

in poor health and need it the most. It would also provide much-needed momentum for the more comprehensive reform that is still needed. Equally important, it would not increase Federal spending—because of offsets—impose new or expensive requirements on individuals, employers, or States, or create new Federal layers of bureaucracy.

This measure enjoys wide bipartisan support in Congress and from a host of organizations, including the National Association of Manufacturers, the U.S. Chamber of Commerce, the National Governors Association, the American Medical Association, the American Hospital Association, Independent Insurance Agents of America, and the Consortium for Citizens with Disabilities. Virtually every medical group in the country has endorsed the bill and the House passed it by an overwhelming vote of 421 to 2.

I want to commend Senators KENNEDY and KASSEBAUM for their outstanding leadership in bringing us this conference report. They have been tenacious and steadfast when it would have been understandable if they had just called it a day and moved on. It is a sound, targeted, market-based reform measure that will make it easier for millions of Americans to change jobs without the fear of losing their health coverage.

I must say that I share the disappointment of Senators DOMENICI, WELLSTONE, SIMPSON and others that their amendment guaranteeing parity of coverage for mental and physical conditions was dropped by the conference committee. I sincerely hope that the next Congress will again take a close look at mental health coverage and reconsider giving it parity. Too many citizens have mental health conditions that not only affect their personal lives, but also lower their productivity and lead to serious physical problems. This results in higher costs to the health care system and to employers.

While this bill does not make all the necessary changes we need in the health care system, it does make a series of valuable reforms that will make a discernible difference in the lives of millions of our citizens. It does so without interfering with those parts of the system which work and without taking away the ability of States to implement their own reforms. If we learned anything from the health care debate in 1994, it is that our system must be reformed gradually and incrementally. The Health Insurance Reform Act before us is an example of the kind of incremental changes that can be enacted step-by-step in a bipartisan, collegial manner. Hopefully, this will serve as a model for future legislative reforms to our health care system and prompt the two sides of the aisle to seek more ways of working together for the betterment of the Nation.

Again, I congratulate the managers of this bill and am proud to lend my support.

I thank the Chair and yield the floor. Mr. PRESSLER addressed the Chair. The PRESIDING OFFICER. The Senator from South Dakota.

#### THE 104TH CONGRESS

Mr. PRESSLER. Mr. President, I was pleased to participate in an event this morning which summarized the events of the 104th Congress up to this date. It has been a very productive Congress.

This Congress is near the end of passing a major health reform bill which will provide for portability of insurance. It will also provide that a person with a preexisting condition gets certain considerations.

This Congress passed the first major welfare reform legislation since 1963 to initiate "workfare" and to help both the taxpayers and truly deserving welfare recipients.

This Congress also passed a major telecommunications reform bill—a sweeping bill that will create jobs and moves us into the wireless age.

In addition, this Congress passed the freedom to farm bill which will end some of the bureaucracy and costliness of the farm program, helping both taxpayers and farmers, and will usher us into a new age of deregulated agriculture.

The 104th Congress also passed several other bills of great note making the last 18 or 19 months probably the most productive of any 18 or 19 months that I have seen in the recent history of Congress.

I think that this fiscally responsible approach this Congress has taken has resulted in a prosperity and a confidence in the business community across the country. The business community knows that there is an effort to balance the budget, and we are moving closer to it. The business community knows that we have a Congress that is deregulatory in its intentions in legislation and that it wants to have a balanced budget and a sound fiscal policy.

But there is one more step that this Congress must take, and that is to pass legislation that will fully achieve a balanced budget.

I have been very proud to be associated with the Domenici budget here in the Senate. I proudly voted for it last year. It is a fair budget. It saves Medicare and Medicaid for our senior citizens. It move us to a real balanced budget with real numbers by the year 2002.

Mr. President, the national debt has spiraled upward to more than \$5 trillion. Twenty years ago it was \$524 billion—only about one-tenth of what it is today. The annual interest on the debt now exceeds \$340 billion. It is unfair to us and especially to the future generations of taxpayers to allow the debt to continue on this course.

While the Congressional Budget Office recently revised its deficit estimate for fiscal year 1996 downward to \$130 billion, one needs to be careful to note the true sources of this deficit re-

duction. As pointed out by the distinguished chairman of the Senate Budget Committee, Senator DOMENICI, a large part of the decline was a result of greater fiscal restraint by Congress, which blocked a number of White House spending proposals. Further, the deficit is expected to be lower due to revised technical assumptions and revisions in economic forecasts.

Though this represents progress, let us not kid ourselves. We certainly do not have a settled fiscal policy that will bring an era of unceasing deficits to an end. As the Congressional Budget Office has warned,

... the retirement of the baby-boom population starting about 2010 will put severe pressure on the budget. CBO projects that, if spending and revenue policies are not changed, deficits and debt will soar to unprecedented levels in the following 20 years.

In response to this situation, Mr. President, I have supported and voted for measures that slow the growth of Government across the board. I also voted for the constitutional amendment to balance the budget and line-item veto authority for the President. I am pleased the line-item veto is now law. Yet the most important vote I cast in this Congress was for the Balanced Budget Act of 1995. This bill would achieve a balanced budget in 7 years, reform the costly welfare program, preserve Medicare for seniors, and reduce the tax burden on American families and small businesses. Regrettably, President Clinton vetoed the Balanced Budget Act. This is unfortunate. Each day we fail to pass a balanced budget, we add the cost of doing so on the next generation.

Mr. President, despite last year's veto, I am proud that the Senate continues to move forward in our efforts to achieve a balanced budget. Just a few months ago, we adopted a budget resolution for fiscal year 1997 that maintains our commitment to balance the budget by 2002. If we stick to this plan, we will achieve a \$5 billion budget surplus in the year 2002 and, for the first time in decades, bring about a reduction in the national debt.

In addition, this resolution calls for much-needed reforms in the areas of welfare and Medicaid while continuing to allow the programs to grow at a fiscally responsible pace. This budget plan would maintain our commitment to low-income families, seniors, college students, and small businesses.

I am especially concerned with preserving and strengthening the Medicare Program. My mother is a senior citizen. I will be a senior citizen as well in the not-too-distant future. Under the Senate plan, Medicare would increase at an annual rate of about 6.2 percent—nearly twice the rate of inflation. Spending for each Medicare beneficiary would increase from \$5,200 per person today to \$7,000 per person in 2002. Just as important, we would preserve Medicare for years to come, and quality health care would continue to be provided to those seniors who need it.

Finally, our budget plan calls for tax relief in the form of a permanent, \$500-per-child tax credit for families. Millions of middle-class families across the Nation would benefit from this measure. A family with two children, for example, would be given the opportunity to invest or spend as they see fit the \$1,000 that otherwise would have been paid to the Federal Government. This is the way it ought to be. This is a true middle-class tax cut. In fact, the tax credit would be phased out for unmarried individuals with incomes over \$75,000 and couples with incomes over \$110,000.

Mr. President, not many days remain in the 104th Congress. I sincerely hope that before we adjourn, this Congress and the President will be able to agree on legislation to assure a balanced budget by 2002. Our Nation's economic future and the quality of life for the next generation depend on a balanced budget. We must not lose sight of this goal and we must not delay. I urge my colleagues to give their full support for legislation to implement this budget and to push forward in our efforts to ensure economic growth, more job opportunities, a higher standard of living, better opportunities for our children, and a country free from ever-increasing debt.

#### TRIBUTE TO SOUTH DAKOTA NATIONAL GUARD 57TH TRANSPORTATION DETACHMENT

Mr. PRESSLER. Mr. President, it is with a great sense of pride that I rise to pay special tribute to Capt. Andy Gerlach, Pfc. Jess Berg, Specialist Travis Nelson, Sgt. Alan Kludt, Sgt. Glenn Nordemeyer, Specialist Fred Emmetsberger, Sgt. Jim Aarstad, and my nephew Specialist Steve Pressler. These eight dedicated South Dakotans are members of the South Dakota National Guard 57th Transportation Detachment. Today, they will return to South Dakota after having been the only Guard unit from South Dakota called to serve as part of the peace-keeping mission in and around Bosnia. The 57th Transportation Detachment was called to active duty in December 1995 with the primary responsibility of supporting rail operations in Bamberg, Germany. The 57th coordinated the movement and transportation of military personnel, materials, equipment, and supplies to Bosnia.

Mr. President, all South Dakotans are proud of these eight outstanding guardsmen. As a Vietnam veteran, I have deep respect and high admiration for these young men. I am sorry I cannot be in Brookings, SD, personally to welcome them home and see them reunited with family and friends. The men of the 57th have done their duty to their country with professionalism and dedication. South Dakotans always have been ready to answer their country's call to duty. The men of the 57th are a shining example that Americans stand ready to defend the interests of

their Nation and their values. I am confident the 57th will continue to serve South Dakota and our Nation in an equally outstanding manner in the future.

#### NATIONAL DEFENSE AUTHORIZATION ACT

Mr. WARNER. Mr. President, I rise to speak on behalf of the 1997 defense authorization bill. I am privileged to serve on the committee with the distinguished chairman, Mr. THURMOND, of South Carolina, and the distinguished ranking member, Mr. NUNN, of Georgia, and I wish to compliment them, together with their senior staffs, for putting together an excellent bill and conference report. It is my hope and expectation that conference report will be voted on favorably by this body very shortly.

Mr. President, as we deliberate this bill, let us put ourselves in any of 10 places beyond the shores of this country where men and women of the Armed Forces are standing guard, or actually in some instances basically looking down the rifle bore of a potential enemy, but standing guard and taking those risks in the cause of freedom.

It is for that reason I so fervently hope this body turns to the defense authorization conference report and passes it this afternoon such that it can go on to the President from the Senate and the House and receive the President's signature and be enacted into law.

This conference report goes a long way towards ensuring that our Armed Forces will remain capable of meeting the many challenges that lie ahead. Let me dwell on that for a moment—challenges that lie ahead. Today, we have the finest equipment for the men and women of the Armed Forces, but it takes basically 10 years, 10 years from the drawing board until the next generation of weapons systems are delivered by the American industrial base. And we are proud to have in this country the finest industrial base in the world. But it will take them 10 years from drawing board to delivery to the men and women of the Armed Forces.

Our actions today ensure that those young men and women today barely in their early teens will have that equipment when they, hopefully, volunteer to assume their role on the ramparts not only of this country but across the world to achieve freedom.

To achieve this goal the conferees had to add \$11.2 billion to the Clinton administration budget request. We concentrated those additional funds on just that, providing the research and the development, from the drawing board to providing the funds for the production lines all across the America for airplanes and ships and missiles, trucks, tents, and the like for our men and women of the Armed Forces 10 years hence.

Earlier today I had the opportunity to talk by phone to Secretary of De-

fense Perry. We discussed his mission to Saudi Arabia. Deep in the hearts of every person in this Chamber is the sadness for the loss of life due to terrorism—make it clear, Mr. President, terrorism—when those barracks were maliciously partially destroyed by a truck bomb.

The Secretary advised members of the committee that he is taking steps to ensure greater security for those troops, and, indeed, that requires moving from their present quarters to places elsewhere in Saudi Arabia. But that is what this money is for.

I must point out, however, that even with the funding added by the conferees, this year will mark the 12th straight year of declining defense budgets. The funding level in the fiscal year 1997 conference report represents a real decline of \$7.4 billion from last year's bill. Just 12 months ago this Chamber acted on that piece of legislation and already there has been that significant depreciation in the spending level for the Department of Defense. To all of our critics I say that we have not increased defense spending. This bill merely lessens the rate of decline.

As I stated, U.S. troops are currently deployed in 10 separate military operations overseas. Despite the end of the cold war, we are calling on the men and women of the Armed Forces at an ever increasing rate to endure more and more separation from families. What a joy for Members of this Chamber to go home in the evening and join their wives and their children, and for millions and millions of other Americans wherever they may live. But so often the man or the woman in uniform is deployed beyond our shores and separated from that which he or she regards most precious in life—their family. They do that, as volunteers, so that we can have the exercise of free speech and all the other many blessings that this country enjoys.

Despite the end of the cold war, we are calling on these men and women, again, to take more and more deployments abroad. It is our responsibility, then, to provide our troops with adequate resources so they can effectively and, I underscore, Mr. President, safely—not only effectively, but safely—perform their missions. We must not now, tomorrow, or ever send them into harm's way without the best possible equipment.

The conference report which passed the House last night and is currently waiting Senate action provides for our troops, not only by adding desperately needed funding for the procurement, which I have addressed in the R&D, but also by funding vital quality-of-life initiatives such as the 3-percent pay raise for our troops, enhanced military medical benefits, and almost \$500 million of budget requests for construction of improved quality-of-life housing, both for families and single troops.

Just remembering back in my own lifetime, having had the privilege to serve in uniform, the pay raise is particularly very important, particularly