there may be a time in the future that I would support him in seeking a waiver of the point of order, but I cannot support the idea of an exemption. So we could never get to that part of the process.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The clerk proceeded to call the roll.

Mr. LAUTENBERG. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUTENBERG. Mr. President, I ask the manager of the bill whether he is going to ask for the yeas and nays for the purpose of tabling the motion.

If that is the end of the discussion, I am happy to yield back the remainder of my time.

Mr. KEMPTHORNE. Mr. President, an inquiry. Is it now in order for me to move to table the amendment?

The PRESIDING OFFICER. The Senator from New Jersey has yielded back his time. It would be in order for the Senator to do so.

Mr. LAUTENBERG. Mr. President, I yield back the remainder of my time.

Mr. KEMPTHORNE. I move to table the amendment and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. GLENN. Mr. President, just to make this certain so that everybody knows and they know it in the offices also, it was understood that the vote on this would occur in the morning, if a rollcall vote is requested.

The PRESIDING OFFICER. That is correct, the agreement was that the vote will be not prior to 10 in the morning. If the Senator would propound a unanimous-consent in that regard.

Mr. GLENN. Mr. President, I ask to set the pending amendment aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEVIN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LEVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GRAMS). Without objection, it is so ordered.

AMENDMENT NO. 177, AS MODIFIED

(Purpose: To clarify use of the term ''direct cost'')

Mr. LEVIN. Mr. President, I first ask unanimous consent that I be allowed to modify amendment No. 177.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The amendment is so modified.

Mr. LEVIN. I thank the Chair. I believe the majority has a copy of that modification.

Mr. President, I believe the modification is at the desk now.

The amendment, with its modification, is as follows:

On page 14, line 19 strike ''expected''.
On page 22, line 12 strike ''estimated''.
On page 22, line 22 strike ''estimated''.
On page 23, line 2 strike ''estimated''.
On page 23, line 5 strike ''estimate'' and ''full''.
On page 24, line 8 strike ''estimated''.
On page 24, line 15 strike ''estimated''.

Mr. LEVIN. Mr. President, I think it is also required that I ask unanimous consent that the Senate return to consideration of amendment No. 177.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEVIN. Mr. President, this amendment may seem like a technical amendment, but it has substantive ramifications to it. There are eight places in the bill where the term ''direct costs'' is used, and that is a very critical term in the bill. But in five of those eight instances, there are some adjectives which are used which confuse the bill. For instance, sometimes it is referred to as ''estimated direct costs,'' even though the word ''estimate'' is already in the definition of direct costs in the definition section.

Once it is referred to as ''expected direct costs.'' Another time it is referred to as ''full direct costs,'' which raises an implication about, well, on those other occasions when you refer to direct costs, are they something other than full direct costs.

So in order to clear up these ambiguities and potential problems with those times direct costs is referred to in the bill, this amendment strikes the adjectives which I have indicated which are in the amendment and just simply leaves the words ''direct costs.'' That would then be as defined in the definition section of the bill.

I understand that the floor managers will accept this amendment. It is, frankly, a good reason why it is important that we take some time to make sure this bill is as clear as can possibly be achieved, and while there has been some suggestion by some that there has been an effort to delay this bill, there is no effort that I know of to delay this bill. The effort is being made to improve this bill in a number of very important ways, to clarify the bill where there are ambiguities, and this is one instance where there are ambiguities which need to be cleared up.

I believe the managers of the bill concur in this and, if so, this does not require a rollcall vote, as far as I am concerned. I yield the floor.

The PRESIDING OFFICER. Is there further debate?

Mr. KEMPTHORNE addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. KEMPTHORNE. Mr. President, we view this as a technical amendment which eliminates several redundancies in the language of the bill, as the Senator from Michigan pointed out. Because the term ''direct costs'' is defined to mean aggregate estimated amounts, there really is no need for the word ''estimated'' to be used elsewhere in the bill with the term ''direct costs.'' Therefore, this amendment strikes such usage.

This side of the aisle is ready to accept this amendment. Again, we appreciate the Senator from Michigan for his efforts.

Mr. GLENN addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. GLENN. Mr. President, once again, I think the Senator from Michigan has shown his dedication to making this a good piece of legislation by going into some of the details and defining before we pass this, and correcting some of the things that might give trouble a little later on or that could be misinterpreted.

I want to congratulate him on that, and I am glad it has been accepted on the other side. We are happy to accept it on this side, also.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to amendment No. 177, as modified.

The amendment (No. 177), as modified, was agreed to.

Mr. KEMPTHORNE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

Mr. KEMPTHORNE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Will the Senator withhold for a moment?

Mr. KEMPTHORNE. Mr. President, I withhold.

HOW TO BALANCE THE FEDERAL BUDGET

Mr. GRAMM. Mr. President, we have heard recently requests from a number of colleagues and the President for an explanation of exactly how those of us who support the balanced budget amendment to the Constitution propose to achieve that goal after the States have ratified the amendment.

Frankly, the demand for details has come from some of the same individuals who opposed the balanced budget constitutional amendment when it was considered last year and it is my belief that no matter how detailed a plan was presented, they would find fault with it.

However, I do believe it is worth demonstrating to my inquiring colleagues that there is a specific, legislative path that we can follow in order to balance the Federal budget—S. 149, the Balanced Budget Implementation Act, which I introduced on January 4 of this year, the first day of the 104th Congress and which I originally introduced on February 16, 1993, as S. 377.

The legislation outlines the procedures necessary to bring the Federal

budget into balance, including such reforms as a requirement that the annual budget resolution be signed into law by the President, the implementation of zero-based budgeting which requires the reauthorization of most current Federal spending programs in order for them to remain eligible for funding; the application of the Social Security spending formula to other entitlement programs; and an extension to the year 2002 of the limits placed on discretionary spending. These requirements will be enforced with 60-vote points of order and other mechanisms.

This is the path to a balanced budget. I hope those of my colleagues who have requested such guidance will join me in following it.

I ask unanimous consent that a more detailed explanation of the legislation be printed at the conclusion of my remarks.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

BALANCED BUDGET IMPLEMENTATION ACT—OUTLINE

(By Senator Phil Gramm)

A bill to require and implement a balanced budget by the year 2002.

TITLE 1.—REQUIRE A JOINT BUDGET RESOLUTION TO FORCE JOINT ACTION BETWEEN CONGRESS AND THE PRESIDENT

(A) Joint resolution on the Budget: To remedy the lack of cooperation and coordination between the President and Congress resulting from the Congressional Budget and Impoundment Control Act of 1974 which created two budgets—one Executive and one Congressional—the Balanced Budget Implementation Act converts the present concurrent resolution on the budget into a joint resolution on the budget which must be signed by the President, ensuring joint Congressional and Executive branch consensus on and commitment to each annual budget.

TITLE 2.—ZERO-BASED BUDGETING & DECENNIAL SUNSETTING

(A) For FY 1996 and FY 1997, Congress must re-authorize all discretionary programs and all unearned entitlements: The Balanced Budget Implementation Act adopts President Carter's zero-based budgeting concept, mandating that before FY 1996 begins, the spending authority for all unearned entitlements, and the spending authority for the most expensive one-third of discretionary programs will expire. Entitlements earned by service or paid for in total or in part by assessments or contributions shall be deemed as earned, and their authorization shall not expire. Entitlements not sunsetted include Social Security, veterans benefits, retirement programs, Medicare and others. Before FY 1997, the spending authority of the remaining discretionary programs will expire.

Specifics

By the beginning of FY 1997, all unearned entitlements and discretionary programs will be subject to re-authorization. If a specific unearned entitlement or discretionary program is not re-authorized in a non-appropriations bill, it cannot be funded and will be terminated.

(B) Unauthorized programs cannot receive appropriations: The Balanced Budget Implementation Act creates a point of order in both Houses against any bill or provision thereof that appropriates funds to a program for which no authorization exists.

Specifics

Such point of order can be waived only by the affirmative vote of 3/5ths of the whole membership of each House. Appeals of the ruling of the Chair on such points of order also require a 3/5ths affirmative vote of the whole membership of each House.

A 3/5ths point of order shall lie against any authorization that is contained in an appropriation bill.

(C) All discretionary programs and unearned entitlements must be reauthorized every ten years: In the first session of the Congress which follows the decennial Census reapportionment, the spending authority for all unearned entitlements and the most expensive one-third of all discretionary programs will expire for the fiscal year that begins in that session. In the second session of that Congress, the spending authority for the remaining discretionary programs will expire for the fiscal year that begins in that session. This provision will be enforced by the points of order contained in Section B) above.

TITLE 3.—LIMIT THE GROWTH OF ENTITLEMENTS TO THE GROWTH RATE OF SOCIAL SECURITY

(A) The Balanced Budget Implementation Act adopts President Bush's proposal to limit the aggregate growth of all entitlements other than Social Security to the growth rate formula of Social Security for the period FY 1996 to FY 2002: The aggregate growth of all entitlements other than Social Security is limited to the growth rate formula of Social Security, which is the consumer price index and the growth in eligible population.

(B) The Balanced Budget Implementation Act provides flexibility in the growth rate of entitlement programs: An individual entitlement program can grow faster than the overall entitlement cap as long as the aggregate growth in all entitlements (other than Social Security) does not exceed the entitlement cap.

(C) From FY 1996 to FY 2002, the aggregate spending growth cap on entitlements will be enforced by an entitlement sequester: The Balanced Budget Implementation Act provides that if aggregate spending growth in entitlements exceeds the total growth in consumer prices and eligible population, an across-the-board sequester to eliminate excess spending growth will occur on all entitlements other than Social Security. A 3/5ths vote point of order lies against any effort to exclude any entitlement from this sequester. This sequester would be in effect until Congress passes legislation which brings the entitlement program back within the cap, and the President signs the bill.

TITLE 4.—ESTABLISH FIXED DEFICIT TARGETS, RESTORE AND STRENGTHEN GRAMM-RUDMAN, AND REQUIRE A BALANCED BUDGET BY 2002

(A) Restore the fixed deficit targets of Gramm-Rudman (GR) enacted by President Reagan: The Balanced Budget Implementation Act modifies the existing GR maximum deficit amounts and extends the GR sequester mechanism to balance the budget by FY2002 and annually thereafter.

The Fixed deficit targets established for the next seven fiscal years will result in a balanced budget by the fiscal year 2002:

Fiscal year:	*Billions*
1996	$145
1997	120
1998	97
1999	72
2000	48
2001	24
2002	0

The new maximum deficit amounts will be enforced by the existing GR deficit sequester. After reaching a balanced budget, the GR sequester mechanism will become permanent to ensure the budget stays in balance.

(B) Strengthen the GR points of order: The Balanced Budget Implementation Act requires the strengthening of the existing GR budget points of order.

Specifics

A point of order will lie against all actions that 1) increase the deficit or 2) increase the limit on national debt held by the public beyond the deficit levels required in Section A & B (above). This point of order will lie in both Houses, and may be waived only by a 3/5ths vote of the whole membership of each House. An appeal of the point of order can only be waived by a 3/5ths vote. No rule in either House can permit waiver of such a point of order by less than 3/5ths affirmative vote of the whole membership of such House nor can such point of order be waived for more than one bill per vote on such point of order.

Once the budget is balanced, all points of order will become permanent to ensure the budget stays in balance.

(C) Protect Social Security: Social Security will be protected fully by 1) preserving the existing points of order to protect the Social Security trust fund; an 2) providing expedited procedures in 2002 for consideration of additional legislation to balance the budget excluding the Social Security Trust Fund.

(D) Extend the Discretionary Spending Caps: President Clinton proposed extending the existing caps on total discretionary budget authority and outlays to cover the fiscal years 1999 and 2000. That cap will be extended to also apply to the fiscal year 2001 and 2002, at the same level of President Clinton's proposed extension.

Outlays

Fiscal year:	*Billions*
1998	$542.4
1999	542.4
2000	542.4
2001	542.4
2002	542.4

(E) Look Back Sequester: In the last quarter of every fiscal year, a ''look back'' sequestration is required to eliminate any excess deficit for the current year. This look back sequester will guarantee that the actual deficit target set for that year is achieved.

Specifics

On July 1 of every fiscal year, the Office of Management and Budget (OMB) will order an initial look back sequester based on the most recent OMB deficit estimates. On July 15, the OMB Mid-Session Review will update and finalize the sequester order. The final order will stay in effect unless offset by appropriate legislation to bring the deficit into compliance with that year's target.

APPOINTMENTS BY THE MINORITY LEADER

The PRESIDING OFFICER. The Chair, on behalf of the minority leader, pursuant to Senate Resolution 105, adopted on April 13, 1989, as amended by Senate Resolution 280, adopted October 8, 1994, announces the following appointments and designations to the Senate Arms Control Observer Group:

The Senator from West Virginia [Mr. BYRD] as minority administrative cochairman; and

The Senator from Georgia [Mr. NUNN] as cochairman for the minority.

Mr. GLENN. Mr. President, I suggest the absence of a quorum.