate; and it was designed for one reason, which was to reduce deficits. And now it is being used to expand debt. It is standing the whole purpose for reconciliation on its head.

I conclude by saying we are talking about coming to the floor to do a budget resolution before we ever receive the President's budget. This is the point the Senator from West Virginia was making. We have received an outline from the President. It does not have much detail in it—a lot of pages but not much detail about where the money is supposed to go. We have not yet received the President's budget. Yet we are talking about the Senate passing the budget resolution for the

year before ever seeing the President's budget.

It makes no sense at all. It makes no sense. It seems to me we should spend that week—instead of debating a budget when we have never seen the President's recommendations—to provide for a stimulus package so that we are dealing with the immediate weakness in the economy and then come back to this longer term plan that the President proposes after we have seen the President's budget.

Mr. BYRD. Madam President, will the Senator yield to me, finally?

Mr. CONRAD. Yes.

The ACTING PRESIDENT pro tempore. The Senator from West Virginia.

Mr. BYRD. Would the Senator take the few remaining minutes under my control and sum up the points that have been made here this morning as to the differences between what the Senate was confronted with in 1993 and what we are being confronted with today anent the budget resolution and the budget process? There are several items. Will the Senator sum them up?

Madam President, how much time do I have remaining?

The ACTING PRESIDENT pro tempore. The Senator has 2 minutes remaining.

Mr. BYRD. I thank the Chair.

Mr. CONRAD. Madam President, I would be happy to try to sum up by saying, first of all, the chairman of the Senate Budget Committee told us last week he does not intend to mark up the budget in the Budget Committee. We urge him to reconsider. We urge him to have a public markup in which there is debate, discussion, and votes so that the Budget Committee meets its obligation and responsibility.

No. 2, when talking about 1993—because some have said, well, this is what happened in 1993; that we did not have the budget from the President before we wrote a budget resolution on the floor of the Senate—the differences are quite clear. In 1993, the Senate Budget Committee marked up fully a budget. No. 2, we had a good deal more detail from the President in 1993 in terms of functional totals, in terms of what each of the areas should get or what kind of cuts they could expect.

We do not have that this time. So now, in 2001, we do not have the Budget Committee doing a markup. At least that is what the chairman so far has said. We hope he will reconsider. We do not have the level of detail we had in 1993. So what is about to happen is really quite remarkable. We are going to have the Senate write a budget resolution without ever seeing the President's budget and without the Budget Committee ever doing its job to write a budget and to mark it up.

I thank the Chair and yield the floor.

Mr. BYRD. I thank the distinguished ranking member of the Senate Budget Committee. I assume that consumes all of the time on this side.

The PRESIDING OFFICER (Mr. ROBERTS). The Senator's time has expired.

Under the previous order, the Senator from Wyoming, Mr. THOMAS, or his designee is recognized for 1 hour.

SCHEDULE

Mr. THOMAS. Mr. President, today the Senate will be in a period of morning business until 12 noon. Following morning business, the Senate will resume consideration of the campaign finance reform bill, with Senator WELLSTONE to be recognized to offer an amendment. At 2 p.m. the Senate will begin consideration of S.J. Res. 4, a constitutional amendment regarding election contributions and expenditures. Debate will continue for up to 4 hours, with the vote scheduled at 6 p.m. Any votes ordered in relation to the amendments to the campaign finance reform bill will be stacked to follow the 6 p.m. vote this evening.

I thank the Chair.

LEGISLATIVE ISSUES

Mr. THOMAS. Mr. President, we have been consumed over the last week, and will be for the remainder of this week, with campaign finance reform, an issue that has been about for some time and has been stressed by a number of Members of the Senate. I have indicated before that, certainly, it is an important issue. However, it is time we complete that issue, as there are many others that probably are of more importance to most people than that of campaign finance reform. Nevertheless, that is the commitment.

It has been an interesting debate. It will continue to be an interesting debate. I am hopeful we will come up with some kind of a proposition when it is over and not have wasted the entire 2 weeks discussing the various aspects of it.

This evening we will hear the introduction of the Hagel proposal, of which I am an original cosponsor. It is an important issue to be debated, one that deals with campaign finance reform more clearly than does the floor bill, which is the McCain-Feingold approach. One has to make a decision as to whether or not they want the Federal Government to be managing elections or whether, under the Constitution, elections should be comprised primarily of freedom of speech and an opportunity for people to participate. In terms of elections, it would be wrong if we found ourselves in a position of seeking to limit the opportunities for people to express themselves.

The Hagel bill, which he will discuss in great detail, deals with the most important aspect of campaign finance reform; that is, disclosure. Whenever dollars are given to a candidate for the purpose of election, they are disclosed, disclosed immediately so voters can then determine for themselves whether they think that is a legitimate expenditure or not.

The bill also provides for an increase in the level of hard money that goes to

candidates. That was set in law in the 1970s. It has not been changed since that time. Obviously, the amount of money represented in the 1970s through inflation is not nearly as expansive as it is today. It changes that. It also puts a limit on soft money.

I am hopeful that when the bill comes forward we will be able to discuss an alternative which I believe is a more reasonable alternative than the one that has been discussed. Then we can move on to some items of dire importance: Obviously, taxes—giving people an opportunity to keep more of their own money. When we find American taxpayers paying more today than they have ever paid in history as a percentage of gross national product, paying more now than they did in World War II, that doesn't seem appropriate. Where should the money go? It should go back to the people who have paid it in.

We will also be discussing the economy, an issue that needs to be talked about immediately. We will be talking about the opportunity of tax relief to assist in strengthening the economy. I am sure we will be talking more clearly about the idea of putting some money back into the economy more immediately, some \$60 billion that is in surplus of this year's needs for the budget and could be placed back into the economy in some method or other.

Those are topics that need to be debated.

We say education is an issue that means more to people than any other individual subject. We ought to be talking about that. We ought to be talking about the Elementary and Secondary Education Act. We ought to be debating whether or not Federal dollars for education ought to be designated in terms of where they go by the Federal Government, or should they be sent to local and State governments to decide for themselves where their needs are.

I am from Wyoming. Certainly, the needs in Chugwater, WY, are different from those in Pittsburgh, PA. We ought to have the opportunity and the flexibility to send those dollars there.

Certainly, we need to be discussing preserving Social Security as we have in the past, making sure those dollars are there. We need to be talking about paying down the debt, which we have an opportunity to do now. We ought to be discussing doing something with health care to provide more availability for people all over the country.

There are many topics we ought to be debating, and hopefully we will be able to move to those. One of them, of course, is energy and the environment. We now find ourselves in a position of facing great difficulty with energy, made more visible and accentuated by the problems existing in California.

The California problems are not necessarily typical of energy concerns throughout the country. Indeed, many of them have been brought on by some unusual efforts in terms of electric deregulation in which California chose to