

at the data that the OMB provided the Budget Committees along with the OMB's Mid-Session Review of the Budget, the Center on Budget and Policy Priorities calculated that \$3.9 trillion of that 10-year surplus has evaporated, and that the Administration seeks an additional \$1.3 trillion in tax cuts and spending increases over the same period. Thus, by the OMB's own numbers, in the past 17 months, we have dissipated nearly all of the surplus for the decade to come.

Putting the receipts of the Social Security Trust Funds aside, last February, the OMB's baseline projections showed the Government running surpluses throughout the decade. This month, the OMB policy projections show the non-Social Security budget running deficits through 2012, and probably for decades thereafter.

Thus, instead of reducing the Federal debt, we are adding to the debt that our children's generation must pay. Instead of saving for the future, we are consuming future resources for ourselves.

The causes and solutions to these circumstances are simple to see, although clearly, amassing the political will to act on them is far less simple to do. Plainly, last year's tax cut was too large, and the Government is spending too much. To meet our obligations to our children's generation, we should address both failings.

By the OMB's own numbers, fully 38 percent of the reduction in surplus over the coming decade results from last year's tax cut. Two-fifths of our problem results from that tax cut.

Now that the fiscal realities have come home to roost, we should reevaluate future tax cuts. This is not to say that we should require anyone to pay higher taxes than they do now. To contribute mightily to our fiscal responsibility, we do not need to raise people's taxes higher than they pay now. If we simply keep future, additional tax cuts that benefit the highest income brackets from taking place, we would go a long way toward balancing the budget.

According to Citizens for Tax Justice, if we simply froze tax rates for the top 1 percent of the income scale, it would save almost half of the loss to the Treasury from the tax cut in future years, once the tax cut is fully phased in. Citizens for Tax Justice estimates that \$477 billion of last year's tax cut will go to the top 1 percent of the income scale. That's an average tax cut of \$342,000 each for taxpayers in that category, over the decade to come. And while the well-off have received some of those tax cuts already, as have most taxpayers, fully 80 percent of the tax cuts for the top 1 percent are scheduled to take effect in years after this year—most after 2005. There is still time to correct this unbalanced tax cut, without raising anyone's tax rates higher than today's.

Additional discipline is needed not only on the tax side, but also on the spending side. According to OMB's new

numbers, spending for this year, fiscal year 2002, is up 11 percent over last year's levels. And as we have not enacted caps for 2003, we are at great risk of continuing these unsustainably large increases in spending into the future.

Some have pointed to the fight against terrorism as reason enough for such spending levels. But we cannot make the fight against terrorism bear the vast weight of the entire Government's spending.

We should not exempt military spending from its due scrutiny, but I do not propose that we constrain military spending alone. We should constrain both military and domestic spending. We need to put some constraint on spending levels, or they will continue to add to the Federal debt.

The Federal Government's budget is obese. We can exercise some willpower now and cut back our consumption, or the doctors will put us on a far stricter diet later. And surely the credit markets and the economy will be a rigorous doctor. We delude ourselves if we imagine that the need to cut back will not come.

As my colleagues are aware, I have twice come to the floor this year to offer amendments to extend the spending caps in the budget law, on June 5 with Senator GREGG and on June 20 with Senator CONRAD. Although neither effort obtained the necessary 60 votes, the Gregg-Feingold amendment received 49 votes, and the Feingold-Conrad amendment received 59 votes. And between the two amendments, 91 Senators have voted for caps of one duration or another.

To paraphrase George Bernard Shaw, we as a Senate have established that we are for caps. We are just haggling over the price.

I assert to my colleagues that caps at any level are better than no caps at all. We must have some restraint, or the Government will grow beyond any limit.

We need to strengthen our budget process, to get the Government out of the business of using Social Security surpluses to fund other Government spending.

That is a goal with a long and bipartisan history. In his January 1998 State of the Union address, President Clinton called on the Government to "save Social Security first."

That is also what President George W. Bush said in a March 2001 radio address, that we need to, in his words, "keep the promise of Social Security and keep the Government from raiding the Social Security surplus."

We should stop using Social Security surpluses to fund the rest of Government because it is the moral thing to do. For every dollar that we add to the Federal debt is another dollar that our children must pay back in higher taxes or fewer Government benefits.

Our children's generation will not forgive us for our failure of fiscal responsibility. History will not forgive us, if we fail to act.

The task before us is plain. We must restrain future tax cuts, and we must restrain future spending.

The task before us is not too difficult for us to achieve. We saw in the 1990s that when the Government balanced its budget, invested in education, and regulated business sensibly, it combined to lower interest rates, bolster consumer and investor confidence, and help the economy grow. We can do that again.

We are not the first generation who has been asked to live with sacrifice. And the sacrifices that are asked of us are by far not the hardest with which generations have lived.

All parents want the best for their children. Let us act on behalf of our children not just as individuals, but as a generation, as well. Let us return to fiscal discipline. And let us restore to our children's generation the freedom to choose their own future.

#### IN MEMORIAM: DEORA BODLEY

Mrs. BOXER. Mr. President, I would like to take this opportunity to share with the Senate the memory of one of my young constituents, Deora Bodley, who lost her life on September 11, 2001. Ms. Bodley was a 20-year-old college student when the flight she was on, United Airlines Flight 93, was hijacked by terrorists. As we all know, that plane crashed in a Pennsylvania field, killing everyone on board.

Ms. Bodley grew up in San Diego, CA. As a high school student, she visited local high schools to discuss HIV/AIDS with her peers. She volunteered with the Special Olympics and a local animal shelter. Chris Schuck, her English teacher at La Jolla Country Day School, recalls "Deora was always thinking big and going after big game."

At the time of her death, Ms. Bodley was studying psychology at Santa Clara University. She coordinated volunteers in a literacy program for elementary school students. Kathy Almazol, principal at St. Clare Catholic Elementary, recalls Ms. Bodley had "a phenomenal ability to work with people, including the children she read to, her peer volunteers, the school administrators and teachers. We have 68 kids who had a personal association with Deora."

In the words of her mother, Deborah Borza, "Deora has always been about peace." At the tender age of 11 years, Deora wrote in her journal, "People ask who, what, where, when, why, how. I ask peace." A warm and generous person, Deora was a gifted student and a wonderful friend. Wherever she went, her light shined brightly.

Deora's father, Derrill Bodley, of Stockton, CA, feels her life was about "getting along" and sharing a message of peace. Her 11-year-old sister Murial recalls Deora taught her many things and says, "Most of all she taught me to be kind to other people and animals. I cherish the memories of my sister and

plan to work hard in school and in everything I do so she can be proud of me like I was of her."

None of us is untouched by the terror of September 11, and many Californians were part of each tragic moment of that tragic day. Some were trapped in the World Trade Center Towers. Some were at work in the Pentagon. And the fates of some were sealed as they boarded planes bound for San Francisco or Los Angeles.

I offer today this tribute to one of the 51 Californians who perished on that awful morning. I want to assure the family of Deora Bodley, and the families of all the victims, that their fathers and mothers, sons and daughters, aunts, uncles, brothers and sisters will not be forgotten.

#### ELECTIONS IN MACEDONIA AND MONTENEGRO

Mr. McCONNELL. Mr. President, the people of Macedonia and Montenegro will participate in parliamentary elections on September 15 and October 6, respectively. Given recent history in that region, the successful conduct of these polls is in the security interests of both the United States and all of southeastern Europe.

Free and fair elections in Macedonia could serve as the beginnings of a new chapter for that country. It was only last year that ethnic grievances in Macedonia turned violent, resulting in deaths, casualties, and thousands of internally displaced persons and refugees. While on the mend, successful elections could prove to be a critical milestone for both the people of Macedonia and the international community.

A major challenge for the Government of Macedonia and all political parties is to earn the trust and confidence of the electorate before the first ballots are cast. Let me be clear: there is no room for election chicanery and violence.

The Government of Macedonia should be aware that the Foreign Operations Subcommittee, on which I serve as ranking member, increased fiscal year 2003 funding provided to the Assistance for Eastern Europe and Baltic States, SEED, account. The subcommittee has suggested that additional funds be provided to Macedonia—over and above the administration's request, but our continued support will be gauged by the successful conduct of the September polls.

In Montenegro, I am troubled by Parliament's recent amendments to the election and public information laws, and the method by which these changes were made. In the past, Parliament utilized a process of consensus and agreement when deliberating election-related issues, which helped create a democratic and stable framework for contentious polls. Last month, the majority coalition in Parliament disregarded past practices and the technical advice of the international com-

munity and muscled through changes to the laws. Such heavy-handedness undoubtedly sours the preelection environment, and raise suspicions and political tensions.

The amendments to the laws are equally troubling, particularly for the ethnic-Albanian community whose reserved seats in Parliament were reduced from five to four. The majority coalition in Parliament empowered themselves to appoint members to national and local election commissions, permitting total and partisan control over the electoral process. Further, changes to the laws prohibit pollwatchers to question or challenge officials on the conduct of the poll on election day, and private media is banned from accepting paid advertising from political parties.

Let me close by strongly encouraging the State Department, along with the OSCE, to take appropriate actions to ensure free and fair elections in Montenegro. I will continue to closely follow developments in that region, as well as the reports and updates issued by the International Republican Institute and the National Democratic Institute.

#### IN MEMORIAM: NICOLE CAROL MILLER

Mrs. BOXER. Mr. President, I take this opportunity to share with the Senate the memory of one of my young constituents, Nicole Carol Miller, who lost her life on September 11, 2001. Ms. Miller was a lovely 21-year-old college student when the flight she was on, United Airlines Flight 93, was hijacked by terrorists. As we all know, that plane crashed in a Pennsylvania field, killing everyone on board.

Nicole's memory lives on in the hearts of those she loved. She took great joy in life and exemplified this with her wonderful outlook and tenacious personality. Nicole's radiant smile could light up a room and she energized those around her. She knew how to be an outstanding friend.

Nicole was blessed with two families. Her father and stepmother, David and Catherine Miller of Chico, California and her mother and stepfather, Cathy and Wayne Stefani, Sr., of San Jose, California.

In her father's words, "She had that sweet baby quality. She could make you smile and forget your troubles for a little bit." Friend Heidi Barnes describes Nicole as "very friendly and welcoming. She had a big heart and it was open to everyone."

She lived in San Jose, CA, with her mother and stepfather, Cathy and Wayne Stefani, Sr. She attended local schools and graduated from Pioneer High School in 1998. A talented softball player during all four years of high school, Nicole won a college softball scholarship during her senior year. Even though she had never been a competitive swimmer, she tried out for the Pioneer High swim team as a freshman and made the team.

At the time of her tragic death, she was a dean's list student at West Valley College in Saratoga, working part-time and weighing whether to transfer to California State University at Chico or San Jose State University.

Nicole is survived by her mother, Cathy M. Stefani; stepfather, Wayne Stefani, Sr.; father, David J. Miller; stepmother, Catherine M. Miller; and her siblings, Tiffney M. Miller, David S. Miller, Danielle L. Miller, Wayne Stefani Jr., Joshua R.D. Tenorio, and Anthony D. Tenorio.

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Thank you. I yield the floor.

#### IN MEMORIAM: ROBERT B. PENNINGER

Mrs. BOXER. Mr. President, I would like to take this opportunity to share with the Senate the memory of one of my constituents, Robert Penninger, who lost his life on September 11, 2001. Mr. Penninger was 63 years old when the plane he was on, American Airlines Flight 77, was hijacked by terrorists. As we all know, that plane crashed into the Pentagon, killing everyone on board.

Robert "Bob" Penninger grew up in Chicago, IL. He earned a Bachelor of Science degree in Electrical Engineering at Purdue University and received a Masters Degree in Business Administration from Northeastern University. After graduating from college, he married his wife Janet and they raised their daughter, Karen, in Massachusetts. At the time of his tragic death, Bob was working as an electrical engineer for the defense contractor BAE Systems in Rancho Bernardo, CA, and was returning home from a business trip on September 11.

Mr. Penninger lived life to the fullest and is greatly missed by all who knew him. His wife, Janet, recalls, "Bob was always willing to help everyone he met. He was a great storyteller and he always had a smile on his face and a cheery hello for all." Mr. Penninger enjoyed motorcycle trips with his wife and friends. He also loved taking his 1999 Electric Green Cobra Mustang convertible to car shows, where he won many trophies.

Kit Young lived next door to Penninger for eight years and remarked, "Bob brought a lot of joy to this neighborhood. He developed a special relationship with my 11-year-old