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PRELIMINARY CBO ESTIMATE OF THE BUDGETARY EFFECTS OF H.R. 4070, THE SOCIAL SECURITY PROTECTION ACT OF 2002—Continued

[* * * Preliminary and Unofficial * * * (Tentative conference)]

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	5-yr. 2003–07	10-yr. 2003–12
Denial of Title II benefits to fugitive felons and persons fleeing prosecution:												
Social Security benefits (off-budget)	-2	-28	-42	-53	-57	-59	-62	-64	-66	-68	-182	-501
Medicare		-7	-12	-17	-21	-24	-25	-26	-28	-29	-57	-189
Title III. Attorney fee payment system improvements												
\$75 cap (indexed) on attorney assessments in Title III: Proprietary receipts (off-budget) ^a	5	23	24	25	27	28	30	32	31	33	104	258
Title IV. Miscellaneous and technical amendments												
Application of waiver authority to demonstration projects initiated before sunset date: Social security benefits (off-budget)				(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
Funding of \$1-for-\$2 demonstration projects: Social Security benefits (off-budget)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
Treatment of 'individual work plans' as qualifying plans for purposes of Work Opportunity Credit: Revenues ^a	-1	-1									-2	-2
Limited exemption to duration-of-marriage requirement for survivor benefits where deceased worker had been barred from divorcing institutionalized spouse: Social Security benefits (off-budget)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
Permission for Kentucky to operate divided retirement systems:												
Social Security revenues (off-budget)	1	1	2	2	2	3	3	4	4	5	8	27
Other revenues (on-budget)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
Social Security benefits (off-budget)		(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	1		1
60-month employment requirement for exemption from Government Pension Offset: Social Security benefits (off-budget)	0	0	-1	-2	-4	-8	-15	-26	-49	-80	-7	-185
Total, direct spending and revenues (effect on deficit)	5	-13	-33	-49	-57	-66	-75	-88	-116	-147	-147	-639
On-budget	2	-6	-12	-17	-21	-24	-25	-26	-28	-29	-64	-186
Off-budget	3	-7	-21	-32	-36	-42	-50	-62	-88	-118	-93	-453
SPENDING SUBJECT TO APPROPRIATION												
Limitation on administrative expenses, Social Security Authorization	8	6	4	4	4	4	5	5	5	6	27	51

Assumed enactment date: December 2002. Based on draft language dated November 18, 2002 (1:45 p.m.). Estimates are subject to further review by CBO and JCT.

^a = Less than \$500,000.^a Under current law, the Social Security Administration approves and pays attorney fees to successful Title II claimants and retains 6.3 percent to cover its processing costs. CBO expects receipts from that fee (which are recorded as negative outlays) to climb gradually from \$30 million in 2002 to \$55 million in 2012. Thus, a reduction in those receipts is depicted as a positive outlay.^b Estimate provided by Joint Committee on Taxation.

AN EMBARRASSING COP-OUT

Mr. KERRY. Mr. President, the Senate should be embarrassed at what we are about to do. It is amazing to me, with the country facing so many important challenges, and a slow economy to boot, that the Senate would consider adjourning for the year without passing the spending bills to fund the Government for the next 11 months. We are putting off until January decisions that should have been made months ago—and as a result, many Government agencies at the Federal, State, and local levels will not see the additional money they have been promised until next spring. That is halfway through the fiscal year.

Let's be clear about what is happening. The Federal Government will spend nearly \$2 trillion this year. Yet we have not passed the appropriations bills because the administration objects to \$9 billion in spending. We are about to pass a continuing resolution that runs through mid-January because the President objects to \$9 billion—less than one-half of 1 percent of Federal spending. And his own party supports much of that spending.

I ask my Republican friends, do they think it will be much easier next year to push through significant spending cuts? Of course not. When offered the opportunity to vote no on spending bills, my Republican friends generally don't. We as Democrats must begin to blow a hole in this ridiculous myth that somehow Republicans don't like spending. They like spending just fine. They may claim to be for smaller government and lower spending, yet Republicans in the Senate have supported appropriations bills more than 85 percent of the time since they first took control in 1995. More and more, the differences between the parties are not over major spending decisions, because almost everyone here votes for all the spending.

The main difference between the parties is that Democrats want to pay for the spending, while Republicans are content to borrow from our children to pay for it. Today's GOP believes in the "free lunch" that we were all taught didn't exist. Future generations will suffer as a result.

What does a long-term CR actually mean for the American people? To start, a long-term CR would undermine the war on terror by denying nearly \$40 billion in additional homeland security funds requested by the President. It would delay billions of dollars in planned increases to ramp up the Coast Guard and the Customs Service, hire hundreds of Border Patrol agents, bolster State and local antiterrorism programs, and step up other domestic security programs. The 11,000 FBI agents who are supposed to be combating the war on terrorism will have to wonder whether they have the necessary resources to fight that war. Many of the requirements of the Transportation Security Act require large expenditures, such as explosive detection equipment at airports—but the money won't be there. The Customs Service will have to defer the scheduled hiring of more than 600 agents and inspectors to serve at the Nation's high-risk land and sea points of entry. The President's budget promised \$3.5 billion in new money to "first responders," but those essential funds for emergency workers have not been approved. Thousands of emergency grants for fire departments, communications equipment, emergency operations centers, you name it—these items cannot be funded at fiscal year 2002 levels.

Or take education. The National Conference of State Legislatures has announced that States face a cumulative \$58 billion budget deficit. Many States are already cutting public education funding, and many others are poised to do so—making inaction by the Federal Government extremely costly to our

kids. Passing a long-term CR will delay increases in funding for critically important education programs such as the title I program and the Individuals with Disabilities Education Act, making it difficult for school districts to plan their budgets for the upcoming school year. The President's budget promised \$3.5 billion in new money to "first responders," but that money for emergency workers hasn't been approved.

Here is what's fascinating. Not a single Republican Senator up for election said they were for less education spending. They all talked about education as a top priority and voiced their support for the No Child Left Behind Act we passed last year. But who are they kidding? Public schools trying to implement the changes required by the law need more funding. For the GOP to support the law that authorizes the spending, but then object to the spending itself, is the height of hypocrisy.

Or take veterans programs, or Federal research spending. If a long-term CR is approved, it would shortchange veterans by funding Veterans Administration medical care at \$2.5 billion less than what is needed to meet their needs. The 4-million veterans who rely on the VA for their health care will have to worry if that care will be available to them. And the Director of the National Institutes of Health has said that he might have to scale back bioterrorism research grants.

Now, we aren't living in a vacuum here. Like many others, I would like to find ways to slow the growth in Federal spending, and I have several ideas for doing so. But this year, the differences are so small relative to the budget that inaction is simply unacceptable.

And here is what's worse. The Republicans, who exhort us to be mindful of how we are spending "the people's