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Senate

(Legislative day of Wednesday, February 22, 1995)

The Senate met at 9:45 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. The prayer this morning will be offered by the Reverend Dr. Ernest R. Gibson, pastor of the First Rising Mount Zion Baptist Church, Washington, DC.

PRAYER

The guest Chaplain, the Reverend Dr. Ernest R. Gibson, pastor of the First Rising Mount Zion Baptist Church, Washington, DC, offered the following prayer:

Let us pray:

*When I consider thy heavens, the work of thy fingers, the moon and the stars, which thou hast ordained; What is man, that thou art mindful of him? and the son of man, that thou visitest him? For thou hast made him a little lower than the angels, and hast crowned him with glory and honour. Thou madest him to have dominion over the works of thy hands; thou hast put all things under his feet. * * * O Lord our Lord, how excellent is thy name in all the earth!*—Psalm 8:3–6, 9.

Lord, Thou hast given to us, Your human creatures, such awesome responsibilities. Be near unto Your servants here in the Senate when the burden is especially heavy. Lord, give peace in times of confusion, comfort in times of anxiety, and direction in times of doubt. May Thine own power and spirit be in Your servants so that as they exercise dominion over things Thou hast placed in their care, may ''Thy will be done.''

In the name of Him who taught us to pray, ''Thy will be done in earth, as it is in heaven.—Matthew 6:10. Amen.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business for not to extend beyond the hour of 11 a.m., with Senators permitted to speak therein for up to 5 minutes each.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The acting majority leader is recognized.

SCHEDULE

Mr. GRAMS. Mr. President, for the information for my colleagues, this morning the time for the two leaders has been reserved and there will now be a period for the transaction of routine morning business until the hour of 11 a.m., with Senators permitted to speak for up to 5 minutes each, with the following Senators to speak for up to these designated times: Senator DASCHLE for 20 minutes; Senator SIMPSON, 20 minutes; Senator LAUTENBERG, 10 minutes; Senator BURNS, 15 minutes.

At the hour of 11 a.m., the Senate will resume consideration of House Joint Resolution 1, the constitutional balanced budget amendment. Under the unanimous-consent agreement, Senators will have until 3 o'clock today in order to offer their amendments to the resolution.

There will be no rollcall votes during today's session of the Senate. Senators should be on notice that any rollcall votes ordered on amendments today will be ordered to occur stacked in the sequence of votes beginning at 2:15 on Tuesday, February 28.

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

The PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BURNS. 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.

Under the previous order, the Senator from Montana [Mr. BURNS] is recognized to speak for up to 15 minutes.

DEFENSE BUDGET AND BRAC

Mr. BURNS. I thank the Chair.

Mr. President, I rise today not only in support of the balanced budget amendment, but also to bring the attention of this body to some activities and some events in this Government that I find very disconcerting.

As we look at the budgets of the different organizations and programs this Government sponsors, and is charged to do so, I am concerned about the defense budget. It has been cut far too deeply, far too soon, as we have put too much focus, maybe, on some of the domestic issues and are too hesitant to look at the future security of this country.

The defense budget is constantly being raided for unrelated purposes, research and development programs are shortchanged, and even the procurement of weapons has been neglected. The cost is a collapse of near-term readiness and, of course, what I fear probably we are moving toward is a hollow force. So far, the administration and the Congress have not been willing to spend enough to maintain a well-prepared military force.

Defense advisers to President Clinton acknowledge that the Pentagon is some $49 billion short of the amount needed to fund their planned force for fiscal years 1996 through 2001. GAO, the General Accounting Office, determined the shortfall was actually $150 billion over that same period.

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

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The numbers all point to the same thing—an ill-trained, underequipped, and demoralized U.S. military force.

It is time to restore America's military strength and readiness. Obviously, Congress needs to look at increased funding for the military. But it also has to take a look at U.S. defense policy and how those dollars are spent. Congress needs to look at priorities, on how it is spent, on what weapons, and where we want this country to be 20 years from now, and we need to force the administration to stick to those policies.

The administration needs to examine the number and level of military commitments that U.S. forces undertake. The U.S. Armed Forces right now must have the necessary funds to fulfill the missions that they have been given.

The problem is funds that should be used for readiness have been diverted. That GAO study cites that between fiscal 1990 and 1993, $10.4 billion out of the defense budget was used for such activities as World Cup Soccer and the Summer Olympics. In the fiscal years 1990 to 1994, total defense spending fell 25 percent, while nondefense spending rose 361 percent. So it is time to put some of the priorities on how we spend those dollars back into the budget.

Just as alarming is the new trend of raiding the Defense Department's budget for ''operations other than war.'' U.S. troops involvement in U.N. peacekeeping missions around the world put an immense strain on the already tight defense budget.

President Clinton proposed spending $246 billion for defense for fiscal year 1996. It is now up to the Congress to take a serious look at the U.S. defense policy and come up with a realistic defense budget.

After years of cuts in the defense budget and a drawdown of forces, we have to look at where we are, where we should be, and where we want to be.

So the Defense Department budget has fallen steadily for 10 years since 1985. The procurement amount has fallen 65 percent over the same period. The reduction of U.S. Armed Forces generally has been too deep and, yes, too fast.

Over the last 10 years, infrastructure has only been cut 15 percent. That is compared to draconian cuts in weapons and equipment procurement, research and development, and force structure.

If the United States had maintained a realistic defense budget, we would not be looking at another round of base closings and realignments. We would have a fully ready and well-equipped military force ready to handle any eventuality.

The defense budget has been stretched too thin and now it is our bases that will pay the price. Bases around the country, bases instrumental to our national defense, will be scrutinized and possibly closed and given new missions.

Malmstrom Air Force Base, in my home State of Montana, is one of those bases that will be looked at in this round of BRAC. Malmstrom is an important cog in the base structure and is an integral part of the city of Great Falls, MT, and to the rest of the State.

It is too bad that we get mixed up in our priorities regarding this defense budget, and bases such as Malmstrom could be lost in the shuffle.

Mr. President, with a great deal of concern that I ask my colleagues to look closely at our defense policy and where our priorities lie for the Defense Department and the U.S. Armed Forces in this coming fiscal year.

Yes, we sit here and debate a balanced budget amendment and we have heard all of the-sky-is-falling fears that has come out of this debate. It will still make us set our priorities and reevaluate the mission of government and what the role of government really should be, especially at the Federal level.

I happen to believe the protection of our shores and a strong national defense is very important to the security of this country and, yes, those children of the future

Mr. President, I yield the floor.

Mr. SIMPSON addressed the Chair.

The PRESIDING OFFICER (Mr. NICKLES). The Senator from Wyoming.

Under the previous order, the Senator from Wyoming [Mr. SIMPSON] is recognized to speak for up to 20 minutes.

Mr. SIMPSON. I thank the Chair.

THE IMMIGRANT CONTROL AND FINANCIAL RESPONSIBILITY ACT OF 1995

Mr. SIMPSON. Mr. President, I return here to a familiar refrain, a theme revisited, not, as has my good friend from Montana, with regard to the balanced budget amendment or base closing. Those are critical issues we will face in these next weeks. But there is one that we will face that is rather awesome in nature, too, and that is the issue of illegal immigration.

Mr. President, on January 24 I introduced S. 269, the Immigrant Control and Financial Responsibility Act of 1995. At that time I presented to my colleagues and to the American people a rather general overview of the bill.

Today I wish to describe in greater detail one particular part of this legislation—the requirement for a new system to verify eligibility to work in the United States and to receive benefits under certain government-funded programs of public assistance.

Let me speak first about the urgent need for effective enforcement of the current law against knowingly employing aliens in U.S. jobs for which they are not authorized, and about the simple fact that such law cannot ever effectively be enforced without a more reliable system to verify work authorization. After explaining clearly why a new system is needed, I will describe to you the provisions of S. 269 which will require—no, demand—the implementation of such a system.

NEED FOR EMPLOYER SANCTIONS

Mr. President, it has been recognized for so many years—I would hunch for as long as there has been interest in the issue, and that is quite a time—that the primary magnet for most illegal immigrants is the availability of jobs that pay so much better than what is available in their home countries. It is also widely recognized that satisfactory prevention of illegal border entry is most unlikely to be achieved solely by patrolling the very long U.S. border. That border of the United States is over 7,000 miles on land and 12,000 miles along what is technically called ''coastline.'' Furthermore—and heed this or hear it—the real sea border consists of over 80,000 miles of what the experts at the Nautical Charting Division of the National Ocean Service call ''shoreline,'' including the shoreline of the outer coast, offshore islands, sounds, bays, and other major inlets. And patrol of the border is, of course, totally inadequate to deal with foreign nationals who enter the United States legally—for example, as tourists or students—and then choose openly, blatantly to violate the terms of their visa, by not leaving when their visa expires or by working at jobs for which they are not authorized.

Therefore, every authoritative study I have seen has recommended a provision such as that in the 1986 immigration reform law, making it unlawful to employ illegal aliens—those who entered the United States illegally and those violating the terms of their visa. These studies include that of the Select Commission on Immigration and Refugee Policy, on which I served over 10 years ago, and the Commission on Immigration Reform, now doing such fine and consistent work. They are doing beautiful work under the able chairman, former Congresswoman Barbara Jordan.

Such studies also recognize that an employer sanctions law cannot possibly be effective without a reliable and easy-to-use methods for employers to verify work authorization.

Accordingly, the 1986 law instituted an interim verification system. This system was designed to use documents which were then available, even though most of them were not resistant to tampering or counterfeiting. Not only that, but it is surprisingly easy and totally simple to obtain genuine documents, including a birth certificate. Thus, we believed then that the system would most likely need to be significantly improved. In fact, the law called for ''studies'' of telephone verification systems and counterfeit-resistant Social Security cards.

Unfortunately, the interim system is still in place today, over 8 years later. This is true even though—as many of us feared and which certainly came to pass—there is widespread fraud in its use.

As a result, the employer sanctions law has not been as effective in deterring illegal immigration as it could be—and should be. In the fiscal year that ended about a month before the 1986 law passed, apprehensions of illegal aliens had reached the highest level ever—1.8 million. After the law passed, there was a decline for 3 years to just over 900,000. But then the level began to rise again. The latest figure available is for the fiscal year that ended in September—1.3 million.

It is most assuredly disgraceful that, over 8 years after a law was enacted making it unlawful to knowingly employ illegal aliens, so many are still able to find work, thus still having that powerful incentive to violate America's immigration laws in doing so.

We must do better. An improved system to verify eligibility to work in this country must be implemented—in order that the enforcement tool with the greatest potential to deter illegal entry and visa abuse can produce the benefit that is required.

Mr. President, as I said in my introductory statement on the 24th, ''We must be able to assure the American people that whatever other goals our immigration policy may pursue, its overriding goal is to serve the long-term interest of the majority of our citizens.'' It is our paramount duty as legislators to serve that singular interest, and that is precisely what the goal of our immigration laws should be.

Yet no matter how successful we might be in crafting a set of immigration laws that would—in theory, at least—lead to the most long-term benefit to a majority of U.S. citizens and their descendants, such benefit will not actually occur if those laws cannot be enforced.

Effective enforcement requires effective employer sanctions, and effective employer sanctions requires an effective verification system. It is just that simple. Nothing more. And S. 269 is intended above all else to lead to a verification system that has the needed degree of effectiveness.

S. 269 would require the President to implement a new verification system—the word is ''implement''—not merely talk about it; not merely establish scores of studies to talk about it and read about it, to do it. And it imposes an 8-year deadline for the implementation.

The bill does not require that any particular form of verification be used, only that it satisfy certain criteria of effectiveness and protection for privacy and civil liberties.

It also authorizes separate 3-year demonstration projects in five or more States, so that the design of the final, nationwide system would be based not only on theory, but on what has actually been found to work in practice.

The system must reliably verify first, that the person who the applicant claims to be is authorized for the work, and second, that the applicant actually is this person.

If the system requires that a card or other document be presented it must be in a form that is resistant to tampering and counterfeiting.

Most importantly, very importantly, the bill explicitly states that no such card or other document may be required by any Government entity as a ''national ID card,'' and I have been through all that.

It is not to be required to be carried on a person. It is not to be presented except at the time to verify eligibility to work or to receive benefits under Government-funded programs of public assistance. There is a tremendous fraud in the receipt of Government-funded public assistance. We will hold hearings on the issue of SSI fraud, disability insurance fraud.

With regard to the Social Security system, people bring their relatives from another country and say they are disabled, they do not speak English, they need the help of our Government, and we, as Americans, generously respond. But that system needs careful attention. We found recently one of the applications for that particular benefit had been filed overseas, so they have figured that one out. They are beginning even to file for assistance from a foreign country, come here, take them to the agency, and say: Here is this person; they require assistance; they do not speak English; they are not well. And then they are placed in our social support system, our safety nets, the ones for our U.S. citizens. This is not what the safety net is about.

This was part of the reaction of proposition 187 in California. The document will be used only to enforce certain criminal statutes related to fraudulent statements or fraudulent manufacturer or use of documents.

Let me just share this most fascinating picture ID. I did this several weeks ago, but it is so dazzling that I thought I would do it again. Several months ago, a member of my staff was contacted by a person in California who said, ''Look, just send me SIMPSON biostatistics, and we will go from there.'' So he just went down—this is a dazzling picture of one of the most certainly attractive Members—oh, no, excuse me. This gentleman here is a very astute, wise-looking fellow. This is my California identification card, which expires on my birthday, September 2, in the year 1998. ALAN KOOI SIMPSON. My address, I have never heard of. I have never been to Turlock, CA, but the mayor has contacted me and made me an honorary citizen. I appreciated that, and I enjoyed the lovely letter. There is an address here of 4850 Royal, Turlock, CA, and included are the correct vital statistics. This is not my signature.

All right, that was obtained on a street corner in Los Angeles, at night, with $100 bill. It was illegal, of course, but someone else did it. My father always taught me, in the practice of law, ''If anyone goes to jail, be sure it is your client.'' Now, it is my Social Security card. I did block out two of the numbers, but here it actually is. This is not my number. This is a counterfeit-resistant so-called card. It has the same material in it, and so I am now in the Social Security system with somebody else's number. I do not know whose number this is. I am not sharing with you the entire number.

Now, that is just a $100 bucker, an overnighter. This document would enable me to seek public assistance in California. I could go into any public assistance agency. There is a holographic card, and this is the correct one. But if you were not careful and you were not looking carefully, you would not notice the holograph in the true card.

So this little card which is reproduced here would enable me to get social support. It would likely even enable me to vote in certain jurisdictions of California. It would certainly get me a driver's license, and it would get me into the money stream. Now, that is what is happening in your country.

It is endemic. Within 500 yards of this building, we can pick up not only these—these are minor documents, they will get a person anything—but a person can pick up passports, pick up birth certificates. So we have a cottage industry of fake documents. The documents then lead into things like Social Security and workmen's compensation, and drain away the systems of the country.

So this is what we are up to. We are going to do something with documentation. We are going to do something to people who provide these documents. We are going to see that we might use the driver's license system, the holographic system in the State of California. But we are going to see that these documents are not easily forged, and those who do forge them and produce fraudulent documents will serve big time in the big place.

Now, these are the only uses to which any form of the system might be utilized, including one not even relying on the presentation of documents—for example, a telephone call-in system. We might look into that. That is part of the recommendation. The bill also provides that the privacy and security of any personal information obtained for or utilized by the system must be carefully protected. It must be treated as highly confidential information, and not made available to any person except as is necessary to the lawful operation of the system.

Furthermore, a verification of eligibility to any person may not be withheld or revoked for any reason other than that the person is ineligible under the applicable law or regulation. The bill explicitly provides all of those protections.

So, Mr. President, in concluding, I feel so very strongly that the greatest contribution this current Congress could make toward the enforcement of

our U.S. immigration laws would be to improve the effectiveness of the current law against the knowing employment of aliens not authorized to work or even to be present in this country. The passing of a bill such as S. 269 would be a monumental step toward making that contribution.

In the coming weeks, I will make additional statements to this body, describing other provisions of S. 269 and exactly why those provisions are important. Hearings will begin at the end of that period in the Senate Subcommittee on Immigration, which I chair. And a fine group of Members are on that subcommittee, Democrat and Republican alike. I look forward to working with my ranking member, Senator KENNEDY. He and I have worked together on immigration issues for 17 years.

Hearings will be held. We will consider all other immigration reform legislation from all of my colleagues, comprehensive, bipartisan, as well as specific proposals such as this one for the accuracy of a more fraud-resistant system for issuing these documents. We have to look into the one for issuing of birth certificates and matching records. Can Senators believe we do not even match birth and death records?

I sincerely look forward to hearing the ideas of my fine colleagues on these issues. Then we will be able to avoid things that are bringing down the system, things that give rise to the power of the force of proposition 187.

It reminded me of the story of the child who was at the graveyard in a jurisdiction noted for rather shabby election processes. Pick your own State, as you might imagine. The child was crying, and the person came up and said, ''Son, why are you crying?'' And he said, ''I just learned that my dad came back to vote, and I never even saw him.''

So we do want to try to avoid that in the future, because people use these cards to vote, to vote themselves largess from the Treasury, to then draw on our resources that we taxpayers—legal taxpayers—provide. That must stop. There is a way to stop it. We propose that. I would enjoy working and will enjoy, as I always have, working with all of my colleagues on this most serious issue. We are very dedicated to this process. I intend to spend a great deal of time and effort in these next months in doing responsible immigration reform—not only illegal immigration, but legal immigration.

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

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

Mr. AKAKA. Mr. President, I ask unanimous consent that I may use time from that under Senator DASCHLE's control.

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

HEALTH CARE REFORM

Mr. AKAKA. Mr. President, last year, Congress spent an enormous amount of time considering health care reform. After the debate came to a close, after all the posturing, speeches, and amendments, we failed to produce a health care bill. The greatest disappointment of the 103d Congress was our failure to enact health care reform. Millions of Americans are without health care, millions more are underinsured, and countless others are only a paycheck away from losing health care coverage. The crisis in our health care system will simply not go away.

Thirty-nine million Americans are uninsured. Last year, an additional 1 million Americans lost health insurance. If we don't enact legislation this Congress, the number of uninsured will continue to rise. I commend the Demcratic leader, Senator DASCHLE for recognizing this dire need and for leading the U.S. Senate into the crafting of some form of health insurance for the people of America.

In Hawaii, we have solved the problems of affordability and access. Hawaii has achieved the American health care dream—near-universal health care coverage for its citizens at a cost that is 25–30 percent below the national average. For 20 years, Hawaii has maintained a model health care system. We have one of the healthiest populations in the Nation. A study by the Journal of the American Medical Association found that Hawaii has one of the lowest infant mortality rates. Deaths from chronic health problems such as cancer, heart disease, and lung disease are also among the lowest in the Nation.

Nearly everyone in Hawaii has some form of health insurance, so these life threatening conditions are detected earlier, which reduces premature death and shortens hospital visits. Because our population has ready access to a primary care physician, we use hospital emergency rooms only half as often as other States.

There is no reason why the rest of the Nation should settle for anything less than what Hawaii enjoys. Americans do not want a Band-Aid approach to health care reform. They do not want a medisave program or a savings account approach to health care. They want real, tangible health care that gives coverage when they need it. By developing a bipartisan consensus, we can take major steps to contain costs, expand choice, and increase access to care.

Hawaii has enjoyed its health care program, and we hope that we can extend this to the rest of the Nation.

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

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from New Jersey.

DEFENSE SUPPLEMENTAL APPROPRIATIONS

Mr. LAUTENBERG. Mr. President, I want to take a few minutes this morning to review and comment on action taken this week by the House of Representatives during consideration of the defense supplemental.

I am deeply concerned by the legislation that the House is sending us. It is, in my view, deficient in at least three respects.

First, it spends too much money. The administration asked for a $2.6 billion in emergency defense spending to pay for operations already undertaken in the past in Somalia, Rwanda, Bosnia, Southwest Asia, Haiti, and Cuba. The House approved that, but it also added an extra $680 million that neither the administration nor the Pentagon requested.

Even Defense Secretary Perry has said the Pentagon, and I quote him, ''has higher priority bills that should be funded first,'' and that the Pentagon would seek to reallocate money from existing defense funds in the spring to pay some of the $680 million worth of bills that the House wants to fund immediately. Since there is no urgent need for these unrequested funds, I see no reason to provide them in a supplemental.

My first point then, Mr. President, is simply the additional $680 million should be stricken out when the Appropriations Committee considers this legislation.

Second, I am not yet persuaded—and I sit on the Defense Subcommittee of the Appropriations Committee—that all of the $2.6 billion that the administration did ask for ought to be funded necessarily in the supplemental. A supplemental request is supposed to be reserved for unexpected and unanticipated exigencies. However, at least some of the administration's request appears to be for normal or routine or expected expenses, like the no-fly zone over Bosnia and Iraq, which has been underway for years. If we are to really reform the budget process, we have to prevent agencies from low-balling their initial requests because they believe they can always come back and ask for more later in a supplemental. It is kind of a habit that we have gotten into, and I do not think it is a particularly good one. We need to insist that the military, like every other agency, submit budget requests sufficient to cover predictable expenses.

And third, I am concerned about the offsets the House used to pay for this supplemental. Now, I agree that we should offset expenditures whenever

possible. Even though this request can be treated as an emergency, which would allow the spending to be added to the deficit, it makes sense to offset as much as we can. It makes sense to cancel or cut programs that are wasteful or lack merit, but I strongly object to some of the cuts that the House made.

To begin with, the House of Representatives got about half of its offsets from nondefense programs at a time when it is already moving to make deep cuts in domestic programs. We read about them every day now. The House intends to rescind about $17 billion from nondefense spending in the next few weeks. The domestic side of the budget is getting slaughtered, and I cannot justify taking money from already depleted domestic accounts to pay for defense spending when the defense budget is the only one being protected.

We ought not cut domestic programs to provide funding for defense especially when we have not examined carefully every Pentagon program. We ought to, to the extent we can, fund this internally, find the offsets within the Pentagon's own budget.

Mr. President, for many years, the defense budget was protected by a wall that prevented the Congress from raiding defense to pay for underfunded domestic programs, and some of the strongest defenders of the so-called budget wall when it protected defense now want to rip it down rather than allow it to protect domestic programs. Members of Congress who supported such a wall must recognize that it works both ways. Just as it kept money from going out of defense to the domestic budget, it should keep funds from being transferred out of domestic and into the defense budget.

So I am profoundly bothered by the notion of paying for any of this defense supplemental with cuts in nondefense spending. If offsets are necessary, the Senate ought to examine the Pentagon's budget, make tough decisions and cut funding for lower priority defense programs.

Now, I think there are plenty of low-priority programs that exist there, but if the Pentagon does not agree then the threat of internal cuts might give it an incentive to explore other alternatives, and I will give you an example. One is to have our allies pay their fair share of our costs of being represented in those countries where we help provide a defense mechanism for them as well as for the world at large.

The bill already contains over $300 million in such contributions. We can and we should get more. That is what happened in the Persian Gulf conflict, and that is what ought to happen here now as well.

But, Mr. President, if in the end we cannot find enough outside contributions or internal defense cuts to fully pay for this supplemental, then we ought to declare the remainder an emergency as the law allows.

Under the rules of the budget process and common sense, we can, if we must, say that emergency spending should be added to the deficit, and that is what the American public does when they face an emergency in their own lives; when a family member gets sick, they do not deny themselves medical care just because it has to go on a credit card. The same reasoning ought to apply to the Federal Government. And I see no reason to insist on fiscal purity in dealing with this supplemental especially when it is already mathematically unbalanced.

As Congressman OBEY, the ranking member on the House Appropriations Committee, pointed out, the supplemental the House passed is balanced only in terms of budget authority. Now, the distinguished occupant of the chair sits on the Budget Committee with me, and we clearly know the difference between outlays and budget authority.

In terms of outlays—the actual money that we spend—this supplemental adds $282 million to the deficit this year and $644 million to the deficit each year over 5 years. In terms of fiscal purity, this bill is already sullied, so that no ideological argument can be properly raised against overtly declaring some of this bill an emergency.

Mr. President, as the Senate considers the House-passed supplemental, I hope we are going to modify it in ways that I have suggested. I think it is important that the public be aware of what happens when we rely on domestic programs to fund some of the Defense Department's needs—not that each should not get its fair consideration. But too often the term ''domestic programs'' obscures the real mission that we undertake. When we see these days that child nutrition programs are being either cut or withdrawn, when we see programs for education in our country, a vital part of our development, our competitive opportunities in the future and to stabilize our society, are being cut, in many ways, Mr. President, I think the domestic programs offer us as much by way of defense of what we care about in our country as does the military budget.

So as we review this, I do not believe the argument that says we are going to weaken our defenses, we are going to reduce our strength applies. We need to build our strength in our domestic programs as well as our military programs.

Mr. President, I hope we will be able to look at this, modify our view on whether or not the House of Representatives supplemental as it is being offered is something that we should accept as is. We ought to make the changes we feel are necessary to provide for both major parts of our budget.

I thank the Chair and yield the floor.

Mr. KERREY addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. KERREY. Mr. President, I ask unanimous consent to speak on leaders' time.

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

HEALTH CARE REFORM

Mr. KERREY. Mr. President, my comments on health care begin with a thank you to the Democratic leader, Senator DASCHLE, for insisting that health care reform top our legislative agenda in 1995. It would have been easy for Senator DASCHLE to ignore an issue that has obviously gone from very hot to very cold in the wink of a political eye.

In fact, Mr. President, as I was thinking about what it was I was going to say in response to Senator DASCHLE's invitation to come here this morning, I thought of a tune that I learned in my childhood. I was, unfortunately, unable to locate the junior Senator from New York, who I am sure would have come here and sung it for me here on the floor, so I will have to resort to reading it instead of singing it. But the song goes:

Where or where has my little dog gone
Oh where oh where can he be
With his tail cut short and his ears down long
Oh where oh where can he be?

Where has the health care issue gone? Did all those uninsured Americans get coverage while I was out campaigning for reelection? Did the horror stories cure themselves? Did the market fix the whole darn thing? Or did we just grow weary of having to educate the American people on a subject too attractive for even the amateur demagogue to resist?

Last year, as we struggled against the odds, to hold together a group of Republican and Democratic Senators who saw health care reform as moral and economic imperative I said:

> In our hearts, where we are able to understand the need for health care security, and in our heads, where the numbers are calculated, we know the status quo is not acceptable.

What was true last year is even more true this year. There are still tens of millions of Americans who work but who cannot afford to bury health insurance. There is still forecast a staggering and unaffordable increase in Federal health care spending over the next 10 years. The impressive and unprecedented change in the marketplace while giving us hope that costs can be controlled has not altered the need for reform. And, the horror of job lock, lack of portability, and fear of uninsurability are still tormenting millions of our citizens.

Unfortunately for these Americans they do not represent a majority, or even a powerful enough minority. The majority are comfortably and temporarily able bodied, fully insured, and employed. And, the majority has been led incorrectly to believe that the status quo is just fine.

However, the status quo is, in fact, unacceptable, and I am encouraged that Senator DASCHLE, Senator DOLE, and other Republican and Democratic Senators continue to work for change. We must not give up this fight.

I hope we will have the courage this year to consider more than just a little change. I am encouraged by many of the things that I have heard, again from both Republicans and Democrats, about how we can alter our current Federal and our private sector programs. I hope, for example, we will consider changing the way eligibility occurs. Rather than proving that you are poor enough or proving that you are old enough or disabled enough or that you work for just the right boss, it would be better in my judgment, more efficient and simpler and fairer to simply say that if you can prove that you are an American or a legal resident, that is how you become eligible for our system.

Once eligibility occurs, however, we must make it clear that all Americans have to contribute, both financially and in a personal way to cost controls. Otherwise the system will not work.

I hope we will consider changing the rules so that health rather than health care is the goal of our system. Incentives should be present to providers and patients to become healthier and not sicker. This is particularly true for families with babies. The responsibility for care should not end after 1 day normal delivery.

I hope we reform insurance practices so that everyone can purchase health insurance regardless of health or job status, so that we make it more likely that in the long run we can achieve a system where all Americans are eligible for coverage.

I hope we reform the Government health programs, not simply by cutting payments to providers but by studying ways to provide more options to beneficiaries and allowing market forces to reduce costs, so that we make it more likely that we can achieve a system where all Americans are eligible for health coverage.

I hope we reform the Tax Code so that the self-employed have the same incentives as larger companies to purchase health insurance, so that we make it more likely that we can achieve a system where all Americans are eligible for health care.

I do hope we reform our tort system as well, so the fear of being sued does not dominate the relationship between the provider and the patient. But above all, I hope we do not forget the stories we all told last year about Americans and businesses who needed a changed system in order to have the freedom to pursue their dream without the fear of financial ruin. I intend to work and support reform that improves the current health care situation and makes it more likely that we can achieve a system where all Americans are eligible for health care. I am confident that if we continue working on this issue as a priority issue we can pass reform legislation this year that improves the short term situation and that makes it more likely that we can achieve, in the long term, a solution to the problem of access to and the high cost of health care for all Americans.

Mr. President, I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. NICKLES. Mr. President, I ask unanimous consent to speak in morning business for not to exceed 15 minutes.

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

A REGULATORY MORATORIUM

Mr. NICKLES. Mr. President, I think it is vitally important, when we are engaged in debates that we have the facts on legislative issues that come before this body. I am concerned about a statement that was made by President Clinton on Tuesday, February 21, dealing with the issue of a regulatory moratorium, a moratorium which is cosponsored by 35 or 36 Senators.

The President stated—and I will quote, ''The House will be voting on an across-the-board freeze on all Federal regulations.'' Mr. President, that is not correct. Neither the House bill nor the companion bill in the Senate freeze all Federal regulations. Our bills contain a lot of exemptions, so the President's statement is factually incorrect.

He said, ''For example, it would stop the Government from allocating rights to commercial fishermen.'' That is not true.

He said, ''It would stop the Government from authorizing burials at Arlington Cemetery.'' That is not true. It was not true in the House bill, and it is not true in the Senate bill.

Mr. President, both bills have exceptions for routine administrative action. Certainly burials at Arlington Cemetery are routine administrative actions, as well as the Government allocating rights to commercial fishermen. These are routine Government actions. Actually, we have given the President eight exceptions to the regulatory moratorium. The President's statement says that it would stop good regulations, bad regulations, and in-between regulations—all regulations. Again, that is totally, completely factually misleading and inaccurate. I am bothered by that.

I think it is fine to be engaged in the debate, and the President has the option to veto this legislation if he chooses, but when he speaks against it he has the obligation to the American people and to the Congress to give the facts. Clearly, his statements are not accurate. The President even said our moratorium would cancel the duck hunting season. Clearly, again that is not the case. It will not cancel duck hunting season. The establishment of a duck hunting season is clearly a routine administrative action.

I ask unanimous consent that a list of all the exceptions that we have in the moratorium legislation be printed in the RECORD.

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

SEC. 5. EXCEPTIONS.

(a) Section 3(a) or 4(a), or both, shall not apply to a significant regulatory action if—

(1) the head of a Federal agency otherwise authorized to take the action submits a written request to the President, and a copy thereof to the appropriate committees of each house of the Congress;

(2) the President finds, in writing, the action is—

(A) necessary because of an imminent threat to human health or safety or other emergency;

(B) necessary for the enforcement of criminal laws;

(C) related to a regulation that has as its principal effect fostering economic growth, repealing, narrowing, or streamlining a rule, regulation, administrative process, or otherwise reducing regulatory burdens;

(D) issued with respect to matters relating to military or foreign affairs or international trade agreements;

(E) principally related to agency organization, management, or personnel;

(F) a routine administrative action, or principally related to public property, loans, grants, benefits, or contracts;

(G) requested by an agency that supervises and regulates insured depository institutions, affiliates of such institutions, credit unions, or government sponsored housing enterprises; or

(H) limited to interpreting, implementing, or administering the internal revenue laws of the United States; and

(3) the Federal agency head publishes the finding and waiver in the Federal Register.

Mr. NICKLES. Mr. President, maybe somebody from the administration will read those exceptions and realize that we have given the President a great deal of flexibility and opportunity to exempt those regulations that he deems are important or necessary to protect public health and safety.

I hope he will reconsider his opposition to this moratorium. I hope my colleagues will support it because I think we have gone to great lengths to try to make sure that we would give flexibility where needed but also to stop unnecessary and expensive regulations and give us a chance to pass real regulatory reform with cost-benefit analysis to make sure benefits exceed costs.

I mention my concerns about the President's statements on the regulatory moratorium because he has also made misleading statements in regard to the budget and budget items.

The President of the United States a couple of days ago mentioned in an article that he had trimmed the Federal bureaucracy by 100,000 workers, and cut the deficit by $600 billion in his first 2 years in office.

I see similar claims by administration officials reported every day in the Washington Post and elsewhere. The public assumes these claims are correct.

Again, I think it is vitally important that we know the facts. I would like to point out to the President and our colleagues what the facts are. These numbers are also pointed out in a recent Wall Street Journal editorial because they check up on the President too. Have we reduced Federal employment by 100,000 since the President came into office? No. Since 1993 we have reduced FTE employment by 86,100. It is only if you use the baseline going back to the previous year that you can claim to have reduced it 102,500.

However, more importantly, what the President did not say is 63,500 of those 86,100 job cuts are in defense.

By 1996, projections are that we will reduce FTE employment by 156,900. Eighty-four percent of those cuts are reductions in defense. Six percent are in the Resolution Trust Corporation and FDIC because they have worked through the savings and loan mess. Therefore, 90 percent of the President's claims of Federal job cuts comes from Defense and RTC. That means we are only cutting about 15,000 in nondefense Government agencies.

So is the President really cutting the size of the Government? No. Has he cut the size of defense? Yes.

I ask unanimous consent to have printed in the RECORD an editorial by the Wall Street Journal entitled ''Numbers Game.''

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

[From the Wall Street Journal]

NUMBERS GAME

It's the season to cut government, or at least to claim to, so we perked up when we heard President Clinton declare in his State of the Union address that he had cut ''more than 100,000 positions from the federal bureaucracy in the last two years alone.''

As they say in detective work, interesting—if true. So we decided to pull out the new federal budget to check. What we discovered is that Mr. Clinton isn't lying, but he isn't telling the whole truth either. His speeches need an asterisk.

From 1993 to Fiscal Year 1996, the Clinton Administration will in fact have cut the federal government by 157,000 full-time positions. But there's a catch: 131,000 of those positions are civilian Defense jobs. Those cuts reflect the inevitable post-Cold War decline in military spending, not some brave retrenchment in the overall size of government.

There's another catch: Of the 26,000 positions to be cut from the non-Defense side of Leviathan, 9,500 come from the Resolution Trust Corp. and Federal Deposit Insurance Corp. Those two banking agencies grew like Topsy to manage the savings and loan debacle, but are now cutting back as the bailout ends. The RTC is even supposed to go out of business this year. The bottom line is that over the course of the Clinton presidency, the non-Defense, non-S&L part of the government will cut a measly 16,500 full-time positions out of some 1.2 million. In essence the domestic government is conducting business as usual.

Mr. Clinton also says he's making the federal establishment ''the smallest it has been since John Kennedy was President.'' But again, excluding Defense, total executive branch employment will be 1,181,000 in 1996. Back in 1963, when JFK was President, total non-Defense employment was a mere 861,000. Maybe that should be the 1996 goal for Republican budget-cutters; they could say they got the idea from the President.

Mr. NICKLES. One final comment, the President's statement also claims that he cut the deficit by $600 billion in his first 2 years in office. That sounds very nice. It reminds me of another quote of the President during the State of the Union where he said:

We cut over a quarter-trillion dollars in spending, more than 300 domestic programs, more than 100,000 positions in Federal bureaucracies in the last 2 years alone.

Have we cut $1 trillion in spending? That bothers me because I do not think we have seen spending decline.

The President's statement said that we cut spending over a quarter-trillion dollars. He said that in the State of the Union Address.

I would like to share with my colleagues the facts. In 1992, the last year of the Bush administration, we spent $1.380 trillion. In 1993, we spent $1.4 trillion. In 1994, we spent $1.46 trillion. Spending went up every year.

I think we too often get into this discussion of baselines, and people get lost and their eyes fog over. Spending has gone up every year. The President says he cut spending from a baseline which is projected to be higher. Did he actually cut spending? Did the President cut spending in his first 2 years? Will he cut spending in his first 4 years? Have we seen any spending cuts?

The answer according to CBO is no. The President's statement was that he reduced the deficit by $600 billion in his first 2 years of office. Where did that come from?

I will show you where it came from. CBO projected in 1993, just when President Clinton was elected—what they thought deficits would be for the next 6 years. If you add these years together, it totals $1.848 trillion.

Two years later, January 1995, CBO projected deficits of $1.287 trillion. You subtract the two and you get a little less than $600 billion. That is why the President said he reduced the deficit by $600 billion.

So we know the deficit is less than previously projected, but where did the reduction come from? Did it come from $250 billion in spending cuts? No. According to CBO—and these are not DON NICKLES' figures, they are CBO figures—if you add up all the tax and fee increases they total $262 billion. The President deserves credit for that—he did enact the largest tax increase in history. Spending reductions total $88 billion, and $213 billion in deficit reduction comes from technical reestimates, economic reestimates, and debt services.

With regard to spending reductions, in 1993 we had no spending reductions, we actually spent more than the baseline. In 1994, we had no spending reductions, we actually spent $9 billion more than the baseline. In 1995, we are going to have no spending reductions, we actually will spend $3 billion more than the baseline. In 1996, 1997, 1998, it is projected that we are going to go have some spending cuts, primarily from an extension of the freeze on discretionary spending.

So the President ends up with a total of $88 billion in spending cuts, primarily from the last two years by extending the discretionary freeze. My guess is he probably will not be President for these last 2 years, so that is an easy thing to do—that is, putting the spending cuts off until the last 2 years.

If you add the first 4 years together, you see more spending increases than you see in spending cuts in his Presidential term. We have spending increases of $9 billion and $4 billion and $3 billion, for a total $16 billion in spending increases, and we are projected next year to have spending cuts of $15 billion.

So spending actually went up under President Clinton's first term, if we give him credit for everything in his budget. He has presided over no spending cuts whatsoever—not a dime of spending cuts. This is according to CBO.

What about the balance of this $600 billion? Well, it is made up of technical, economic, and other assumptions. These are reestimates caused by lower than expected inflation or unemployment. If you add those things together—and the RTC spending less money than anticipated because we do not have as many bank failures—the technical number is $213 billion.

In the first 4 years, we have all tax increases and technical changes. That is all the deficit reduction. I am glad that we have it. I am glad that the deficit is not as bad as it was projected to be in 1993, but it is not because we cut a quarter of a trillion dollars in spending, as stated in the President's State of the Union.

We have to be factual in these debates. These numbers are taken directly from the CBO budget books. Why did they have a different baseline in 1993 and 1995? Here is the difference. I will submit this table for the RECORD so my colleagues can look at it. I do not mean to get too technical, but it is important to be factual. When you hear people talk about spending cuts we really need to be factual and give the American people the facts. I know my colleague from New Jersey said we are not cutting defense so much and that we need to keep more money in social programs. I respect that position, I just do not agree with it. I will include the chart to show what we have done in defense in the last 3 years. We cut defense in 1992 by 5 percent; in 1993 by 3 percent; in 1994 by 4 percent; in 1995 by 4 percent. So we have cut defense spending.

Mr. President, we have not cut domestic spending. Domestic spending

has increased every single year. For the last 3 years, domestic spending has gone up. In 1991, it was 7 percent; in 1992, 10 percent; in 1993, 7 percent; in 1994, 5 percent; in 1995, 5 percent. We have mandatory programs exploding in cost. The only spending category that has gone down every year is defense. Programs like the earned income tax credit have been exploding in cost. In 1991, it cost $5 billion; in 1994, it cost $11 billion; in 1997, it is supposed to cost $23 billion—almost 5 times what it cost a few years ago.

We read in the papers where the IRS is not processing tax returns because they found that the EITC is just ripe for abuse. People are filing fraudulent claims. The growth rate on the earned income tax credit, for example, was 11 percent in 1991; 55 percent in 1992; 18 percent in 1993; 22 percent in 1994; 55 percent in 1995; 18 percent is the projection for 1996. It is just exploding in cost.

I ask unanimous consent for an additional 2 minutes.

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

Mr. NICKLES. Medicaid. People are concerned about Medicaid. Look at the growth rates. In 1990, Medicaid's total cost to the Federal Government was $41 billion. In 1994, it was $82 billion; it doubled. Between 1990 and 1994, the cost of Medicaid doubled to the Federal Government, with growth rates of 19 percent, 28 percent, 29 percent, 12 percent. It has been exploding in cost.

Some people want to keep those costs climbing. That is not acceptable. We cannot afford it and the States cannot afford it. So we need to change it. When we reduce that growth rate, I am sure that we are going to have people saying that we cannot afford it. We cannot afford not to slow the growth rate of a program like that. Food stamps in 1990 cost $15 billion, and in 1994 they cost $25 billion. The growth rate since 1990 in food stamps went up 17 percent, 25 percent, 21 percent, 11 percent. That is not sustainable.

I ask unanimous consent to have printed in the RECORD all of these tables on spending.

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

CIVILIAN FTE CUTS UNDER CLINTON COMPARED TO ''BASE YEAR'' LEVELS

The Federal Workforce Restructuring Act of 1994 established a ''base'' level of civilian employment from which the Act's 272,900 FTE reduction is to be measured.

61% of the workforce cuts through 1994 have come from defense, and by 1996 defense will account for 75% of all workforce cuts. Plus, an undetermined but probably large part of these workforce ''cuts'' are gained by contracting federal work at the same or higher cost.

Through the end of FY94, employment has been reduced from the ''base'' level by 102,500 as follows:

Agency	Jobs cut	Percent of total
Defense	63,000	61
Treasury	8,800	9
Agriculture	5,800	6
All other	24,900	24
Total	102,500	100

By the end of FY96, employment will have been reduced from the base level by 173,300 as follows:

Agency	Jobs cut	Percent of total
Defense	130,800	75
FDIC/RTC	9,300	5
Agriculture	7,600	4
All other	25,600	16
Total	173,300	100

COMPARED TO ACTUAL 1993 LEVELS

74% of the workforce cuts through 1994 have come from defense, and by 1996 defense will account for 84% of all workforce cuts. Plus, an undetermined but probably large part of these workforce ''cuts'' are gained by contracting federal work at the same or higher cost.

Through the end of FY96, employment has been reduced from the 1993 actual level by 86,100 as follows:

Agency	Jobs cut	Percent of total
Defense	63,500	74
Agriculture	4,600	5
Treasury	3,800	4
All other	14,200	17
Total	86,100	100

By the end of FY96, employment will have been reduced from the 1993 actual level by 156,900 as follows:

Agency	Jobs cut	Percent of total
Defense	131,200	84
FDIC/RTC	9,600	6
Agriculture	6,300	4
All other	9,800	6
Total	156,900	100

EXECUTIVE BRANCH EMPLOYMENT

[Changes from ''Base'' Levels—Numbers are in thousands, except percentages]

	Base*	1993	1994	1995	1996
FTE Employment					
Defense	931.3	931.8	868.3	834.1	800.6
Veterans Affairs	227.0	229.1	227.7	224.4	224.4
Treasury	166.1	161.1	157.3	161.4	162.2
Agriculture	115.6	114.4	109.8	108.9	108.1
Interior	79.3	78.1	76.3	76.3	76.2
Transportation	70.3	69.1	66.4	65.2	64.4
Health and Human Services	64.5	65.6	62.9	62.3	61.4
NASA	25.7	24.9	23.9	23.3	23.2
Tennessee Valley Authority	19.1	17.3	18.6	16.6	16.4
GSA	20.6	20.2	19.5	16.9	15.5
FDIC/RTC	21.6	21.9	20.0	16.3	12.3
All other	414.1	405.3	402.0	412.1	417.2
Total executive branch	2,155.2	2,138.8	2,052.7	2,017.8	1,981.9
Cumulative Change From Base					
Defense		0.5	(63.0)	(97.2)	(130.8)
Veterans Affairs		2.1	0.7	(2.6)	(2.7)
Treasury		(5.0)	(8.8)	(4.7)	(3.9)
Agriculture		(1.2)	(5.8)	(6.7)	(7.6)
Interior		(1.2)	(3.0)	(3.0)	(3.2)
Transportation		(1.2)	(3.9)	(5.1)	(5.9)
Health and Human Services		1.1	(1.6)	(2.2)	(3.1)
NASA		(0.8)	(1.8)	(2.4)	(2.5)
Tennessee Valley Authority		(1.8)	(0.5)	(2.5)	(2.7)
GSA		(0.4)	(1.1)	(3.7)	(5.1)
FDIC/RTC		0.3	(1.6)	(5.3)	(9.3)
All other		(8.8)	(12.1)	(2.0)	3.1

EXECUTIVE BRANCH EMPLOYMENT—Continued

[Changes from ''Base'' Levels—Numbers are in thousands, except percentages]

	Base*	1993	1994	1995	1996
Total executive branch		(16.4)	(102.5)	(137.5)	(173.3)
Agency Cuts as a Percent of Total Cuts					
Defense (in percent)		−3	61	71	75
Veterans Affairs (in percent)		−13	−1	2	2
Treasury (in percent)		30	9	3	2
Agriculture (in percent)		7	6	5	4
Interior (in percent)		7	3	2	2
Transportation (in percent)		7	4	4	3
Health and Human Services (in percent)		−7	2	2	2
NASA (in percent)		5	2	2	1
Tennessee Valley Authority (in percent)		11	0	2	2
GSA (in percent)		2	1	3	3
FDIC/RTC (in percent)		−2	2	4	5
All other (in percent)		54	12	1	−2
Total executive branch (in percent)		100	100	100	100

*The Federal Workforce Restructuring Act of 1994 established a ''base'' level of civilian employment from which the Act's 272,900 FTE reduction is measured.

EXECUTIVE BRANCH EMPLOYMENT

[Changes from 1993 Actual Levels—Numbers are in thousands, except percentages]

	1993	1994	1995	1996
FTE Employment				
Defense	931.8	868.3	834.1	800.6
Veterans Affairs	229.1	227.7	224.4	224.4
Treasury	161.1	157.3	161.4	162.2
Agriculture	114.4	109.8	108.9	108.1
Interior	78.1	76.3	76.3	76.2
Transportation	69.1	66.4	65.2	64.4
Health and Human Services	65.6	62.9	62.3	61.4
NASA	24.9	23.9	23.3	23.2
Tennessee Valley Authority	17.3	18.6	16.6	16.4
GSA	20.2	19.5	16.9	15.5
FDIC/RTC	21.9	20.0	16.3	12.3
All other	405.3	402.0	412.1	417.2
Total executive branch	2,138.8	2,052.7	2,017.8	1,981.9
Cumulative Change From 1993				
Defense		(63.5)	(97.7)	(131.2)
Veterans Affairs		(1.4)	(4.7)	(4.7)
Treasury		(3.8)	(0.3)	(1.1)
Agriculture		(4.6)	(5.5)	(6.3)
Interior		(1.8)	(1.8)	(1.9)
Transportation		(2.7)	(3.9)	(4.7)
Health and Human Services		(2.7)	(3.3)	(4.2)
NASA		(1.0)	(1.6)	(1.7)
Tennessee Valley Authority		1.3	(0.7)	(0.9)
GSA		(0.7)	(3.3)	(4.7)
FDIC/RTC		(1.9)	(5.6)	(9.6)
All other		(3.3)	6.8	11.9
Total executive branch		(86.1)	(121.0)	(156.9)
Agency Cuts as A Percent of Total Cuts				
Defense (in percent)		74	81	84
Veterans Affairs (in percent)		2	4	3
Treasury (in percent)		4	−0	−1
Agriculture (in percent)		5	5	4
Interior (in percent)		2	1	1
Transportation (in percent)		3	3	3
Health and Human Services (in percent)		3	3	3
NASA (in percent)		1	1	1
Tennessee Valley Authority (in percent)		−2	1	1
GSA (in percent)		1	3	3
FDIC/RTC (in percent)		2	5	6
All other (in percent)		4	−6	−8
Total executive branch (in percent)		100	100	100

EXECUTIVE BRANCH EMPLOYMENT

[Changes from 1993 Actual Levels—Numbers are in thousands, except percentages]

	1993	1994	1995	1996
FTE Employment				
Defense	931.8	868.3	834.1	800.6
Veterans Affairs	229.1	227.7	224.4	224.4
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NASA	24.9	23.9	23.3	23.2
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All other	405.3	402.0	412.1	417.2
Total executive branch	2,138.8	2,052.7	2,017.8	1,981.9
Cumulative Change From 1993				
Defense	(63.5)	(97.7)	(131.2)	
Veterans Affairs	(1.4)	(4.7)	(4.7)	
Treasury	.....	(3.8)	(0.3)	(1.1)
Agriculture	(4.6)	(5.5)	(6.3)	
Interior	.....	(1.8)	(1.8)	(1.9)
Transportation	(2.7)	(3.9)	(4.7)	
Health and Human Services	.....	(2.7)	(3.3)	(4.2)
NASA	.....	(1.0)	(1.6)	(1.7)
Tennessee Valley Authority	.....	1.3	(0.7)	(0.9)
GSA	.....	(0.7)	(3.3)	(4.7)
FDIC/RTC	.....	(1.9)	(5.6)	(9.6)
All other	.....	(3.3)	6.8	11.9
Total executive branch	.....	(86.1)	(121.0)	(156.9)
Agency Cuts as A Percent of Total Cuts				
Defense (in percent)	.....	74	81	84
Veterans Affairs (in percent)	.....	2	4	3
Treasury (in percent)	.....	4	−0	−1
Agriculture (in percent)	.....	5	5	4
Interior (in percent)	.....	2	1	1
Transportation (in percent)	.....	3	3	3
Health and Human Services (in percent)	.....	3	3	3
NASA (in percent)	.....	1	1	1
Tennessee Valley Authority (in percent)	.....	−2	1	1
GSA (in percent)	.....	1	3	3
FDIC/RTC (in percent)	.....	2	5	6
All other (in percent)	.....	4	−6	−8
Total executive branch (in percent)	.....	100	100	100

SOURCE OF DEFICIT DECLINE, SINCE PRESIDENT CLINTON TOOK OFFICE

[Details may not add due to rounding. Amounts which reduce the deficit are shown in (parenthesis)]

	Clinton term						Out years—105th Congress	Total
	103d Congress	104th Congress						
	1993	1994	1995	1996	1997	1998		
CBO deficit baseline (Jan. 1993)	310	291	284	287	319	357		1,848
Tax and fee increases	0	(28)	(46)	(56)	(66)	(66)		(262)
Spending increases/(cuts)	4	9	3	(15)	(36)	(53)		(88)
Technical, economic, and debt service*	(59)	(70)	(65)	(9)	5	(15)		(213)
CBO deficit baseline (Jan. 1995)	255	203	176	207	224	222		1,287

*=Includes technical re-estimates, economic changes, and debt service savings.

Sources: CBO Reports (March 1993, September 1993, January 1994, April 1994, August 1994, January 1995)—Prepared by the Office of U.S. Senator Don Nickles.

FEDERAL SPENDING CATEGORIES

[In billions of nominal dollars—Source: CBO]

Year	Outlays	Dollar growth	Percent growth	Percent of GDP
Mandatory				
1980	292	.....	.....	11
1981	341	49	17	11
1982	373	32	9	12
1983	412	39	10	12
1984	406	(5)	−1	11
1985	450	44	11	11
1986	460	10	2	11
1987	470	11	2	10
1988	494	24	5	10
1989	526	32	6	10
1990	567	41	8	10
1991	634	67	12	11
1992	712	78	12	12
1993	762	50	7	12
1994	789	27	4	12
1995	845	56	7	12

FEDERAL SPENDING CATEGORIES—Continued

[In billions of nominal dollars—Source: CBO]

Year	Outlays	Dollar growth	Percent growth	Percent of GDP
1996	899	54	6	12
1997	962	63	7	12
1998	1,026	64	7	12
1999	1,097	71	7	13
2000	1,173	76	7	13
Domestic				
1980	129	.....	.....	5
1981	137	7	6	5
1982	127	(9)	−7	4
1983	130	3	2	4
1984	135	5	4	4
1985	146	10	8	4
1986	148	2	1	3
1987	147	(0)	−0	3
1988	158	11	8	3
1989	169	11	7	3
1990	183	14	8	3
1991	195	13	7	3
1992	214	19	10	4
1993	229	15	7	4
1994	242	13	5	4
1995	253	11	5	4
1996	262	9	4	4
1997	274	12	5	3
1998	284	10	4	3
1999	295	11	4	3
2000	304	9	3	3
International				
1980	13	.....	.....	0
1981	14	1	6	0
1982	13	(1)	−5	0
1983	14	1	5	0
1984	16	3	20	0
1985	17	1	7	0
1986	18	0	2	0
1987	15	(3)	−14	0
1988	16	1	3	0
1989	17	1	6	0
1990	19	3	15	0
1991	20	1	3	0
1992	19	(1)	−3	0
1993	22	2	12	0
1994	20	(2)	−7	0
1995	21	1	5	0
1996	22	1	5	0
1997	22	0	0	0
1998	22	0	0	0
1999	23	1	3	0
2000	24	1	6	0
Defense				
1980	135	.....	.....	5
1981	158	23	17	5
1982	186	28	18	6
1983	210	24	13	6
1984	228	18	9	6
1985	253	25	11	6
1986	274	21	8	6
1987	283	9	3	6
1988	291	8	3	6
1989	304	13	5	6
1990	300	(4)	−1	5
1991	320	20	7	6
1992	303	(17)	−5	5
1993	293	(10)	−3	5
1994	282	(11)	−4	4
1995	270	(12)	−4	4
1996	270	0	0	4
1997	278	8	3	4
1998	285	7	3	3
1999	295	10	4	3
2000	304	9	3	3
Social Security				
1980	117	.....	.....	4
1981	138	21	18	5
1982	154	16	12	5
1983	169	15	9	5
1984	176	8	5	5
1985	186	10	6	5
1986	197	10	5	5
1987	205	9	4	5
1988	217	12	6	4
1989	230	14	6	4
1990	247	16	7	4
1991	267	20	8	5
1992	285	18	7	5
1993	302	17	6	5
1994	317	15	5	5
1995	334	17	5	5
1996	352	18	5	5
1997	371	19	5	5
1998	390	19	5	5
1999	411	21	5	5
2000	433	22	5	5
Net interest				
1980	53	.....	.....	2
1981	69	16	31	2
1982	85	16	24	3
1983	90	5	6	3
1984	111	21	24	3
1985	130	18	17	3
1986	136	7	5	3
1987	139	3	2	3
1988	152	13	9	3
1989	169	18	12	3

FEDERAL SPENDING CATEGORIES—Continued

[In billions of nominal dollars—Source: CBO]

Year	Outlays	Dollar growth	Percent growth	Percent of GDP
1990	184	15	9	3
1991	195	10	6	3
1992	199	5	3	3
1993	199	(1)	−0	3
1994	203	4	2	3
1995	235	32	16	3
1996	260	25	11	3
1997	270	10	4	3
1998	279	9	3	3
1999	294	15	5	3
2000	310	16	5	3
Earned Income Tax Credit				
1980	1	.....	.....	0
1981	1	0	0	0
1982	1	(0)	−8	0
1983	1	0	0	0
1984	1	0	0	0
1985	1	(0)	−8	0
1986	1	0	27	0
1987	1	0	0	0
1988	3	1	93	0
1989	4	1	48	0
1990	4	0	10	0
1991	5	1	11	0
1992	8	3	55	0
1993	9	1	18	0
1994	11	2	22	0
1995	17	6	55	0
1996	20	3	18	0
1997	23	3	15	0
1998	24	1	4	0
1999	25	1	4	0
2000	26	1	4	0
Medicaid				
1980	14	.....	.....	1
1981	17	3	20	1
1982	17	1	4	1
1983	19	2	9	1
1984	20	1	6	1
1985	23	3	13	1
1986	25	2	10	1
1987	27	2	10	1
1988	31	3	11	1
1989	35	4	13	1
1990	41	7	19	1
1991	53	11	28	1
1992	68	15	29	1
1993	76	8	12	1
1994	82	6	8	1
1995	90	8	10	1
1996	100	10	11	1
1997	111	11	11	1
1998	123	12	11	1
1999	136	13	11	2
2000	149	13	10	2
Unemployment				
1980	17	.....	.....	1
1981	18	1	8	1
1982	22	4	21	1
1983	30	8	34	1
1984	17	(13)	−43	0
1985	16	(1)	−7	0
1986	16	0	2	0
1987	16	(1)	−4	0
1988	14	(2)	−12	0
1989	14	0	2	0
1990	18	4	26	0
1991	25	8	43	0
1992	37	12	47	1
1993	35	(2)	−4	1
1994	26	(9)	−27	0
1995	22	(4)	−15	0
1996	23	1	5	0
1997	24	1	4	0
1998	26	2	8	0
1999	27	1	4	0
2000	28	1	4	0
Food Stamps				
1980	9	.....	.....	0
1981	11	2	24	0
1982	11	(0)	−3	0
1983	12	1	7	0
1984	12	(0)	−2	0
1985	12	0	1	0
1986	12	(0)	−1	0
1987	12	0	0	0
1988	12	1	6	0
1989	13	1	4	0
1990	15	2	17	0
1991	19	4	25	0
1992	23	4	21	0
1993	25	2	11	0
1994	25	0	0	0
1995	26	1	4	0
1996	27	1	4	0
1997	29	2	7	0
1998	30	1	3	0
1999	32	2	7	0
2000	32	0	0	0
Medicare				
1980	34	.....	.....	1
1981	41	7	21	1
1982	49	8	19	2

FEDERAL SPENDING CATEGORIES—Continued

[In billions of nominal dollars—Source: CBO]

Year	Outlays	Dollar growth	Percent growth	Percent of GDP
1983	56	6	13	2
1984	61	6	10	2
1985	70	9	14	2
1986	74	5	6	2
1987	80	6	8	2
1988	86	6	7	2
1989	94	9	10	2
1990	107	13	14	2
1991	114	7	6	2
1992	129	15	13	2
1993	143	14	11	2
1994	160	17	12	2
1995	176	16	10	2
1996	196	20	11	3
1997	217	21	11	3
1998	238	21	10	3
1999	262	24	10	3
2000	286	24	9	3
AFDC				
1980	7	.....	.....	0
1981	8	1	12	0
1982	8	(0)	−2	0
1983	8	0	5	0
1984	9	1	6	0
1985	9	0	3	0
1986	10	1	8	0
1987	11	1	6	0
1988	11	0	3	0
1989	11	0	4	0
1990	12	1	9	0
1991	14	1	11	0
1992	16	2	16	0
1993	16	0	3	0
1994	17	1	6	0
1995	18	1	6	0
1996	18	0	0	0
1997	19	1	6	0
1998	19	0	0	0
1999	20	1	5	0
2000	20	0	0	0
Farm Price Supports				
1980	3	.....	.....	0
1981	4	1	43	0
1982	12	8	193	0
1983	19	7	62	1
1984	7	(12)	−61	0
1985	18	10	142	0
1986	26	8	46	1
1987	22	(3)	−13	0
1988	12	(10)	−46	0
1989	11	(2)	−13	0
1990	7	(4)	−39	0
1991	10	4	55	0
1992	9	(1)	−8	0
1993	16	6	68	0
1994	10	(6)	−36	0
1995	10	0	0	0
1996	9	(1)	−10	0
1997	9	0	0	0
1998	8	(1)	−11	0
1999	8	0	0	0
2000	8	0	0	0
Veterans Benefits & Services				
1980	14	.....	.....	1
1981	15	1	10	1
1982	16	0	3	1
1983	16	0	1	0
1984	16	0	1	0
1985	16	(0)	−1	0
1986	16	(0)	−1	0
1987	16	0	0	0
1988	18	2	12	0
1989	18	0	1	0
1990	16	(2)	−10	0
1991	17	1	9	0
1992	20	2	13	0
1993	21	1	7	0
1994	18	(3)	−14	0
1995	17	(1)	−6	0
1996	17	0	0	0
1997	18	1	6	0
1998	19	1	6	0
1999	20	1	5	0
2000	21	1	5	0
Fed. Retirement and Disability				
1980	32	.....	.....	1
1981	37	5	17	1
1982	41	3	9	1
1983	43	3	6	1
1984	45	2	3	1
1985	46	1	2	1
1986	48	2	4	1
1987	51	3	7	1
1988	54	3	7	1
1989	57	3	6	1
1990	60	3	5	1
1991	64	5	8	1
1992	67	2	3	1
1993	69	2	3	1
1994	72	3	5	1
1995	75	3	4	1
1996	77	2	3	1
1997	81	4	5	1
1998	85	4	5	1
1999	90	5	6	1

FEDERAL SPENDING CATEGORIES—Continued

[In billions of nominal dollars—Source: CBO]

Year	Outlays	Dollar growth	Percent growth	Percent of GDP
2000	96	6	7	1
Other Mandatory				
1980	160	.....	.....	6
1981	187	27	17	6
1982	196	9	5	6
1983	208	13	6	6
1984	219	10	5	6
1985	241	22	10	6
1986	233	(8)	−3	5
1987	235	2	1	5
1988	255	20	8	5
1989	270	15	6	5
1990	288	18	7	5
1991	314	26	9	5
1992	336	23	7	6
1993	352	16	5	6
1994	368	16	4	5
1995	394	26	7	6
1996	412	18	5	6
1997	431	19	5	5
1998	454	23	5	5
1999	477	23	5	5
2000	507	30	6	6

Mr. NICKLES. Mr. President, these are just facts. These are not altered, these are not gamed in any way to try and make any particular point, except to show that spending has been exploding. We cannot continue to increase spending. That is why I believe we have to pass a constitutional amendment to balance the budget. I hope my colleagues will vote for it. I hope my colleagues will pass it. I know it is going to force us to make difficult decisions. And if we do not, Congress will unfortunately continue to find excuses not to make the tough decisions, and we will see the deficits continue to climb. I hope we will take the responsible action on Tuesday and pass a constitutional amendment to make us balance the budget.

I yield the floor, and I thank my friend from Arkansas.

WAS CONGRESS IRRESPONSIBLE? THE VOTERS HAVE SAID YES

Mr. HELMS. Mr. President, as of the close of business on Thursday, February 23, the Federal debt stood at $4,837,336,500,173.73 meaning that on a per capita basis, every man, woman, and child in America owes $18,362.61 as his or her share of that debt.

FINANCIAL AID TO MEXICO

Mr. DOLE. Mr. President, when President Clinton announced a financial package to aid Mexico in its current economic crisis, Speaker GINGRICH and I announced our support. Mexico was, and is, of vital importance to the United States. In my view, we could not stand by and watch Mexico financially melt down if there were any realistic chance to help.

Earlier this week, an agreement was signed between the United States and Mexico, and its full details were released to the public. I have analyzed it, with the help of staff, outside advisers, and other Senators. I find it somewhat surprising and, at its core, disappointing. My message should not be misinterpreted—I do want United States efforts to assist Mexico to work. I hope we can help Mexico achieve the financial stability that they so desperately need. However, I must reluctantly point out the shortcomings of the agreement reached this week.

In my view, the basic mistake Mexico made last year was allowing events to get to the point where the only apparent choice was to devalue the peso. Perhaps the Government believed that a little devaluation would be a good thing.

Common sense should have recognized that Mexico's decision to break its promise to the Mexican people to keep the peso stable against the dollar would precipitate a breech of trust—a stampede to get out of pesos and into dollars.

The Treasury Department needs to be very careful in the use of funds from the exchange stabilization fund. For example, I am not convinced that thrusting the United States into the middle of a Mexican banking crisis is prudent or necessary.

The primary focus of the stabilization plan is not aimed at reversing the fundamental mistake of devaluation—not now and not over time. The measures described in the agreement to firm up the price of the peso seem almost an afterthought. They do not address the problem of extinguishing the excess pesos that have been coming off the Mexican printing presses, even as recently as last week. The heart of the problem is restoring confidence in Mexican pledges by moving toward restoring the value of Mexico's currency, and I hope it is not too late. I hope that administration officials will still focus on the main target: extinguishing pesos and restoring confidence in the Mexican currency. This should be the first priority, not raising interest rates.

It appears my concerns are shared by the markets. When it was first announced that the United States would help Mexico, the Mexican stock market went up and the peso strengthened. Yet when the exact terms of the deal were made public, the peso weakened and the stock market resumed its slide.

In the coming days and weeks, Congress will examine many issues in the Mexico situation—what advice the administration gave, when officials knew about the devaluation, allegations of conflict of interest, and other issues. I am also working with the administration to send a group of Senators to Mexico in the near future to get a first-hand assessment of the situation. A central part of that assessment will be looking at whether the administration's proposed medicine will cure the disease.

RESPONSE TO ADMINISTRATION'S OIL IMPORT STUDY

Mr. DOLE. Mr. President, I rise today to express my concern for a lack of response by President Clinton to a recent report by the Department of Commerce. This report indicates our

dependence on oil imports poses a threat to national security.

This is not a new report; we have heard this before. What is new is the lack of action that has been taken by this administration. In response to this report, President Clinton has decided not to respond; he has chosen to continue on with the same energy policies that have put us at risk.

Last year, our country imported more oil than it ever has before. Domestic production has fallen and American oil and gas workers are losing jobs. The administration should not ignore this plight.

The Commerce Department study has little to say about stripper wells. That troubles me. Nationwide, there are more than 478,000 stripper wells. These stripper wells produce more than 1.4 million barrels a day. When foreign oil floods this country, the price of oil falls below the cost of operating most stripper wells. That's what has happened in the last quarter of 1993 and the first quarter of 1994.

The Commerce Department concedes this saying, ''The impact of low prices has been especially severe on small producers operating stripper wells'' yet fails to provide a solution. Stripper wells serve an important role in this country and without them our dependency on foreign oil only increases.

This administration has ignored the plight of the industry for some time now. Various proposals have been discussed with the President, but no action was taken. The failure to recognize the implications to national security as well as to the economy is unacceptable.

There is a need to identify opportunities for assistance to the domestic oil and gas industry. For this reason, I have cosponsored legislation with Senator NICKLES and Senator INHOFE which will address the needs of this industry. The bill proposes support for production and addresses numerous issues that pose unnecessary burdens to the industry.

I believe this legislation is necessary to begin the discussion on the status of the domestic oil and gas industry and in light of the recent lack of action by the administration, a review of our Nation's energy policies and approaches.

NATIONAL ENGINEERS WEEK

Mr. PRESSLER. Mr. President, this week our Nation celebrates National Engineers Week. This week is sponsored by a coalition of 64 engineering societies, corporations, and government agencies. This year the event is being chaired by the American Institute of Chemical Engineers [AIChE] and Fluor Corp. As chairman of the Senate Commerce, Science, and Transportation Committee, I would like to take a moment to recognize the contributions the 1.8 million engineers in our country make to improve the quality of our lives.

Mr. President, try to imagine what our lives would be like without the engineering achievements of the 20th century. Imagine a world with no television, no airplanes, no computers, no cordless telephones, no miracle drugs, no interstate highway system, no central heating and air conditioning, or no communication satellites.

Each of these items began only as an idea. Each needed engineers to transform the idea into reality. Engineers are the men and women who plan, design, and direct the manufacturing or construction of nearly every human-made element of the world. The very word ''engineer'' comes from the Latin word ''ingeniare'', which means ''to devise.'' For centuries, engineers have devised things to solve problems.

From clothes to communications, medicines to microwave ovens, television to transportation, potato chips to microchips, the work of engineers touches every aspect of our lives. Engineers turn ideas into reality through technology. In the process, engineers make our lives easier, healthier, more efficient, and more fun.

Mr. President, I am sure several of my colleagues already are aware of the significant role engineers play in our society. That is because they are engineers themselves. The Senator from Virginia, Senator WARNER, and the senator from Ohio, Senator GLENN, were both trained as engineers. They each made significant contributions to the national security and leadership of our Nation before serving their country in this body. Both bring technical expertise and a much needed perspective to our public policy debates.

During National Engineers Week, we should not only look back at the achievement of engineers, but also look forward. If we are to maintain the standard of living and leadership role in the world we currently enjoy, we must assure a strong emphasis on mathematics and science in education. The quality of our future lies in our ability to attract the best and the brightest young minds to study and pursue careers in engineering.

Mr. President, I commend the engineers of the Nation, past and present, for their contributions to the well-being of our Nation. I join them in celebrating National Engineers Week.

THE U.N. CONVENTION ON THE RIGHTS OF THE CHILD

Mr. DOLE. Mr. President, on February 16, Ambassador Madeleine Albright signed the U.N. Convention on the Rights of the Child. The United States joined 175 other countries that have signed and/or ratified the Convention. The next step would be for the administration to send the Convention—and a statement of any reservations and understandings—to the Senate for our advice and consent.

Mr. President, in the past several days, I have received thousands of calls from all over the country in opposition to this Convention. My office has not received one call for it. These contacts have raised many serious problems that need to be examined. They have raised questions about Articles 13, 14, and 15, which grant children the freedom of speech, thought, conscience, religion, association, and assembly. Could these articles be interpreted to limit the ability of parents to decide for themselves how best to raise their children? Should U.S. citizens be subject to some sort of international committee that enforces compliance with Article 28(2) which states: ''State Parties shall take all appropriate measures to ensure that school discipline is administered in a manner consistent with the child's human dignity and in conformity with the present Convention''?

Under Article VI of the Constitution, Senate ratification of this treaty would make it the supreme law of the land. Would the Convention then supersede Federal and State laws? What would the effect of the Convention be on the tenth amendment? Is the Convention merely a symbolic exercise, or will it actually require the United States to take actions? These are sincere questions from sincere people. They deserve answers.

Mr. President, I realize the original intent of the Convention was to protect children from such abuses as forced labor and to improve the situation for those children in many parts of the world. No doubt about it, many children around the world face unbearable and unacceptable conditions every day. And for these children, a properly crafted document could provide some much needed relief.

However, I also believe we in the United States have made significant progress in protecting the rights of the child through Federal, State, and local laws. These laws are better equipped to deal with the varying challenges posed by the issue of child rights. If there is one thing this election taught us, it is the need to get excessive government out of people's lives. This applies to the Federal government, and it certainly applies to the multilateral, quasi-government that is the U.N.

I don't know the administration's timeable for sending the Convention to the Senate for advice and consent. When submitted, it will be referred to the Senate Committee on Foreign Relations—where I am certain it will receive the careful review it deserves. However, until all the questions that thousands of Americans have about the Convention are satisfactorily answered, I will not support ratification of this Convention.

NATIONAL ENGINEERS WEEK

Mr. SIMON. Mr. President, February 19–25, 1995 marks National Engineers Week, a time when America honors the 1.8 million men and women who make up our Nation's second largest profession.

I commend our Nation's engineers for their contributions to technology in the private and public sectors. The technological breakthroughs achieved by engineers have enabled people around the world to live healthier, more efficient, and more fulfilling lives. In my home State of Illinois, engineers have provided people with valuable scientific innovations in areas such as communications, medicine, and agriculture.

I would also like to recognize the work of three junior high students from Central School in Glencoe, IL: Stephanie Richart, Alexandra Wong, and Denise Arbruster. These three students were the Chicago-area winners of the National Engineers Week Future City Competition. This competition asked students to envision a 21st century city, and then express their ideas through computer printouts, scale models, and oral presentations. Many local engineers graciously volunteered their time to advise students on their projects. I salute everyone who participated, and I wish the Central School team well in the national competition here in Washington.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

BALANCED BUDGET AMENDMENT TO THE CONSTITUTION

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of House Joint Resolution 1, which the clerk will report.

The bill clerk read as follows:

A joint resolution (H.J. Res. 1) proposing a balanced budget amendment to the Constitution of the United States.

The Senate resumed consideration of the joint resolution.

Pending:

(1) Feinstein amendment No. 274, in the nature of a substitute.

(2) Feingold amendment No. 291, to provide that receipts and outlays of the Tennessee Valley Authority shall not be counted as receipts or outlays for purposes of this article.

(3) Graham amendment No. 259, to strike the limitation on debt held by the public.

(4) Graham amendment No. 298, to clarify the application of the public debt limit with respect to redemptions from the Social Security Trust Funds.

(5) Kennedy amendment No. 267, to provide that the balanced budget constitutional amendment does not authorize the President to impound lawfully appropriated funds or impose taxes, duties, or fees.

(6) Bumpers modified motion to refer H.J. Res. 1 to the Committee on the Budget with instructions.

(7) Nunn amendment No. 299, to permit waiver of the amendment during an economic emergency.

(8) Nunn amendment No. 300, to limit judicial review.

Mr. BUMPERS. Mr. President, I would like to ask the Senator from Oklahoma a question. He mentioned food stamps. The Senator will recall that last year on the Agriculture appropriations bill, we debated the issue of allowing the States to experiment with giving food stamp-eligible recipients cash instead of food stamps. I have taken strong exception to that, and I do not mean to demean people who are on food stamps. But let us assume that a parent with three children is getting a couple hundred dollars a month in cash like an SSI check, or Social Security check, or anything else, and assume they get that check on the first day of the month and the television repairman, or the television cable company man shows up and says, ''I am here to disconnect the cable; you are behind 2 months and our rule is we have to disconnect. You owe us $50.'' I have this deep seated suspicion that the cable television guy is going to get the $50 and the children are going to get what is left.

While that passed last year, I am going to do everything I can this year to undo that. It is still a pilot program. Some of the Governors like it because, as you know, if you go to the grocery store and spend a voucher, you have to pay sales tax on it. If you go to the grocery store and use a food stamp, you do not pay sales tax. So this is worth millions of dollars to States, which are always looking for new revenues—painless revenues, especially.

My state has a 5-percent sales tax which also applies to groceries. There are not too many States which still tax food, but mine does. That means that Arkansans who are getting food stamps will see a 5-percent reduction in the amount of food they can provide for their children, even if they are careful about spending that money only for food.

I was wondering if the Senator had any thoughts about that.

Mr. NICKLES. One, I want to say that maybe I should have given the numbers for the projected cost of food stamps. Food stamps grew at zero percent in 1994 and will grow at 4 percent for the next couple of years. Maybe some of the reforms the Senator is talking about have been successful. I share his concern, though.

I think if you want to covert a commodity program to cash it is going to be open for abuse. There was an excellent program on one of the television networks recently about people selling their food stamps for cash so they can use it for various other things, including alcohol and drugs. So I think we need to reform the program. I mentioned that the earned income tax credit has really been abused. People are going into poor areas and trying to get citizens to file a fraudulent return. They will get a persons social security number and say, ''I can use this to get a $1,500 or $2,000 earned income tax credit, I will give you $500 now and let me take your credit.'' That is one of the reasons why the IRS is trying to crack down.

I think maybe some pilot programs are in order, because there is bound to be a better way.

But I am concerned, when we start turning it into cash, that you may be increasing the incentives for abuse instead of decreasing the incentives.

Mr. BUMPERS. I appreciate the Senator's comment.

As the Senator knows, we are experimenting with a credit card type food stamp program—I am hoping that will be successful—where a grocery store just takes your credit card and they can tell you exactly how much you have left for the month. It can also kick out any ineligible commodities or groceries you have picked up so that you are not paying for something like cigarettes or toiletries, for examples.

The other thing the Senator makes a very good point on is the earned income tax credit. I happen to be a strong proponent of the earned income tax credit. I think it is a very good tool to keep people working, because you have to be working and you have to be a parent before you qualify for it.

But the IRS was in my office just recently telling me that I could expect quite a few calls from constituents about the delay in getting their tax refunds. And, of course, the papers are now full of that.

But one of the reasons it is late is because they are trying to audit two or three things. One is to make sure people report all the income that they received on 1099 forms. If the Senator, for example, gets a gas royalty at the end of the year, the gas company would send you a 1099 saying we paid you $1,800 this year. So they want to check those against what you reported. That is very legitimate.

But the other thing, which is more time-consuming but in my opinion probably is more rife with fraud, and that is the earned income tax credit. I did not realize until recently that some people really are ripping the system off.

Mr. NICKLES. If the Senator will yield for one other comment. Congress has now expanded the EITC to people without kids. Eligibility has increased dramatically to where 40-some percent will be eligible in the District of Columbia. I believe the State of Mississippi had 50 percent of the persons eligible for earned income tax credits. A lot of people did not know they were eligible, so they are getting help from income tax filers. And it is rampant with abuse.

I think we are going to have to make some changes in eligibility to tighten up the program, because, a few years ago it cost $5 billion and they project in a couple of years it is going to cost $25 billion. So that is the fastest growing entitlement type program that we have. I think we are going to have to curtail it. I think we are going to have to curtail a lot of them. I look forward to working with my friend from Arkansas.

MOTION TO REFER, AS MODIFIED

Mr. BUMPERS. I thank the Senator from Oklahoma.

Mr. President, I appreciate the indulgence of the Chair in allowing us to talk about something other than the pending motion, to which I will now return.

Let me, for the benefit of my colleagues, once again describe my proposed amendment. As I said last evening, I consider it to be an absolutely ingenious idea. When I first began to think about it, I wasn't sure that a legislative fix could cure the problems associated with the balanced budget amendment.

Everybody knows that I have consistently been a leader in the Senate on constitutional amendments. When it comes to people who willy-nilly throw these constitutional amendments around, I belong to the wait-just-a-minute club. I revere that document as I revere no other document, other than the Holy Bible. And the Constitution is our legal bible. It is the legal guide that provides people in this country with individual liberties, provides for the general health and welfare of the people of this country and for the common defense. We should not put ''willy-nilly'' economic policy or social policy—particularly social policy that is incapable of being enforced—into this magnificent document known as the U.S. Constitution.

People in this country literally put their hands over there hearts when they hear the Constitution mentioned, almost as though the flag is going by. And yet the people of this Nation have been led to believe that if we would just put a few words in the Constitution, this nagging budget deficit somehow will be made to disappear. It is deceptive in the extreme.

Everybody here who has read the constitutional amendment knows that this amendment does nothing to balance the budget; does very little more than we are doing right now. But there is this reverence for the Constitution and the people, subconsciously or consciously, think if we put language in the Constitution we are going to get a balanced budget out of it.

But during this entire debate, not one person has told you how. We invited those who believe in the Contract With America that the Republican House Members all strongly favor to tell us.

''How are you going to balance the budget?''

''I don't know.''

''Who has standing to sue under this amendment?''

''I don't know.''

''When will a lawsuit ripen?''

''I don't know.''

''Would I, as a Senator, have standing to sue the Congress if they did not balance the budget?''

''I don't know.''

''Could the courts raise taxes in a lawsuit? Could the Supreme Court entertain a lawsuit saying, yes, indeed, Congress is out of compliance with this amendment. It is not in balance. Therefore, we are going to give the Congress 60 days to balance the budget unless 60 percent of the Members of each House vote otherwise.'' Sixty percent is not a majority. It literally defies democracy. But if the Court says, ''60 percent of you have to vote to unbalance the budget or we are going to take over the legislative affairs of Congress and raise taxes and cut spending ourselves.''

What if 60 days have gone by and Congress has done nothing. And the Court says, ''OK, we gave you 60 days. You are still sitting on your duff. Therefore, we are going to raise all income taxes by 3 percent and we are going to cut spending across the board, including defense, by 3 percent. And, according to our calculations, that will balance the budget.''

As Lincoln told Chief Justice Taney when Lincoln suspended the right of habeas corpus in the State of Maryland, ''He's made his ruling. Let him enforce it.''

So under this scenario, assume the Congress says to the Supreme Court, ''We have three branches of Government. You are only one. We are not going to waive the balanced budget requirement with 60 votes because we can't. We have 41 obstreperous people over there who will not let us unbalance it. In addition, we are not going to raise taxes and we are not going to cut spending.''

And so the Supreme Court Chief Justice calls the President and says, ''Mr. President, you are charged with the responsibility of enforcing the laws of this country. Now do it.''

And the President says, ''Look, how am I going to enforce the laws of the country? If they refuse to act under the Constitution, I can't make Congress do anything. I am on bended knee to the Congress all the time anyway trying to get them to pass my bills.''

The Court is asking me to alienate 100 Senators by removing them from office or taking some other action against them.'' I do not know what the President would do. What you then have is an unsolvable constitutional crisis that would threaten this Nation as nothing since the Civil War has threatened the country.

Sometimes people say to me, ''You do not care what your constituents think; this is very popular.'' I care deeply about what my constituents think. But do you know what I want my constituents to think more than anything else? I want them to think they have a Senator up here who is thinking, who understands the Constitution, has studied it all of his life, who reads the Federalist Papers and knows what the Framers of the Constitution have said on every issue, and who has some idea about what will work in the Constitution and what trivializes the Constitution.

A Senator told me 2 days ago, ''I'm going to support the constitutional amendment because I want the courts involved.'' If anyone wants the courts involved they should go down to Kansas City and talk to the people down there, where a judge did not literally raise taxes, but he said, ''Here is what you are going to do to achieve integration.'' And in order to do that, the Kansas City school district had no choice but to raise taxes. That decision was affirmed by the eighth circuit and affirmed by the U.S. Supreme Court, and is getting ready to be reargued next week.

Nobody here should suffer under the delusion that the Supreme Court will, as it does in certain cases involving Congress say, ''That is a political matter and this Court does not resolve political matters; you people get back over there and do your duty.'' It is just as likely that the Court wouldn't say that, as it would.

Is it not interesting, the contradictions we have seen in this Chamber since we started debating the constitutional amendment? The distinguished Senator from Louisiana, BENNETT JOHNSTON, offered an amendment which would prohibit the courts from enforcing the balanced budget amendment. When that was defeated he considered offering another amendment saying the courts must enforce the constitutional amendment. And I promise, Mr. President, that, too, would have been defeated.

The Senator who said he wanted the courts involved in enforcing the amendment probably should not say that back home. The people in my State have a very healthy apprehension about people who are not elected to office, such as judges, determining their lives. How many times have you heard, ''I want the Supreme Court to enforce the law, not to make laws.''

So what we have is this contradiction here. On the one hand, we have some Senators saying, ''I want the courts to enforce this because we won't,'' and you have a whole chorus of Republicans and Democrats who say, ''I don't want the courts involved in this at all.''

I have never heard, in my 20 years in the U.S. Senate, as many questions answered with ''I don't know.'' Cumulatively, I have heard more ''I don't knows'' since this debate started than in the other 20 years combined. Do you know what Norm Ornstein calls these constitutional amendments? The fix of last resort. What he should have said is the fig leaf of last resort, something to hide behind.

Senators say privately, ''Well, we can't do it politically because we will lose all these interest groups. It would be disastrous if we did what we have to do. So let's put it in the Constitution, and we can hide behind that.'' You can put it in the Constitution, but you cannot hide.

I understand that there is probably only one Republican who will vote against the balanced budget amendment. While my Republican colleagues

in the Senate did not sign the Contract With America, they are pushing House Joint Resolution 1, which passed the House and was included in the contract. If I had signed the contract, I would be praying that the Democrats could muster enough votes to kill this, because it is totally, wholly impossible to enforce.

One look at the contract would demonstrate that the Republicans in the House are not serious about balancing the budget. The Contract With America and Speaker GINGRICH have proposed substantial increases in defense spending and tax cuts for the middle class, defined as people who make as much as $200,000 a year. That is hardly middle class. I do not consider myself middle class. And I do not make that much money. But if I did, I certainly would not consider myself middle class. In addition, the Republicans want to cut the capital gains tax, which mostly benefits the wealthiest 5 percent of the people in the country. When we add it all up the contract would cost an additional $471 billion over the next 7 years and more than $700 billion over 10 years.

If we were to start right now trying to balance the budget between now and the year 2002—do not increase defense, do not cut taxes, just leave the trend line as it is—if we set out right now in the next 7 years to balance the budget, we would have to raise taxes, cut spending, or a combination of the two, to the tune of a little more than $1 trillion. If we were to exclude Social Security it would be approximately $1.6 trillion.

Do you know what that means? That means that we would have to cut almost $250 billion a year for the next 7 years.

Senator, you will not get a check for your salary, because it will be abolished. The FBI will be abolished; the Justice Department will be abolished; judges will be abolished; student loans will be abolished; highways will be abolished; the FAA will be abolished; housing will be abolished. It is unfathomable to me that people can look at you with a straight face and say we will balance the budget by the year 2002, not by cutting $1 trillion between now and then, but after we add a half trillion dollars in tax cuts and increased defense spending.

Do you want to know something else? I went home and told my constituents that I would like to cut taxes, but I am not going to vote for a middle-class tax cut. I am not going to vote for the President's middle-class tax cut, and I am not going to vote for the Contract With America's middle-class tax cut. Because I can go home and talk sense to the people in my State, and I have never hesitated to do it.

Not to make too fine a self-serving point, but this is the fourth time I have voted against the constitutional amendment to balance the budget, and I do not think I have gotten less than 60 percent of the vote any time I have run since then. Do you know why? When I say I have a lot of faith in the American people, I mean it.

I told people all over Arkansas that I do not favor term limits. I do not favor the balanced budget amendment, and I do not favor a middle-class tax cut that can only do one thing, and that is exacerbate the very problem we pretend to be dealing with here. If we can find $100 billion in cuts in this budget, for God's sake, we should put it on the deficit. People do not expect miracles.

But under my proposed alternative amendment, people say, ''Well, the deficit problem is not subject to a legislative fix.'' They are wrong. It is subject to a legislative fix. Do you know the beauty of this amendment? Look at those charts. The constitutional amendment calls for a balanced budget by the year 2002, but leaves this body the discretion of not doing anything until the year 2002. My amendment says it requires a balanced budget by the year 2002. And when do we start—now. Not 2002—now.

I do not like the supermajorities. I do not even like filibusters. I have participated in a few, but I really do not like them. And I do not like the requirement of 60 votes for this and 60 votes for that.

If my amendment is adopted and then subsequently the Budget Committee comes back to this floor in April or May with a resolution on the budget that does not reduce the deficit in 1996 from what it is in 1995, I will raise a point of order, and it is going to require 60 votes in this body to overcome that point of order. Now, if that is not a fair deal, I never heard of one. My proposal is enforceable; the constitutional amendment is not.

The 60-vote requirement, which is included in both the constitutional amendment and my proposal, is not without problems. Franklin Roosevelt was detested by a lot of fairly wealthy people when he first became President because he started spending money that the Government had to borrow. But do you know what he was borrowing it for? To keep this country out of the hands of communism, which was a threat. Why? Because people were hungry.

I am just barely old enough to remember, but I am a depression child. My mother had saved a $1,000—hen and egg and cream money—and lost every dime of it because the Bank of Charleston went broke, and by the time the receivers got through with it, she did not get one nickel. My mother never got over that.

We lived in a house which did not have natural gas. We burned coal to stay warm. My father was making $75 a month when almost everybody else in town was making $21 a month, plus getting a little cheese and beans at the courthouse on Saturday afternoon. By today's standards, people cannot understand that kind of unspeakable poverty—food lines, food lines all over the country—25 to 30 percent of the people in this country out of work.

So what did Roosevelt do? He started building public buildings. The gymnasium in which I played high school basketball was built by the WPA to create jobs. He built roads. We had nothing but dirt roads, except the main highway that went through town 18 feet wide. Everything else was dirt and mud.

We lived a block north of Main Street, and when it rained, you could not get home without getting stuck in the mud. In the summer, every time a car went down the street, the dust was insufferable. It choked us to death. The Federal Government loaned us and gave us enough money to pave our streets, to give us healthy water where people had died all summer long of typhoid fever before.

We eventually got indoor plumbing. My brother and I started taking five baths a day when we had indoor bathrooms. We just did not know people lived like that.

We built roads, we built public buildings, we got rural electrification. It saved my father's business. He could sell radios and electric ranges and refrigerators to country people because the Government was spending money; yes, going into debt to try to give people a fighting chance to work their way out of that Depression. There were a few New York bankers who thought it was terrible, but I can tell you, there was not one soul in Charleston, AR, who thought it was terrible. That is the reason Roosevelt carried 46 States in 1936.

We are not likely to have a depression of that magnitude in this country again, but let me ask my colleagues, what do you intend to do if we have a 10- to 20-percent unemployment rate?

Let us assume further that the deficit is beginning to climb because people are out of work, they are not paying taxes and we are having to pay unemployment insurance and more welfare payments. Our costs are going up and our revenues are going down.

But let us assume we have 41 New York banker types in the U.S. Senate who say, ''I promised my people I will never vote to unbalance that budget.'' That will be an issue. If we pass this constitutional amendment, I promise you everybody in this country will be running on the proposition, ''You'll never catch me being a part of those 60 votes to unbalance the budget.''

So you have 41 people here who are insensitive enough not to care what happens. What do you do then? You have a country on your hands that is a basket case, that has turned its back on everything we really believe and that has made this country great. It is a dicey thing we are voting on.

Let me say to my colleagues—some on this side—those of you who say, ''Well, the Republicans will just beat us up in 1996. If I vote against this thing and I am up for reelection next year, I can just see it now. There will

be millions of dollars spent to defeat me,'' and if we only get 34 votes, then all 34 of them will be accused of being the deciding vote.

I am with Harry Truman, if you cannot take the heat, get out of the kitchen. Do not mess with the Constitution because you are up for reelection in 1996. The people did not send you here to play games. They sent you here to preserve and protect and defend the Constitution. When you walked down to the well of the Senate on January 3 and held up your hand, you said: ''I hereby swear that I will defend and uphold and protect and preserve the Constitution of the United States.'' You did not say, ''I am going to vote for every trivial cockamamie idea anybody can come up with because it is popular.

You think of it, Mr. President, since 1789 when this country adopted the Constitution, Members of Congress have tried over 11,000 times to change the Constitution. You think of it: 11,000.

Take the Bill of Rights out, which is the first 10 amendments. They were adopted the same time the Constitution was. Remove those, and in 205 years, do you know how many times we have tinkered with the Constitution? Eighteen times. That speaks well for both Congress and the people.

Prohibition was the one time that we slipped up. I was from a devout Methodist family and my mother considered liquor as big a demon as we ever had. As far as I know, neither my mother nor my father ever had a drink in their lives. They hated it.

In 1919, I guess it was, the Congress submitted a resolution to the people and said, ''Let's make the 18th amendment a prohibition against drinking.'' I am sure my mother and father supported that. Is it not ironic that they were killed by a drunken driver? But that is not the point.

The point is, we were trying to put a kind of social and religious policy about drinking in the Constitution, and people were going to drink. You can put a constitutional amendment outlawing marijuana and cocaine, and people will still use marijuana and cocaine. And so it was with prohibition. So by the time Al Capone had turned this country into an absolute bloody, bullet-ridden country, we decided we made a mistake and we repealed it. If you don't consider the two amendments dealing with prohibition, actually the people have tinkered with the Constitution 16 times, though we have had 11,000 opportunities.

Mr. President, I have a tendency to get a little too personal sometimes during these debates, but I want to be as dramatic as I can be in sounding the alarm about what we are about to do.

In 1993, the President of the United States said, ''I committed myself to the people of this country to reduce the deficit,'' and so he, along with the leaders of the Congress, came up with a dramatic proposal to cut $500 billion off the deficit over the next 5 years. We adopted that proposal. We said we are going to cut a dollar of spending for every dollar in taxes we increase. And so what did we do? We raised the income tax rate on the wealthiest 1.2 percent of the people and raised the gasoline tax by less than 5 cents per gallon and cut spending by approximately $250 billion.

I consider myself a friend of virtually everybody in this body, including the people who sit on the other side of the aisle, but we stood on this floor for days on end pleading with the people on that side of the aisle to help us get the deficit under control. We had to bring the Vice President over here to break the tie, and we passed it 51 to 50. And so the deficit in 1993 was about $40 billion less than it was projected to be. The deficit in 1994 was $100 billion less than it had been projected to be. This year, the deficit will be down again, and it ought to come down more.

The people do not expect miracles, as I said, but if we reduce the deficit by $10 billion from now until the year 2002, I promise you Wall Street, the bond brokers, and the people in Charleston, AR, will be rhapsodic.

But, in 1993 we had to reduce the deficit with nothing but Democratic votes. Not one single Republican voted for it. They said, ''Why, you are raising taxes.'' We did, on the wealthiest 1.2 percent of the people, and we cut a lot of spending that I did not want to vote for. And so what happened then? We lost a lot of Members on November 8, 1994, who had voted for it, and whose opponents said, ''He is a tax and spender. He is a liberal tax and spender.''

But we passed the deficit reduction bill and the deficit is down dramatically because we did it. And what happened after that? They said, ''Well, that's not good enough. Let's put some words in the Constitution.''

I say stiffen your spines, colleagues. Let us deal with it. Under my amendment, if the Budget Committee comes out here with a resolution that does not cut the deficit, I will make a point of order and it will take 60 votes for them to pull that off. If they cannot recruit 60 votes, they have to go back to the drawing board and get the deficit down below what it was the preceding year.

I have never seen anything that makes better common sense, more imminent common sense than this proposal. Not to coin a phrase but to emulate our friend from Texas, it is just that simple.

So, colleagues, I plead with you. This could very well be the most important vote ever cast. I have cast some really important votes in the Senate. In the past, we have always had enough votes to defeat this thing. It is going to be close. It may pass. And when the year 2002 comes and the deficit is soaring out of sight, which it certainly is going to do if this Contract With America is passed, I do not know if we will get the blame for it, but I am sure somehow or other we will.

I am willing to accept the blame if my amendment is adopted. But when it comes to the Constitution, I ask my colleagues to remember what they said when they held up their right hand with their left hand on the Bible. They took a solemn oath to defend this sacred document, and not trivialize it with something that is only going to do what Alexander Hamilton said will be the most degrading, deteriorating thing to democracy he could imagine, and that is to raise people's expectations beyond any hope of fulfillment, and make them that much more in the dark about what needs to be done.

I yield the floor.

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

The PRESIDING OFFICER. The clerk will call the roll.

The gallery is advised that there will be no showing of approval or disapproval of actions taken in the Chamber.

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. THOMAS). Without objection, it is so ordered. The Senator from Utah is recognized.

Mr. HATCH. Mr. President, let us just be honest about it. We can talk about statutorily saying we are going to balance the budget, as we have the last dozen times here on the floor of the Senate and House. The fact is every one of those statutes that passed that people were so enthusiastic about and said we are going to balance the budget has been ignored by subsequently passed legislation.

Now, look. There has not been one balanced budget in the last 26 years. In fact, there has only been one in the last 36 years. So all of the ranting and raving that we do around here as Members of the Senate and beating our breasts about how we should do it now and balance the budget, that is all just so much guff, and we all know it. There have only been seven balanced budgets in the last 60 years—seven.

I remember when my colleague—I just ran into him the other day; I was coming back to Washington and ran into my good friend, Harry Byrd, who brought up the Byrd amendment back in, I believe it was, 1978 or 1979, that required us to balance the budget by 1980 —required us. We all voted for it. It passed overwhelmingly. Boy, we were going to do something about it. It was almost overturned overnight by a simple majority vote.

We all beat ourselves on the breasts saying we are going to balance the budget, we are going to do something about this horrendous spending of the U.S. Congress, and then we turned right around and continued this process of the last 26 years where we failed to balance the budget, only we have gone even worse and now we have the President's budget where the President

has punted the football. I do not think even the President realized what his budgetary people were doing. But that budget does absolutely nothing, nothing about deficits for the next 12 years. That budget assumes we are going to have $190-billion-plus deficits for each of the next 12 years. Under his budget, we will reach $6 trillion in debt in the next 5 years: Business as usual.

I know Senators are very sincere when they come on this floor and say, ''We should do it now. We have the power to balance the budget now.'' How many times have I heard that over the 19 years that I have been here? And we have not balanced the budget once in those 19 years, because any simple statute that follows, by majority vote—we could have 26 vote for it and 25 against it—could overrule the balanced budget requisites that others are talking about.

The national debt is now over $4.8 trillion. That is more than $18,500 that we owe for every man, woman, and child. And our children who are being born today come into this world $18,500 in debt because of what Members of Congress have been doing for the last 60 years during which time we have only balanced the budget seven times, as I mentioned.

The gross annual interest on the debt exceeds $300 billion. If we did not have to pay that interest—if we did not have to pay that interest—my goodness gracious, we would have enough to balance the budget plus a surplus. That interest payment is right down the drain, and we keep talking about how we should do it now. Let me tell my colleagues, once again we are faced with a measure which tries to balance the budget on a mere legislative rule.

My friend from Arkansas—and he knows he is my friend and I care for him—I know he is sincere in wanting to do that. His motion which seeks to amend the Budget Act to provide for additional grounds for a point of order. There would be an objection to resolutions, until the year 2002, which are not on a glidepath to a balanced budget and, starting in the year 2001, for any budget with a deficit. In short, his amendment seeks to do by legislation what the balanced budget amendment would do constitutionally.

If a statutory fix—and I acknowledge he is sincere, I acknowledge that he wants to do this; and I believe he would try to do his best to do this—but if a statutory fix would be enough to balance the budget, I would be overjoyed. I am the last person in the world who would want to amend the Constitution if it was not absolutely necessary. But history has shown us repeatedly that statutory attempts to balance the budget just do not work.

Look at these, from 1921 right up to 1987. We have had the Budget and Accounting Act, a statute that said it was going to balance the budget. It did not work. Look at how the debt just kept going up.

The Revenue Act of 1964 just did not work. Any subsequent spending proposal that could pass by a majority vote overruled that.

The Revenue Act of 1978 just did not work. Any subsequent majority vote overruled it.

The Humphrey-Hawkins Act of 1978 demanded that we balance the budget. My gosh, it was overturned by a simple majority vote.

The Byrd amendment, which I referred to, back in 1978 to balance the budget was overturned by a simple majority vote.

The debt limit increase, 1979 was overturned.

The Bretton Woods amendment, again overturned.

Codification of title 31, overturned.

Gramm-Rudman-Hollings; we all knew it was going to work, did we not? It was a bipartisan amendment, it passed both Houses of Congress. It did not work. It worked for a while—there were a few good things about it—but ultimately we just, by a majority vote, overturned it.

Then we went to Gramm-Rudman-Hollings II, because we could not meet the goals of Gramm-Rudman-Hollings I. So by a simple majority vote we overturned it.

History has shown us that statutory attempts, as well-intentioned as the statutory attempt of the distinguished Senator from Arkansas is, just do not work. It does not take Congress very long to avail itself of the opportunity to create exceptions and loopholes and then finally to repeal the law altogether. I see no reason why things would be any different with the proposal before us now.

Gramm-Rudman-Hollings required points of order. Gramm-Rudman-Hollings required special votes. The sad history of legislative attempts to balance the budget show the need for a constitutional amendment even more. A constitutional amendment forces us to work for a balanced budget. A statutory approach, no matter how cleverly it is written, is ultimately going to be overruled because these people want to spend. They want to tax more. They get more credit for spending than they do for conserving around here. They can go home and beat their breasts and say how much they have done for the local folks when in fact everybody in the country is doing the same thing.

Despite our best statutory efforts in the most recent deficit reduction plan, a constitutional amendment is required for at least the following reasons:

Statutes do not purport to correct the structural bias in favor of deficit spending that would be offset by a constitutional amendment. They just do not do it.

Statutes are only intended to deal with a temporary crisis, whereas the constitutional amendment will correct the bias that has caused deficits in 55 of the last 63 budget years or budget cycles.

The deficit spending bias is not a problem that has lasted, or will last, only 5 years. It has been going on for 63 years, and it demands a permanent constitutional solution. Ultimately, no Congress can bind a succeeding Congress by a simple statute. It is just that simple. Any balanced budget statute can be repealed in whole or in part by the simple expedient of adopting another statute, which is what happened in every one of those cases that I showed you on the chart that I had up before.

Statutory limitations remain effective only as long as no majority coalition forms to overcome such statutory constraints. The virtue of a constitutional amendment is that it can invoke a stronger rule to overcome this spending bias in the Congress of the United States.

Our recent history suggests how much we need the strong rule of a constitutional amendment. Gramm-Rudman was to balance the budget by 1990. It was undone by a series of statutory amendments, not unlike what my friend and colleague would like to do here. The 1990 budget agreement led to record-setting deficits. And that was the year we were supposed to balance the budget. But it led to record-setting deficits.

Under the current budget law, the so-called deficit reduction package, we continue high deficits and increasing deficits after a momentary trough. That is after we increased the taxes the most in history. Sure, the deficit is going to go down, but it is still almost $200 billion. It is bound to go down when you increase taxes like that. They also spent more, too.

The CBO puts the 1994 deficit at $203 billion. It projects the fiscal year 2004 deficit will be a record $383 billion, in spite of this so-called deficit reduction package that the President claims and most of my colleagues on the other side claim that they courageously voted for $383 billion. Even the latest proposals, as I have mentioned, even the latest budget from President Clinton seems satisfied with a minimum of $200 billion in deficit spending—$200 billion in deficit spending as far as the eye can see, every year from here on in. The status quo is just plain unacceptable. That is what this battle is all about.

Even aside from the inherent weakness of statutory fixes, I have some concerns about the proposal's substance. Section 1 of the motion requires that future budget resolutions be on a glidepath to a balanced budget with ''appropriate'' levels of revenues, outlays, public debt, et cetera. But it does not say what appropriate levels really are.

What in the world is an appropriate level? If the deficit is a penny less than the year before, is that appropriate? I am sure my colleague would say no. But how about a dollar? How about $100? How about $10,000? How about $1 billion? The motion does not say. Or

how about $200 billion, which is what the President's budget deficit will be? Is that appropriate?

Even if ''appropriate'' was defined, we could not bind future Congresses to lowering the deficit by a certain amount each year. The future Members of Congress would be able to decide for themselves how much reduction there should be each year, and where that reduction would come from. If the 106th Congress, for example, does not like what we in 1995 project for the year 2000, they could just change it. That is their right. It may be their duty as leaders of the country. But it would be irresponsible to try to set those levels now, since we have no idea what the national needs or priorities will be in the future.

Mr. President, statutory attempts to balance the budget just do not work. We have a long history of them not working. We need the real thing, a constitutional amendment to fix the problem once and for all.

Let us go over it one more time: Not one balanced budget in the last 26 years, only seven in the last 63 years. Our national debt is almost $5 trillion. In fact, we are now in the 26th day of this debate from the date that we started. Starting on day 1 our deficit then was around $4.8 trillion, this bottom red line. It has now increased until on day 26 our deficit is now going to be $21,565,440,000. While we have been debating this the country is burning. It is burning up with debt. We are fiddling while our country is going down the drain and while our children's and grandchildren's future is being bartered away and thrown away by profligate Congress after profligate Congress.

The fact of the matter is just in those 26 days our national debt has gone up almost $22 billion. We still have the 27th, the 28th, the 29th, and the 30th to go yet. So you can figure that by the time we get through here we are going to be probably $26 billion or more in debt than we were when we started the debate. All the statutes in the world are not going to help us get over that.

The national debt has increased $3.6 trillion since the Senate last passed basically the same balanced budget amendment back in 1982; $3.6 trillion. We have had two Gramm–Rudman-Hollings statutes, that were tougher than the distinguished Senator's statute here, both of which bit the dust. In that time we went up $3.6 trillion since we passed the balanced budget amendment in this body in 1982 with 69-votes, two more than we needed. We need 67 this time. I will settle for 67. If we can get 67 votes, we are on the verge of helping to save this country. We are on the verge of helping to save this country from going right straight into bankruptcy, or to put in simpler terms, where we monetize the debt by printing more money to pay off the debt with cheap money or money that is worthless but nevertheless capable of paying off the debt; where we break the whole financial standing of the country in the world. That is what is going to happen if we do not do something about it.

Since 1982, now 13 years, when we passed a balanced budget amendment in the Senate, we had 60 percent in the House but not two-thirds. So ''Tip'' O'Neill and those who governed the House at that time beat us. But here we have the reverse now. We have the House of Representatives for the first time in history has passed this amendment, their bipartisan Democrat-Republican consensus amendment, and now it is here in the Senate where we can do something about it.

This year, 1994, we spent an average of $11.807 million each day on gross interest alone. That is $564,000 each hour $564,000 of every day. That is why we had statutory fixes like this one in place.

Just the 26 days since we started this debate has cost us in deficit spending almost $22 billion. Where is it going to go? I do not think anybody can make a good case that statutes alone are going to solve those problems. All the shouting in the world, all the arguing in the world, all the ingenuity in the world is not going to change that fact. But a simple statute that can be amended by another simple statute anytime anybody else wants to spend more and any subsequent Congress that wants to spend more—frankly, the American people are catching on.

I think that is why there was a sea change in November of this last year. This sea change where they took people in and elected these 11 new Republican Senators here, every one of whom has participated in this debate and every one of whom will vote for the balanced budget amendment—they elected them because they now know that there is no hope to get spending under control unless we pass this balanced budget amendment. And another statute that is well thought out, as the Senator's may be, another statute, and as well-intentioned as it may be that statute is not going to cut any mustard. It will not fare any better than the statutes that have been passed in the past which were ingenious. I supported them. I tried my best to do what I could about getting spending under control. But they failed because subsequent Congresses overruled them when the going got tough.

With the balanced budget amendment, if the going gets tough, we are going to have the tough get going and we are going to have to stand up and do something about this deficit spending for the first time in the last 63 years. That is what is involved here. We all know it.

Next Tuesday we will have an opportunity to vote one way or the other. I am hoping that my colleagues will support us. It is a bipartisan effort. We only need 15 Democrats. We have 52 Republicans out of the 53. We only need 15 Democrats out of their 47. If we get them, we will be on our way to getting this country's fiscal house in order. If we do not get them, regardless of how many statutes we pass it is going to be Katy bar the door, the same thing that we have had for the last 63 years, a lot of empty promises; or, even if they were not empty, a lot of promises that really were not lived up to. I want to see us get out of that system and get into a system where we have to do something about deficit spending and do it now.

Mr. President, I yield the floor.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, first of all, I want to thank the distinguished Senator from Utah for not yet moving to table. I have a few remarks I want to make and then I understand he will move to table.

There is not anyone in the Senate for whom I have a higher regard or a better personal relationship—off the floor—than the Senator from Utah. He is unfailingly delightful, courteous, accommodating, and I appreciate it very much.

Let me start off by saying what I said last evening when I first laid this motion down; that is, I am offended by the fact that there are 100 Senators in the U.S. Senate but House Joint Resolution 1, the pending constitutional amendment, was adopted by the House and sent to the Senate, and they said do not uncross one ''t'' or undot one ''i''. Otherwise, do not send it back to us.

Think of the arrogance of debating for almost 4 weeks now an amendment to the Constitution of the United States, where we are told by the majority party, ''We will not accept one single change of one word.'' James Madison went to Philadelphia knowing precisely what he wanted to do, but he had to contend with the likes of John Adams, Alexander Hamilton, John Jay, and George Washington. Can you imagine them in Philadelphia saying that? Let us assume that Washington and Madison got together and said: Here it is, boys, put your seal of approval on it and let us go home. Why, they fought like saber-toothed tigers over every word for 119 days. We are told, in 30 days, that we may not make one single change. And indeed we have voted about 20 times, and every single amendment that has been offered has been offered on this side and summarily shelved, tabled, with not even an up-or-down vote.

I suppose there have been times when my party was in the majority that maybe we have been that insensitive—but not on the Constitution.

The Senator from Utah was not here when I described my amendment earlier. So I will try to state it again, because some of the assumptions the Senator was making are in error. But before doing that, let me say to the Senator that, before he arrived, I pointed out that in 1993 we voted in the U.S.

Congress to cut the deficit by $500 billion over the next 5 years—half taxes, half spending cuts. Because the economy is better than we anticipated, there will actually be closer to $600 billion in deficit reduction. Tragically, while the American people want us to be bipartisan and they want us to work together—you can be a Democrat and you can be a Republican, but when the chips are down, you ought to collaborate, you ought to cooperate, just like when you declare war.

The chart the Senator from Utah has used over the last 26 days points out that the deficit has risen $23 billion since Congress began debate on the constitutional amendment. The Senator fails to make two points though. First, the constitutional amendment requires no action until 2002. Even if the amendment had passed the Congress and been ratified by the States on the first day of the debate, the deficit figures on the Senator's chart would be no different. In addition, the figures on the chart would be closer to $30 billion had it not been for the 1993 deficit reduction package voted for only by Democrats, many of whom lost their seats—particularly in the House—because they voted for it and were accused of being tax-and-spend liberals when they went home. If it had not been for the courage of 50 Democrats and the Vice President's tie breaking vote in the Senate, the Senator's chart would have to be much taller. I have never cast a vote that I was prouder of.

The Senator from Utah made a statement that we have tried legislative remedies before and that is the reason we are here debating the Constitution. Let me make a couple of points. First, as far as I know, we have never tried a legislative remedy requiring 60 votes to repeal. If 60 votes to eliminate the constitutional balanced budget requirement is enough assurance, no one could argue in good faith that the very same 60 vote requirement to eliminate my proposed statutory requirement is insufficient.

Second, the constitutional amendment calls for a balanced budget by the year 2002 but does not require Congress to do one blessed thing for the next 7 years. The Speaker's Contract With America in the House says we will do it all in 2002. They say if the Congress will just adopt this and send it to the States and 38 States approve it, we will do it in the year 2002.

The thing that makes my amendment so much more preferable is that I say let us not wait until 2002. Start now. Cut the deficit this year below what it was last year. If Congress had done nothing in 1993, the deficit would be approaching $400 billion. However, we have caused the deficit to decline below $200 billion. Even the President's budget, with which I disagree, calls for $190 billion to $200 billion a year between now and the turn of the century.

My amendment says that the Budget Committee must come out here with a budget resolution that contains a glide path towards a balanced budget. If they do not do that, I will raise a point of order and it will take 60 votes to overrule the point of order. That is exactly what the constitutional amendment calls for, 60 votes, not a simple majority, Senator.

The Senator says one of the flaws of my proposed amendment is that it does not say how much we would have to cut the deficit next year. That is true. But my amendment says the same thing the constitutional amendment says—that they not only must cut the deficit below what it was last year, they have to submit a budget that shows we are going to have it balanced by the year 2002—not wait until 38 States ratify this crazy constitutional amendment. Do it now and it will require 60 votes, just like the constitutional amendment. It is absolutely a more enforceable amendment than the constitutional amendment because it requires us to do it now. It requires us to start reducing the deficit now, not in 2002.

I will tell you what I think. I may have said this earlier. I think I did, but I will say it again. If we reduce the deficit $10 billion or $15 billion next year, below what it is this year, the American people will be happy. They know that you cannot cut a trillion dollars in spending all at once. If we were to reduce the deficit under my amendment by $10 billion to $15 billion a year for the next 7 years, that would be half the battle won, and you would not have thrown the economy into a tailspin. Can you believe that we are going to wait?

I have never seen a constitutional amendment that people were willing to vote for, with a serious look on their face, that says we are not going to do anything until the year 2002, or at least we are not obligated to do anything. The beauty of my amendment is that it tracks the constitutional amendment. It says a three-fifths vote will be required if we do not reduce the deficit every year and balance it by the year 2002. It does not undercut the Constitution, it protects Social Security, and mandates that we start now. My proposed amendment ought to get 100 votes in the U.S. Senate, but it will not. People will walk up to the door and up to the manager and say, ''What is our vote on this?'' Well, they will not have to ask, they know what their vote is. They know there has been a motion to table every single amendment. What kind of democracy is that?

What kind of thinking is that?

Well, we ought to have the ability in our offices to just push a button ''no'' or ''yes.'' You do not have to listen to the debate. You do not have to think. Just ask, ''What's our vote?'' What a travesty. What a trivialization of that sacred document we call the Constitution.

I have been sitting in that seat for a long time. I can remember walking up and down this aisle in 1981 during the debate on the Reagan economic proposal to cut taxes and increase spending. President Reagan told the American people that those two, in combination, would balance the budget.

I stood right here, as I am standing right now, and I said, ''You pass this budget, you pass this tax cut and this increase in defense, and you are going to create deficits big enough to choke a mule.''

And only 11 Senators—11—said no, 89 Senators voted yes.

The Senator alluded to what happened over the last several years in our efforts to balance the budget. I am telling you that my vote on the 1993 Deficit Reduction Act was one of the most unpopular votes I ever cast. Think how easy it is to vote for tax cuts. If you are looking for approval ratings back home, you just put your finger to the wind and whatever is popular that day, vote for it. Eleven Senators said this is palpable nonsense. And do you know what it turned out to be? Just $3.6 trillion of palpable nonsense.

Did you know that if we had defeated that proposal in 1981, the budget would be much closer to being balanced today? If you exclude the interest payments on the debt accumulated during the Reagan and Bush administrations the deficit today would be just $800,000. Think of that.

And there was not any one of those 11 Senators that did not know what was popular. Sure, I knew what was popular. I always know what is popular. But I can tell you, what is popular today may be patently unpopular tomorrow.

You pass this constitutional amendment and say, ''Well, we will do it all in the year 2002.'' There is not one soul in this body that does not know that that is absolutely impossible. As Alexander Hamilton said, ''It raises the cynicism level of the people in this country who think that Congress cannot do anything right. And usually it is because Congress has not done anything right.''

Again, I plead with my colleagues to support a legislative amendment that has more power and effect than the constitutional amendment and does not tinker with the Constitution.

To repeat a statement I made last night, Robert Goldman, of the conservative American Enterprise Institute, said something I could not agree with more. ''True conservatives do not muck with the Constitution.''

I yield the floor.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, as always, I enjoyed listening to my distinguished colleague from Arkansas. I know he is sincere and I know he believes this would be a better way to go. I know he is not a supporter of the balanced budget amendment for reasons that he claims to be significant. I think he is wrong.

There is no use kidding. This is no different, in real terms, from other simple statutes that have been passed.

The difference between his solution and mine is his could be easily amended. Let us say he gets 60 votes to amend it. Once it is amended, it is gone.

The balanced budget amendment is not gone. It is going to be there to maintain that three-fifths requisite if you want to increase spending. It is going to be there to require that constitutional majority if you want to increase taxes. A constitutional amendment is a stronger rule, there is no question about it, than a mere statute.

The amendment of the Senator from Arkansas certainly is a good step toward implementing the balanced budget amendment. And I will be interested in working with him on implementing legislation afterwards, and that may be the type of implementing legislation we may want to do. But it is no substitute for the balanced budget amendment. I do not think anybody could argue that, because it can be amended by another statute. It is another well-intentioned but easily avoided, weak statutory rule like all the failed attempts of the past. I do not think there is any question about it.

As a matter of fact, his point three, that the constitutional amendment may or may not be enforceable, everybody knows a constitutional amendment is enforceable at the ballot box. Everybody knows that we are sworn to uphold the Constitution. If this constitutional amendment to balance the budget becomes law, there will be tremendous force by the public at large to enforce that amendment. It certainly does not trivialize and politicize the Constitution, not at all. It was carefully put together, carefully crafted. It was done by Democrats and Republicans over a period of at least 15 years—really 38 years if you really want to start talking about when this started. And it hardly trivializes and politicizes the Constitution.

It says, ''The game's over. No longer are you going to be able to just do business as usual, the old way of doing things. You are going to have to live up to some new ways of doing things.''

And that is, within the Constitution, you are going to have to balance the budget by the year 2002 or give a very good reason why not—or face the voters at the ballot box. That is hardly trivialization.

It raids the Social Security trust fund. I suggest to you that is blatantly in error because we are raiding the Social Security trust fund as we sit here every day. There is a $70 billion surplus this year, every nickel of which is being borrowed in exchange for a Treasury bill.

If we keep going into bankruptcy the way we are going, our seniors will be the most hurt of all because their dollars that they get on Social Security are not going to be worth anything. It does not require much of a knowledge of economics to understand that simple principle. If you spend into bankruptcy, that bankrupt company is not able to do much good from that point on. Well, in this case, it is going to be the bankrupt Government. And if it does pay its debts, it will pay it with worthless money that they print over and over.

If we want to save Social Security and we want to protect Social Security and stop the raid, then let us pass the balanced budget amendment that gets our fiscal house in order so that money is worth something for those seniors when they come along. Let us stop the raid of the Social Security trust fund that is going on right now as we substitute a piece of paper for $70 billion this year that we are spending on deficit spending. Because we are going to be over $200 billion in debt this year, additional debt.

These are just the days of debt since we started the debate, just to highlight how much every day we are going in debt as we fiddle about the balanced budget amendment.

I made the point that if we had passed it back in 1982, we would probably be at a balanced budget today or well on our way to it. But, instead, we spent $3.6 trillion more in debt since 1982 in those 13 years.

We did pass it in the Senate. It was the House that killed it then. The House has passed it this year and I hope to high heaven that the Senate does not kill it this time. It would just be a tragedy if we killed this balanced budget amendment.

It says no requirement for action until the year 2002 at the earliest. Give me a break. If we pass this next Tuesday, I think we go into action on implementing legislation right off the bat. It may take a year but the game is over.

Even the President is going to have the leverage for the first time since I have been here, to lead the fight to get to a balanced budget within 7 years. The President will have to, or he will not stand a chance of being reelected in 1996. And we will have to, or we will not stand a chance of being reelected.

I cannot disagree with the Senator's hypothetical, if we do not ratify this in the next 7 years, if we assume that. But let me say something. If this vote gets 67 votes next Tuesday evening, Iowa will ratify it within a minute after it is voted up. Utah and Idaho almost within the hour. I talked to Doug Wilder, former Democratic Governor of Virginia on his radio show today. He is for it. He said Virginia would ratify within a matter of days.

Mr. BUMPERS. Mr. President, would the Senator yield for a question?

Mr. HATCH. Mr. President, I yield.

Mr. BUMPERS. Does the Senator favor the Contract With America?

Mr. HATCH. I do not know what is in the Contract With America.

Mr. BUMPERS. Let me name three elements.

Mr. HATCH. I do not favor all elements.

Mr. BUMPERS. The Contract With America calls for increased defense spending, for a middle-class tax cut, and a capital gains tax cut. In all, those three elements would cost, over the next 7 years, $471 billion. If we do nothing and adopt the Contract With America the deficit goes up $471 billion over 7 years and more than $700 billion over 10 years.

The Senator says he wants to start on this deficit the minute we finish debate on the constitutional amendment, and I want to help him. That is the purpose of my proposed amendment. But how on earth can the Senator say to the American people we are going to deal with this thing while we are spending $471 billion more than we are spending now?

I must say, Senator, increased spending on defense and cutting taxes and balancing the budget—I heard that $3.5 trillion and 14 years ago.

Mr. HATCH. Mr. President, I think the Senator makes a good point, another point in favor of the balanced budget amendment, because if the economics as the Senator stated are true and correct, the minute this passes I think everybody will have to revamp. Everybody will have to look at what we can do to reach that glidepath in the year 2002. The game is over.

But the fact of the matter is that game will continue to be played, whether by Democrats or Republicans, until this amendment passes. Say this amendment does not pass, and the Senator was successful in passing his statute, I guarantee this game will continue the way it always has.

Mr. BUMPERS. May I ask one more question, and then I will leave the floor. I know the Senator wants to move to table my amendment.

Let me ask the Senator this question: Is there one thing in the constitutional amendment, one thing, that requires the Senate to do anything between now and the year 2002, dealing with the deficit?

Mr. HATCH. Of course, there are a number of things, but two I can think of right off the bat. It requires Members to vote if we are going to increase the deficit, or if we are going to increase taxes, as soon as this amendment is ratified.

Mr. BUMPERS. Mine requires a 60-vote majority.

Mr. HATCH. This constitutional amendment requires a 60-vote majority in order to increase the deficit, and the constitutional majority to increase taxes.

Let me make this point: The average constitutional amendment has been ratified within 21 months. This one is not the average amendment. I think it will be ratified within 1 year, and probably 9 months. And maybe shorter than that. Regardless of whether it takes 9 months or 21 months—and I believe it will be ratified—we will have to go to work.

And with the Contract With America, as the distinguished Senator said, I think everybody here is going to have to revamp.

Do I support everything in it? I would like to support much of what is in there. I will not be supportive of running the United States more into deficit spending. It is that simple.

Let me say another thing that I think is important because of what my colleague, my friend said. These motions to table may have been made by me or by Senator DOLE, but they have been bipartisan motions to table. This amendment is bipartisan. It is a Democratic-Republican consensus amendment. There has not been one motion to table that has not been supported by Democrats. I admit, very few, but nevertheless by Democrats.

All we are asking on this amendment, we are not asking 47 Democrats to vote with us. We are just asking for 15 out of 47. We are asking less than one-third of the Democrats. We are getting almost 100 percent of the Republicans voting for this.

Look, there are some Republicans that share some concerns, and I do too, about how well this will work. But we have all concluded this is the only thing that we have left to do if we are going to get this country's spending practices under control and help save the country. It is that simple.

I do not think anybody fails to understand the serious import of this. I do not mean to keep my friend any longer. I appreciate that he is trying to do something good here. I think this is more appropriate for the implementing legislation, and I will be interested in working closely with him if the constitutional amendment passes to get good implementing legislation that will help us get to that glidepath and that balanced budget by the year 2002. Some of his ideas are excellent with regard to the implementing legislation. It is no substitute for the balanced budget amendment. I do not think any person would conclude that it is.

It may be some of these ideas may be very beneficial once we pass the balanced budget amendment, and the game is over, and we start trying to implement it by getting to that glidepath vote, that glidepath balanced budget in the year 2002.

Mr. President, if the Senator does not mind, I would like to move to table this amendment and 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.

The PRESIDING OFFICER. No rollcall votes will be called until Tuesday. This rollcall vote will be Tuesday.

Mr. THOMPSON addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. THOMPSON. Mr. President, first of all I want to say, before the Senator from Arkansas leaves, that I always thought the U.S. Senate ought to be about great Senators debating the great issues of the day. I think that is exactly what we have here today. It is an education and a privilege to be a part of such a debate with such distinguished Senators, the Senator from Utah, and the Senator from my neighboring State of Arkansas who I have admired for so long. He is not only, probably, the most eloquent Member of the Senate but one of the most eloquent people in the country. I think it probably has something to do with the Senator having been a country lawyer at one time. I appreciate him and his observations.

I respectfully disagree with his conclusions. I, like the Senator from Utah, believe that if we were amenable to solving this problem with legislation it would have been done some time ago. Some Members do have concerns about the way we approach these matters. Most Members do not tread easily into these constitutional waters. This is a very serious matter.

The Framers set the Congress up in a situation where we could, from time to time, revisit our basic document. Thomas Jefferson, who is quoted a lot in these proceedings himself, said that he thought every 20 years or so we ought to perhaps get together and reinvent ourselves.

We are not trying to do that, but we are about serious business. And we are doing it by means of a constitutional amendment because we have tried everything else and failed. We are struggling for a solution. We are struggling for a solution to an impending economic crisis in this country. That is what it is about.

After all of the statements have been made and all the concerns and objections have been raised, that is what it gets down to. Surely, although we disagree on the solutions, we can all agree on what we are faced with. The assumption, the moral commitment to the next generation, was in force in this country for a couple of centuries. That is changed now. That is changed.

The situation is apparent. The need for firm action is clear. I believe a constitutional amendment is the only thing, and perhaps the last clear chance we have, in this generation of doing something to avert the pending economic catastrophe that all people of good faith must conclude that we are headed toward in this country.

What is the problem? The Federal Government has run deficits in 33 of the last 34 years. It has run a deficit every single year for the past 25 years—for an entire generation, Mr. President. It took our Nation over 205 years, from 1776 to 1981, to reach a $1 trillion national debt. It took only 11 years to reach $4 trillion, and on the last day of 1994, the total Federal debt stood at $4.8 trillion.

Deficit financing is clearly harmful and unfair to future generations. Each year that we endure another $200 billion deficit, it will cost the average child just over $5,000 in extra taxes over his working lifetime just to pay the interest costs.

The fiscal year 1995 interest payments on the national debt are expected to be in excess of $300 billion—$310.9 billion. These interest payments are the second largest item in the budget, 20 percent of all Federal spending; they represent 92 percent of Social Security payments, 52 percent of all individual income tax revenues—interest on the debt.

The national debt has now topped $4.7 trillion. The Federal Government has run deficits in 56 of the last 64 years, and 33, as I said, of the last 34.

During the 1960's, deficits averaged $6 billion per year. During the 1990's, deficits averaged $248 billion per year. The President just submitted another budget. It looks like a $200 billion deficit—as they used to say, as far as the eye can see.

Everyone who has taken an objective look at the situation that is facing us and the situation that is facing children yet unborn in this country, basically all reach the same conclusion. We can argue over the extent or the exact year when the catastrophe is going to hit. But I do not reasonably see how we can disagree over the basic conclusion.

The Bipartisan Commission on Entitlement and Tax Reform submitted a report last August. As you know, Mr. President, this was headed up by two distinguished Senators, one Republican and one Democrat. Senator Danforth is no longer serving, but Senator KERREY still is. These are two very well-respected, thoughtful men in this area.

Their report conclusion was very simple, very startling. They have certain recommendations, and we can agree or disagree with various items in their recommendations, as I am sure we will, but they state the following:

> America is at a fiscal crossroads.

They state:

> If we fail to act, we threaten the financial future of our children and of our Nation.
>
> If this country does not respond, Americans 10, 15, and 20 years from now will ask why we had so little foresight.

They go on to point out that in the year 2012, unless appropriate policy changes are made in the interim, projected outlays for entitlements and interest on the national debt will consume all tax revenues collected by the Federal Government. Projected outlays for entitlements and interest alone—those two items alone—will consume all the tax revenues that we have in this country. That is in 2012. We talk about the next generation; that is not even the next generation. That is practically upon us.

The Concord Coalition. Many people in this body are familiar with the work of the Concord Coalition. It is headed up by two former distinguished Senators, Senator Rudman of New Hampshire, and Senator Tsongas of Massachusetts; another Democrat, another Republican, bipartisan. And again, they have a way to balance the budget that will result in a zero deficit by the year 2000.

There has been a lot of talk in this body about what are the details of your plan; let us see your budget, let us see

the details. There are enough plans and details and suggestions as to how to balance the budget to fill this room. We are not lacking for plans and details; we are lacking for the willpower. Here is what they say will happen if we do nothing:

> If we ignore our mounting debt, if we just wish it would go away and do nothing about it, it will grow and grow like a cancer that will eventually overwhelm our economy and our society. The interest we owe on the debt will skyrocket. We will continue our vicious cycle of having to raise taxes and cut spending and borrow more and more to pay interest upon interest. Our productivity growth will remain stagnant, more of our workers will have to settle for low-paying jobs, and our economy will continue its anemic growth. America will decline as a world power.

Mr. President, how much more stark can the picture be made? How much clearer can the impending crisis that we face in this country be made?

This is the reason many, I believe, in this body ran for the U.S. Senate and wanted to become a Member of this body. I am among 11 new Members of this body, and I think to a person that we will say that this is one of the reasons we wanted to be here, because as we were coming in, we heard, like Senator Danforth, who I mentioned awhile ago—I read something very startling in the middle of the campaign when he was talking about his leaving. He said he left with a certain amount of sadness because he thought there was really an underlying feeling that the entire body, that the Senate as a body and that the Congress as an institution, was really doing something shameful to the next generation. He regretted the fact, despite all his efforts, he could not do more to alleviate that.

That is a feeling many of us have had over the years, those who have not been involved in elected office before. But as we watch this, as our grandchildren start coming along, as we see these statistics, as we see these bipartisan commissions and these committees and all of the objective economists who analyze this problem—Pete Peterson wrote a recent book, ''Facing Up,'' a former distinguished Secretary of Commerce, some years ago. He has his own plan, his own proposal. But the most important part was the analysis of the problem and the impending disaster; that if we did not change our way of doing business in this country, if we did not face up to what was happening, if we did not get away from momentary political considerations about how this is going to play back home, or is some favorite constituent going to get trimmed a little bit if we have to cut his program back, and how is that going to work in the next election cycle, if we do not get away from that kind of thinking that has dominated this town and this body for so long, we are never going to solve the problem.

There have been many distinguished Members of the U.S. Congress, on both sides of the aisles, in both bodies, who have worked hard to try to do something about this. But it has not been enough. Everyone I hear speak on the subject talks about how they have stood tall, how they have fought against the other party. It is always the other party's fault. The President of one party, Congress of another party, each side wants to say it is the other one's fault.

The President does not appropriate the money, but he is the leader, and Congress is not the President, but they spend the money. Regardless of all that, regardless of whose fault it is, everyone says that they stood tall, they did the right thing. I do not know where the problem lies, because there obviously have not been enough people over a period of time who have been willing to do the right thing and do the obvious thing.

This is not just a matter of balancing a budget. We could balance the budget next year and we would still have a tremendous problem, because the underlying factors which cause us to continually want to have our cake and eat it, too, would be there, and without a constitutional amendment, it would still get us in the end. We are going to have to do so much for so long in this country to get back on the straight and narrow. We cannot do it overnight; we cannot do it with one Congress; we cannot do it with one Senate. Before we solve this problem, probably most of the people in this body will not be here any longer.

We are going to have to do it with some structural changes that will take care of the changes that we have in terms of faces and personalities that walk these Halls around here, because we are going to have to do a lot of good over a fairly long period of time and we have a structural situation that will force us to do the right thing as we go on out. This is not a one-time problem. We talk in terms of balancing the budget, and we could balance it right quick, but if those motivations were wrong and the short-term political considerations took over once again, we would be right back into the problem in short order.

We have debated this amendment for many days. It has been debated before. I have not had the benefit as a Member of that debate. Some of the Members who oppose the constitutional amendment say that we are going too fast; this is supposed to be a deliberative body and that we are going too fast.

I for one think we ought to take our time when we are dealing with issues like this. Frankly, I do not understand why it takes so long to pass a bill dealing with congressional accountability. I do not understand why it takes so long to pass a bill dealing with lifting unfunded mandates and things of that nature, things, once we get down to a vote, that pass in overwhelming numbers. I do not understand why it needs to take that long.

However, we are dealing with maybe the most important issue that will face some of us in our career here in this body and here in this town, and I for one would join my colleagues on the other side who say we ought to take our time on this. I think we have taken our time and we have debated the issue. But it is not just this time. It is not just these last 20-some-odd days we have been considering this amendment. The records indicate that the Senate Committees on the Judiciary have conducted hearings on the balanced budget amendment on at least 22 days extending back to the 84th Congress as well as reporting seven different joint resolutions between the 97th and the 103d Congresses.

So it is not like we just took this up and we are dealing with it lightly. This has been debated fully, fully, this session of Congress, and it has been debated in committee and in the Chamber on many occasions before. So, no, I do not think we are moving too fast.

Others raise the point that they do not want the courts overly involved in this process. They are concerned that the courts might wind up requiring us to balance the budget if we ignore the Constitution. There has been a lot of debate as to what the courts will likely do or not do and is there a possibility what the courts might do.

Mr. President, nobody in this body has any idea what the Court is going to do. I do not think anybody can predict. And I think that everybody would have to acknowledge a very wide range of possibilities as to what the Court could do. I think you can talk in terms of what the Court is likely to do, when you look at the dicta of Court decisions that have come down regarding State laws, when you look at the history involving the branches of Government and the reluctance of the Supreme Court to overly involve itself in the details of Congress, or overly involve itself in the details of the Presidency for that matter.

I remember as a young staff member on the Watergate Committee, as minority counsel in the Watergate Committee back in the 1970's when we had United States versus Nixon and the President had to finally turn over his tapes, something that probably all of us remember.

People remember that the Court required him to turn over the tapes, but people do not often remember the high degree of proof that was taken, or the very unusual circumstances that were present in that situation before the Court would reach that conclusion. The Court was very reluctant to tell the President of the United States that he had to turn over his tapes, and it only did so because some direct witnesses had come forward with direct testimony concerning alleged criminal activity.

The Court went out of its way, strained to point out that the bar was very high for anyone who wanted to come in and require the Supreme Court to go into the Oval Office of the President and require the President to turn

over documents in his office, or in that case tapes.

(Mr. THOMAS assumed the chair.)

Mr. THOMPSON. Certainly, that is not directly analogous, but I think it is significant. And looking at the history of the Court and their reluctance to get into the detailed workings of the other branches of Government, I personally do not think it is very likely the Supreme Court of the United States would want to be establishing a budget for the U.S. Congress.

Is it possible? It might be. But I submit, Mr. President, that as we get down into the details of these things, it must be argued and thrashed out to make sure we are not overlooking something obvious that we keep in mind what we are about here. Are we willing to risk maybe a court doing something that we would rather it not do, which we could rectify again and come back and address again if that was ever the case, in light of the fact that we are facing the impending bankruptcy of the next generation? Should we be arguing about how many angels can dance on the head of a pin? Should we be fiddling while Rome and the rest of the Nation is burning simply because the flames are not high enough for us to fully see yet? I do not think so.

So, yes, let us debate what the courts might do with this amendment sometime down in the future, but let us not get caught up and that to be determinative when we are facing an economic disaster somewhere down the road not very long if we do not change our way of doing business in this particular town and in this country.

The Senator from West Virginia the other day was talking about section 5 of the constitutional amendment. He was concerned that in times of a declaration of war the amendment requires a constitutional majority of 51 Senators. He thought that hurdle was too high because normally without the amendment on most votes around here it is a majority of those present with the Vice President casting a tie-breaking vote if called upon.

As I listened to that debate, it is very interesting, the possibilities are intriguing from an intellectual standpoint. Sitting and listening to Senator BYRD of West Virginia is like sitting in a good class of constitutional law. I enjoy it. If we did not have a Senator BYRD, we would need to invent one because he brings issues to the floor and to the table that need to be discussed. But again, does this not assume that 50 Senators plus the Vice President would do the right thing? He is concerned that we might not get that vote.

Here we are, we need to declare war and we might not get the 51 votes. So he assumes, I suppose, that 50 Senators plus the Vice President would do the right thing and we would get the 51 votes that way but under this amendment that 51 Senators would not do the right thing.

Now, is that not slicing it a little thin in light of what we are dealing with here? Is that not belaboring the point? It needs to be discussed. But is that what this is going to turn on, whether or not we have 50 Senators plus a Vice President on the one hand or 51 Senators on the other?

I must say, Mr. President, it is my opinion that there are enough good people in this Chamber that if we have the kind of situation that requires a declaration of war, we would do the right thing, that we would do the right thing when the circumstances arose.

I have listened to arguments, very eloquent arguments by the Senator from New York [Mr. MOYNIHAN]. And again it is like sitting in a very good classroom to listen to him and his sense of history and the various parts of history that he has had a part of. He makes some very good points. He points out that the balanced budget amendment deprives the Government of some flexibility.

Well, indeed, it does. That is what it is about. It deprives the U.S. Congress of some flexibility. It deprives the President of the United States of some flexibility. It says in effect no longer business as usual. We are going to do things a little bit differently, and it is going to be kind of painful and maybe we are going to have put a straitjacket on you, but it is the right thing.

That is what it is about. But he makes the further point that it deprives us of the ability to, as I would interpret, fine tune the economy; that, in slow economic times, under good Keynesian theory we need to stimulate the economy and stimulate spending and offset that and thereby bring us back into recovery.

It occurs to me that proposition and that concern is based upon certain assumptions. No, 1, it assumes that the U.S. Congress or the President has the ability to foresee far enough in advance what the economic situation is going to be and that they have the ability to adopt measures far enough in advance to take effect and to meet those emerging conditions somewhere down the road so that they would have the proper effect. In fact, that is the second assumption—that these policies, this foresight, would result in not only policies but policies that would have the desired effect.

In other words, we are able to pretty much fine tune the economy. We can see what is going to happen and we can basically spend the money necessary—that is what we are talking about—in order to offset it. It further assumes that this all has to do with fiscal policy and not monetary policy. We all know that the Federal Reserve has the ability to raise and lower interest rates, and we all know, certainly, that has its effects on the economy. But as I understand the argument, we put that aside, really, and concentrate on the fiscal side, on how much the Government can spend.

Lastly, it assumes that even if we are able to foresee these impending economic conditions, and even if we are able to adopt policies that will address those conditions and that we can have the ability to, in effect, turn things around and that it would turn things around because it had to do with how much the Government spent and not what the interest rates were, even though all those situations were present, you could not get the three-fifths vote required by this constitutional amendment that would be necessary to waive the provisions of this amendment.

I think it is obvious from my comments I do not adopt those assumptions. I am certainly not an economist. I respect those who raise these questions and make these points. But in reading my history and in listening to other economists on the other side of the issue—and we have no one-handed economists, you know; it is on the one hand this and on the other hand that—in reading the other side, many of them point out we have not been very successful in times past in fine tuning the economy.

In fact, James Bennett, an economist at George Mason University, stated recently, ''If anything, I think the Government has made economic cycles worse.'' Bennett and 253 other economists recently signed a letter supporting a balanced budget amendment.

So, again, are these valid points to be made? Are we restricting the flexibility of the Government somewhat? Yes, we are. Do we know exactly what the effect of that is going to be? No, we do not.

But, on the other hand, do we know exactly how to fine tune the economy, if we had all the flexibility in the world, to make sure we do not have recessions or any downturns in the economy? There is nothing that I can see to indicate that we have that kind of ability.

Others raise the issue of Social Security and say, let us take this off the table, let us take that off the table—let us take Social Security off the table. That is the one that gets a lot of people's attention because we are all interested in and committed to protecting Social Security. What we are really talking about is what protects Social Security and what does not and what really exposes it. The amendment, as I understand it, that would take Social Security out of the mix does not protect Social Security. I think we need to understand that.

If that amendment were adopted, you could still raise taxes. If that amendment were adopted, you could still cut benefits of Social Security. It could simply, then, be off budget, and the present Social Security surplus would not be included to make the deficit situation look a little bit better. That would be the effect of it.

But, again, I think it is an indication and evidence of short-term thinking.

While that would be the short-term result from a bookkeeping standpoint, it would be a bad longer term result even from a bookkeeping standpoint because the Social Security trust fund is going into the red in a few years, and the greatest danger that Social Security faces is not passing a balanced budget amendment.

If we continue on the same trend we are on, if we continue to pile debt upon debt, interest upon interest, where interest is now going to be the second largest expenditure that we have and gaining on the first, at a time when the demographics are going to catch up on us—again, we are living in a good year situation now. The baby boomers are working. In a few years the baby boomers are going to start retiring and we are going to have a shrinking working population supporting a growing elderly population.

As we know, those Social Security payments come from the workers, current workers' pockets. If we have a deficit, debt, slow economy/high interest rate situation that is surely facing us in addition to the burden of fewer supporting a greater number, that is the true danger to Social Security. Because these young folks, these young working folks, these young kids, they do not want to pay 70 or 80 percent of their income in taxes. They do not feel like that is right. That debt was run up, in many cases, before they were even born.

The balanced budget amendment, I think, is the only sure way to protect Social Security. Consider a few of these numbers. Interest payments on the debt are currently $235 billion. They are expected to rise to about $5 trillion by the year 2030. We will start to go into the general trust fund to meet current Social Security liabilities by the year 2010. We will need an additional $850 billion, in the year 2030 alone, over anticipated Social Security receipts to meet current liabilities. So, by the year 2030, we will have Social Security needing about an additional $850 billion at the same time that the interest payments on the debt are exceeding 75 percent of the general revenues. The sum of interest payments and Social Security equals just under $6 trillion; general revenues are expected to be just over $6 trillion. Clearly, there is a problem on what we are able to fund as that situation plays out.

And what are the options under that scenario, if we continue down the current path? Certainly cutting Social Security dramatically would be an option that these young people at that point might choose. Another would be raising taxes, including Social Security taxes. Another would be keep raising the deficit. Another would be not to fund anything else, such as national defense, infrastructure, Medicare, schools, or anything else.

We do not have to go down that road. We do not have to go down that road. I respectfully submit that a way to avoid that road is the balanced budget amendment.

I have heard it said during this debate, time and time again, that people do not realize what we are asking of them here, people do not realize the effects of a balanced budget amendment. Once people understand what is happening, they will be against a balanced budget amendment. We see charts and details that it will cost this State some money and it will cost that State some money and we might have to take money out of this program and another program and all of that.

I submit the people out in the country have a pretty good idea what is going on. I submit maybe the folks of this body sometimes are the last to find out. I do not think the large majority of people in this country feel that we can pass a balanced budget amendment or even have a balanced budget without making some incremental differences in some of the things that they have been used to. I do not think that at all. I have never in my life met a person I had a conversation with remotely concerning this subject who would not be willing to make some incremental adjustments in some program they might benefit from. Not drastic, because it does not have to be drastic now. It will have to be drastic if this scenario plays out. If we continue on the same road, it will be slash and burn and cut and rip apart.

But not now. It does not have to be that way. I have never met anyone who would not be willing to make some incremental adjustment to their life if they thought it benefited their kids or if they thought it benefited their grandkids. They do not think that now. People stand up and get defensive, and they do not want anything done, not because they are not willing to do that. It is because they think it is not going to benefit their kids. First of all, they do not trust the messenger who is delivering that message to them. That is us. The U.S. Congress continues to get comeuppance a little bit now and then.

About the change in the election, I am not going to claim credit for that because the Republican Party took over. It will be back down again, regardless. This is a temporary situation, probably unfortunately. Public opinion traditionally keeps the U.S. Congress down to the lowest part of the totem pole in terms of institutions in this country. So we come to them now, and under the present circumstances tell them some of these things. They do not trust us. They do not believe us. They do not believe we will do what we say we will do with the money. They know that for every dollar raised in taxes, we increase spending that much more; things of that nature.

But I think that, if we did some things to help restore our faith—and I think the Congressional Accountability Act was a good start on that—we are going to have an opportunity to do a few more things. We will have an opportunity to vote on a term limits resolution that the Presiding Officer is so vitally involved with, and a few other things. I think this balanced budget amendment falls in that same category. If we begin to do some of those things to show we are serious, maybe we will develop credibility so we will have people believe us, and so that they will say yes. Yes, I will be willing to make some incremental adjustment. I am not stupid. I do not think we can have our cake forever and eat it forever, as some Members of this body apparently think people believe out in the country.

So, I believe, if we are honest with the American people, if we begin to clean up our own act and we begin to take some of the tough measures and we are willing to put a little bit of restraint on ourselves so that we cannot continue this taxing and spending our way into oblivion—it might help in our reelection campaigns, but it is driving the country to a disaster—then I think the people will respond to this. It is not the message that they are concerned with, I think, as much as it is or has been the messenger.

So what if we do not? So many of these points that have been be made in this debate over the last several days are not only interesting, but some of the points are valid. There are questions that are not totally answerable as we sit here and have this debate. We must acknowledge that. But the perfect should not be the enemy of the good.

This is our last clear chance because we always have to go back to the other side of the ledger. No, we do not know exactly what a court would do. Theoretically, a court might make us do what we said we were going to do anyway under a constitutional amendment, and that is balance the budget. That is the worst-case scenario, I guess. Yes, we might have an irresponsible Congress which, even though our country was in imminent danger, would refuse to give 51 votes to declare war. I guess that is theoretically possible. On and on.

Mr. President, I submit we have to keep our eye on what we are about—the other side of the ledger. What if the balanced budget amendment does not pass? What if we do not start exercising some spending restraint and begin to get our fiscal house in order? Can there be any doubt that this interest on the debt is going to eat us alive? Can there be any doubt? Is there anyone who says that it is not a disaster waiting to happen? It is going to drive out all the other revenues that would go for savings; it is going to have an effect on our savings rate, which now I think is the lowest in the industrialized world; it is going to have an effect on our investment rate, which is becoming one of the lowest investment rates in the industrialized world. That will have an effect on our growth rate. That goes up and down.

So if you look long term and compare us with some of the other developing

countries around the world, our long-term growth rate projections are not a pretty picture. We are coming along pretty good right now. But historically, if you look at growth rates coming out of a recession, it has been about twice what ours is now. There are some indicators on the horizon that do not look good—housing starts, of course; the balance of payments, and things of that nature. But leave that aside. Those things change. But the long-term picture remains the same: The increasing reliance on Federal financing for our debt; the increasing ownership of United States assets in foreign hands, a reliance on foreign individuals for our debt. In 1993, it was $41 billion, or more than twice of all of our other foreign aid payments that we have in this country. There is more and more reliance upon that.

We have seen what happened to our friends south of the border recently, when those who were putting the money into the country decided to take the money out of the country. If that happens, the dollar falls and interest rates go up. We are not guaranteed that financing, that foreign financing, is going to continue to be there. We have seen it over the last 20 years.

Real family income in this country has stagnated. People talk about that a lot. There is no real growth there. What people do not talk about so much, getting back to the young people again, is that for younger families, real income has dropped since 1973.

So what are the alternatives? I think we have an insight as to some of the things that we could look for if we continue down the current road. Last October, according to a memorandum by the OMB Director, Alice Rivlin, dated October 3, 1994, in order to pay for the administration's priorities, Rivlin suggested certain tax-related options, including the following options: Limiting mortgage deductions for second homes; include capital gains on the last income tax returns of the deceased; 2.5 percent value-added tax; eliminate the deduction of State and local taxes.

These are the options the administration is talking about or was talking about forcing upon the American people while adamantly fighting a balanced budget amendment.

On Social Security, the administration confirmed what we have been saying about Social Security, in reality. According to the memo, the Social Security trust fund surplus will be exhausted in 2029. Social Security will face a cash deficit in 2013, unless taxes are raised or benefits reduced.

Possible solutions to save Social Security as presented by the Rivlin memo: Increase normal retirement age to 70 by 2023; tax 85 percent of income and benefits of $25,000 for individuals and $32,000 for couples; include children's Social Security benefits in parents' taxable income; increase payroll taxes by 0.32 percent starting in 5 years.

These are some of the options that were being considered by the administration—this one individual, anyway, who holds a responsible position was considering—if we are going down the same old path and continuing the same old economic policies that we have. These are not the directions the American people want to go in. This is the road that we are going on. Can we do it otherwise? The Senator from Arkansas suggested a statutory solution. I respectfully suggest that that has been tried and failed. It is not exactly like we are running in here at the last minute and coming up with a solution that has not been well thought out.

Mr. KERRY. Will the Senator yield for a question?

Mr. THOMPSON. Yes.

Mr. KERRY. Mr. President, I would ask the Senator, first of all, if he has any idea as to how long he might be as a matter of process?

Mr. THOMPSON. I see two or three of my colleagues now on the floor. In light of that, I will be delighted to wrap up here in just a minute or so.

Mr. KERRY. I thank the Senator for his answer and for his courtesy.

I would like to ask one quick question, if I may. I would assume the Senator would agree with me that if one accepts all of the urgency he has cited with respect to the budget, which I accept, and that since there are more than 60 Senators who have already declared they are going to go vote for this, there is nothing to stop those 60 Senators from simply agreeing that they will not have a filibuster, that they will come to the floor now, today, and that they will propose a balanced budget with 51 votes and deciding up or down any portion of that budget, is there?

Mr. THOMPSON. No, there is nothing that would prevent that.

Mr. KERRY. So these Senators can make a decision now to resolve this issue of the balanced budget amendment without really going out to the States and taking the time. This could happen today if those same 60 Senators wanted to put their action where their vote is?

Mr. THOMPSON. Theoretically, they could do that; you are absolutely right—or we could do that, I might add.

Mr. KERRY. I thank the Senator.

Mr. THOMPSON. I also add, however, that I think the prospects of that happening are very small. In the first place, when you get down to the details of working out a solution—as the Senator knows, in times past, it has not been an easy situation. The devil indeed is in the details. It is a complex document. There has been no constraint and no requirement that they come to a balanced budget.

Under the Senator's scenario, there would still be no requirement, no constraint requiring them to ultimately balance the budget. They have given it a good try, but walking away from the table has happened before. The Senator's scenario is one that I would prefer. My concern is that I have been watching this process from Tennessee for a few years, and the Senator has been here for a few years and has seen it closer than I have. But I have not observed anything that would cause me to believe that that scenario could play out.

The Budget Act of 1921 required the President to recommend a balanced budget. The Revenue Act of 1964 basically said it is the sense of the Congress that we must balance the budget and balance it soon. The Revenue Act of 1978 said it is a matter of national policy that we balance the budget. The Humphrey-Hawkins Act of 1978 prioritized a balanced Federal budget. The Byrd amendment in 1978 made it law and said that by fiscal year 1981 receipts must balance with outlays. But in that very year there was a $79 billion deficit.

As the Members here know much better than I, the Budget Act of 1974 was passed, laying the foundation for the process that we have today. I believe the thinking was that it required an annual budget resolution and people would be afraid to vote for large deficits. That did not work. The very next year, the deficit started skyrocketing. Then there was Gramm–Rudman-Hollings, and you know the history there; the 1990 budget deal, the deficit increased; the 1993 budget deal where the debt increased by $3 trillion.

The President submitted another budget that projects $200 billion deficits for as far as the eye can see. I know a lot of Members have been trying mighty hard over a large number of years. I do not presume to challenge that proposition. But as an institution, for whatever reason, there is no indication that we have any possibility of really getting a handle on this thing absent a balanced budget amendment. With that, unless the Senator has something else for me, I will yield the floor.

Mr. PRYOR addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas, [Mr. PRYOR] is recognized.

Mr. PRYOR. Mr. President, I want to compliment our new colleague from Tennessee. I think our new colleague from Tennessee has made a very wise and thoughtful presentation today. I must say I do not agree with his ultimate conclusion and the outcome that he says is going to be the answer to our budget crisis or dilemma that we find ourselves in. I do not find myself in agreement with that conclusion. But I compliment him.

I watched his campaign, Mr. President. I watched that campaign from across the Mississippi River. He is our good neighbor. He has been our good neighbor for a number of years. On many occasions, I can remember, Mr. President, flying from Washington to Nashville, or from Nashville to Washington when he was a private citizen. He and I happened to join on the same

airplanes together, and I recall very good conversations that we have had. We established, I hope, the beginnings of a bond of friendship during that period of time. I welcome him to this body, and I thank him for his thoughtful presentation.

Mr. President, there are a couple of items that the Senator from Tennessee addressed that, in fact, I would like to ask him about, if I might. One is the issue of the term ''incremental adjustments.'' He says the States and the governments might have to make some ''incremental adjustments.'' I pose a question to my distinguished colleague on arriving at a definition of what incremental adjustments might be.

For example, the Department of the Treasury, on the 12th of January, sent information to all of the State Governors on what would occur in their respective States should the balanced budget amendment pass and should the budget have to be balanced by the year 2002.

For example, our neighboring State, the State of Tennessee—and the distinguished Senator from Tennessee represents it well—says the Treasury Department, would have to increase State taxes by 19.5 percent across the board to make up for the loss in grants. I am wondering whether this is an incremental adjustment. I am wondering if the loss of $1.9 billion to Tennessee in Medicare benefits would be an incremental adjustment; or $989 million per year in lost funding in Medicaid; or $78 million in lost highway trust funds are incremental. I ask my friend from Tennessee, are those incremental adjustments?

Mr. THOMPSON. I assume the Senator from Arkansas does not believe those are incremental.

Mr. PRYOR. I do not believe they are. They are not in Arkansas. They may be across the river in Tennessee.

Mr. THOMPSON. I believe when I used that term, I was referring to individuals. I may not have. I think my main point—the main basis was that we are talking about some increases in levels of expenditures that represent cuts in the rates of growth as opposed to actually cutting into the substance of the program. I call that basically incremental; in other words, not draconian cuts, but the beginning of some reductions in the rate of increase in some programs.

With regard to what the Senator is talking about there, in the first place, with all due respect, I cannot accept the figures from the Department of the Treasury, who I think would be a little less than objective in this debate we are having and would be very much opposed to the balanced budget amendment. But, be that as it may, I do not have any idea. I think that Tennessee would lose some revenues. That is my own opinion. How much, I do not know. I doubt if the Department of the Treasury knows, because you are assuming the same rates of growth. You are assuming that the State would not make some other choices and things of that nature. I do not think we can assume that.

But I get back to this: We are not talking about a good-news versus a bad-news situation. We are not talking about a good choice over a bad choice. We are talking about choosing between two tough choices. I would like to see everybody have everything they want in Tennessee and in Arkansas. My concern is what is the effect on Tennesseans, the effect on my grandkids living in Tennessee when they get to be working age if we do not do something about this runaway fiscal situation that we have in this country.

Mr. PRYOR. Mr. President, I applaud my colleague from Tennessee for his answer, because, to some extent, the Senator from Tennessee, in his answer, is making an argument for the amendment that I am about to call up.

That amendment, basically, says that the States have a right to tell Congress how to balance the Federal budget. This is a States rights amendment. This is an amendment that I am sure my colleague who traveled around Tennessee in that red pickup truck, through those hills and hollows of Tennessee that I love to drive through between here and Arkansas, would have agreed with when he heard those people in Tennessee say that they wanted just the facts. They wanted the right to know. They wanted the right to tell the Congress their point of view.

Well, I have an amendment that is going to do exactly that. This amendment says that the State legislatures, before voting on whether or not to ratify this constitutional amendment—this presupposes or presumes that this amendment will get 67 votes, it might not get 67, and it may not be sent out to the States—but if it does, that the State legislature will have the right to tell Congress how the pain is going to be shared.

They are going to have the right to petition Congress, so to speak, and to tell the Congress of the United States where they want these cuts to come from.

Of course, the right-to-know amendment went down. Every Republican Senator, to the best of my knowledge, with all due respect, voted against telling people in advance of our vote here as to what is going to happen in each respective State. So we are going to try now to give the States the opportunity to tell us, if this amendment passes, how those cuts should be made.

I just think that there is a feeling, Mr. President, out there in the country, that there is some kind of magical plan here in Washington. The Congress is going to wave some secret magic wand and is going to pass a balanced budget amendment and 38 States are going to ratify that amendment and all of our problems are going to be over.

Well, Mr. President, that is not going to be the case.

I just think that we still have an opportunity out in the States to show that, one, we are for States rights; and, two, that we will listen to the State legislatures tell us how they want this pain to be allocated out in the States.

I notice, I say to the distinguished occupant of the Chair, the State of Missouri would have to raise taxes, according to the Treasury Department, across the board by 15.5 percent. This balanced budget amendment would mean, for Missouri, a $2.4 billion loss in Medicare, $3 billion in grants to local Governments and veterans benefits and student loans and all down the line.

I think the States have a right, Mr. President, to let us know in Congress how they prefer that pain to be allocated. This would be before the vote would occur as to whether the particular State wanted to ratify or not.

Mr. THOMPSON. Will the Senator yield for a question?

Mr. PRYOR. I am proud to yield to my friend.

Mr. THOMPSON. Does the Senator from Arkansas accept the premise that we are in a dire situation here as far as the next generation or, prior to that, the next century, that the Social Security trust fund is going into the red in a few years and the interest on the debt escalating?

I think the Senator from Massachusetts acknowledges that. I assume we all basically agree we have a real tough situation on our hands.

Mr. PRYOR. Mr. President, I would answer my friend from Tennessee, I know he was not here then, but in 1982 I supported a balanced budget amendment. That was after I had voted for President Reagan's program to decrease taxes and increase defense spending. This was a mistake on my part. Only 11 Members of the U.S. Senate stood up at a time of great national passion and opposed President Reagan. I supported President Reagan.

In 1982, I voted for the balanced budget amendment. It was worded differently. In 1986, this Senator voted again for the balanced budget amendment. It was worded a little bit differently. On two occasions, I have voted in the 1980's to freeze spending, once for 2 years and once for 1 year. I always will think, had we passed these spending freezes during that period, I say to my friend, that we would not be in the dire consequences that we are in today.

In 1990, I voted a hard vote on the deficit reduction package. In August of 1993, this Senator voted to decrease the deficit by $500 billion. And I can tell my friend from Tennessee, that was a hard, hard, mean vote.

And right there, in the middle of that aisle, in my opinion in August of 1993, was where we saw the difference between commitment and just talking. On our side, we voted the hard choice.

And this is the only way I think we are going to be able, as we might say in Tennessee and Arkansas, to bring that horse back into the barn. Because in the mid-1980's, we let that horse out of the barn. Now how do we bring him

back? Do we do it by a constitutional amendment to balance the budget?

The problem is not in the Constitution. The problem is us. And this is why I maintain that we have to continue making tough choices here in the legislative branch and not simply pass a balanced budget amendment that is suddenly going to magically trigger in the year 2002, if it is ratified.

Mr. THOMPSON. I agree with my friend's analogy about the horse being out of the barn. My concern is that the horse is not going to have a barn to come back to before very long.

Mr. PRYOR. I would say that we are not going to have a horse if we do not do something. And we are willing to do something and we have demonstrated that we have been willing to do something. We are pleading with our colleagues on the other side of the aisle that we have to do something.

Mr. THOMPSON. May I make a couple of points?

With all due respect, I was not here during that vote, but I am very much aware of it. I am also very much aware that there were two different bodies of thought during that vote. One has been expressed eloquently by the Senator. The other was that the way we take care of our fiscal problems in this country is to cut spending and not to raise taxes. And a lot of people looked at the President's approach at that time, the one you voted for, as basically a major cut in defense spending and the largest tax increase in the history of the country.

So the thought on this side of the aisle, as I read my newspapers during all of that, was that that was not the way to go about it and that it would stifle growth in this country in the long run. My personal opinion is I think it has yet to be played out. Just so we have both theories on the record.

I am very much aware of the Senator's point.

I guess, however, my main question would be, in light of the Senator's good efforts and tireless efforts along these lines and the failure to see those efforts come to fruition, regardless of whatever reason—and it is all fun to talk about Democrats and Republicans and the President versus Congress and this administration and that—the fact of the matter is we are continuing down the same road through both Democrats and Republicans. So my question is: why is it now, in light, for whatever reason, of the continued failure to balance the budget that now causes my friend from Arkansas to think that we can do it without the constraint of a constitutional amendment?

Mr. PRYOR. First, Mr. President, I would say to my friend the problem is not in the Constitution. The problem is in Congress, and it is our commitment and our will. We can balance the budget. We can cure the deficit. We can do it in a number of years if we will make that commitment. We are pleading right now with our colleagues on the other side of the aisle to join us in that commitment that we helped to make in 1993.

Let me say when the Senator said we are not going to cut spending, we are just going to raise taxes, I know had the Senator been here in August 1993 when that vote was counted and when the roll, as they say, was called. I know the Senator from Tennessee then would have realized that the budget reconciliation bill contained $250 billion in new taxes, but also an equal amount, $250 billion, in spending cuts.

We made that hard decision. We made that hard decision stick, I am sorry to say, without our colleagues on the other side.

Mr. THOMPSON. Spending cuts promised in the future that have not come to fruition.

Mr. PRYOR. Those spending cuts are beginning to come into fruition. I think what we have seen in the tremendous creation of jobs in the private sector is the result of the confidence we helped provide in the economy. We basically laid the groundwork in August 1993.

I would like to say this, Mr. President: I am going to, in a moment, call up an amendment. But before I do that, I will yield just for 60 seconds.

I would like to say one thing about the statement of the Senator from Tennessee. He made a statement that was so correct that I agree 100 percent. The Senator from Tennessee earlier in his remarks made the statement, I am not sure I can quote him exactly, I believe the Senator said, "This vote on the balanced budget amendment is the most important vote that we will cast during this term."

I certainly agreed with him as he said it. I agree with him now. I think future generations are going to look back and say that this was an important, critical vote in this session of Congress.

Mr. President, I ask unanimous consent to yield such time as the Senator from Michigan desires.

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

AMENDMENTS NOS. 273, 310, AND 311, EN BLOC

Mr. LEVIN. Mr. President, I ask unanimous consent at this time that I be allowed to call up three amendments en bloc for the purpose of complying with the 3 o'clock unanimous consent deadline and ask that the three amendments be temporarily laid aside.

I hope to come back later this afternoon or Monday and debate my three amendments at that time.

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

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Michigan [Mr. LEVIN] proposes amendments numbered 273, 310, and 311, en bloc.

Mr. LEVIN. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

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

The amendments are as follows:

AMENDMENT NO. 273

On page 1, lines 4 and 5, strike "is proposed as an amendment to the Constitution of the United States, which" and insert "shall be proposed as an amendment to the Constitution and submitted to the States for ratification upon the enactment of legislation specifying the means for implementing and enforcing the Provisions of the amendment, which amendment".

AMENDMENT NO. 310

On page 2, line 17, after "roll call vote", insert "except that if the whole number of the Senate is equally divided, the Vice President shall have a vote".

On page 2, line 25, after "of each House", insert ", except that if the whole number of the Senate is equally divided, the Vice President shall have a vote".

AMENDMENT NO. 311

On page 2, line 17, after "roll call vote", insert "except that if the whole number of the Senate is equally divided, the Vice President shall have no vote".

On page 2, line 25, after "of each House", insert ", except that if the whole number of the Senate is equally divided, the Vice President shall have no vote,".

Mr. LEVIN. Mr. President, I thank my friend from Arkansas and the managers of the bill.

Mr. PRYOR. Mr. President, am I correct in understanding that the Senator from Arkansas does have the floor? I will not keep the floor long. I know the Senator from Utah is back on the floor. My distinguished friend from Massachusetts is on the floor seeking recognition.

AMENDMENT NO. 307

Mr. PRYOR. Mr. President, I send an amendment to the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, it is ordered.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Arkansas [Mr. PRYOR] proposes an amendment numbered 307.

Mr. PRYOR. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 3, between lines 8 and 9, insert the following:

"SEC. 8. It is the intent of Congress that each State should, as a part of its ratification process, submit to Congress recommendations for reductions in direct and indirect Federal funds provided to the State and its residents (based on the State's allocation of Federal funds) necessary to balance the State's share of the Federal deficit."

Mr. PRYOR. Mr. President, I will not give this entire speech, much to the glee of my comrades in arms here this Friday afternoon, but I will summarize, basically, what this amendment is all about.

Next Tuesday, February 28, this body, if it provides 67 votes needed to pass this constitutional amendment,

the pending balanced budget amendment will go to be ratified or rejected by our 50 States.

This is not just an event or happening that takes place every day or every week around this body. Fortunately, it is very rare. Fortunately, we are putting a high priority on this particular debate, focusing on this particular issue.

The Senator from Tennessee eloquently a few moments ago stated what a good debate this has been. And truly, that is the nature, that is the soul of the U.S. Senate, to have debates like this on issues of great national interest such as the balanced budget amendment.

Accompanying this amendment when it leaves this body—there will not be with it a budget plan, there will not be a report, there will be no study that accompanies this amendment, there will be no options for the States, there will be no notion, no inkling, of information that a State can use to judge the impact that the balanced budget amendment would have on the people of their respective States.

Down there in the Tennessee State Legislature, they will call up this balanced budget amendment, as they will across the river in Arkansas, and they are going to be voting on this amendment, Mr. President. And they are not going to have anything to go by as to how it is going to affect the State programs or the Federal programs whereby we send money to the States for the States to use to provide services.

There is going to be nothing. They are going to be voting in the dark. Already we have killed the people's right to know how this budget amendment will impact the people of our country.

So my amendment is going to take a different route. My amendment at least is going to create, hopefully, a moral obligation that the people of the States, the people of Tennessee, the people of Arkansas, Missouri, Utah, and Massachusetts, can go to their State legislature and say, ''Send to the Congress the message of how this pain is going to be allocated. Send to the Congress the message of how this is going to occur whereby we get so many fewer dollars.''

I think, Mr. President, what we need today more than anything else accompanying this amendment, especially out in the States, are the facts. Right now, what they are going to be looking at are a few speeches made on the floor of the House of Representatives, a very short debate I might add, and then several days of speeches made in the U.S. Senate. Then, based upon those speeches and those statements and desires from constituents and phone calls and letters, then the legislators from the respective States are going to be voting yes or no.

The first Republican House majority leader in 40 years was recently quoted as saying, ''We have the serious business of passing a balanced budget amendment, and I am profoundly convinced that putting the details out there would make that virtually impossible.'' He went on to say, ''If the American people understood what this means, it would make their knees buckle.''

Mr. President, I suspect the Republican House majority leader is perfectly accurate in this assessment. But I am sure that this is not the way to conduct the business of this country, because I truly believe that the people of our respective States have the right and should be encouraged to tell Members how they want this pain to be shared and how they want these Federal allocations to be made.

My amendment is very simple. As part of the ratification process, each State legislature would be expected—not required, no mandate—but expected to submit to the Congress recommendations on how to cut Federal funds in that particular State. Various committees of the State legislature could hold hearings on the priority they place on Federal programs. Legislatures could deliberate, they could debate the impact of cutting these programs on their constituents.

We feel that this is a solid amendment, Mr. President. We feel that this particular amendment is one that should be approved and adopted by this body. Some will say, well, wait a minute, would this not have to go back to the House of Representatives? Would this not slow the process down?

Once again, Mr. President, we feel that an amendment like this would merely accelerate the States' knowledge of what was going to happen to them should their State ratify or reject the constitutional amendment to balance the budget before their State.

So, Mr. President, I am not going to belabor this issue any longer.

The point is that State governments have a huge stake in how we reach a balanced budget in Washington. And they have a right to tell Congress how to do it.

I believe such an exercise would be helpful to each State in preparing for the impact of a balanced Federal budget. They will invest their time and energy into this process. And, their ideas on ways to cut spending would be invaluable to Congress.

Mr. President, we are in a partnership with the States on this issue, and quite frankly, we need their help in our eventual task of reducing the deficit—whether or not this amendment ultimately passes.

Now, it is curious to me how anyone would vote for legislation when he or she has no idea how it would affect his or her constituents?

The answer to this question is, of course, that it is an extremely popular and painless way to make people happy while not cutting spending one dime. It is popular because it carries a simple and empty answer to all of our deficit problems.

Mr. President, Mark Twain once said that ''for every problem there's a simple solution—and it's wrong.'' Mr. President, the balanced budget amendment is a simple answer—and it is wrong.

While I was home this weekend, Mr. President, I spoke with a trusted friend and long-time State legislator from my State. He told me ''once the people of this country understand what this amendment means, they'll drop it like a hot potato.''

Mr. President. I suspect my friend may be right. But the question is whether the people truly understand what they will be voting on. The calls from my State of Arkansas are mostly for a balanced budget amendment until I tell them about the massive spending reductions required to balance the budget. According to the U.S. Treasury Department, in Arkansas, we are looking at:

Medicare—over $1 billion in lost benefits per year;

Medicaid—$416 million loss in funding per year;

Highway Trust Funds—$65 million per year in lost funding; and devastating cuts in veteran's benefits, education, job training, housing, and agriculture programs necessary to actually balance the budget.

At first the callers don't believe me. They believe that Social Security moneys are protected in a trust fund, that Medicare is protected in a trust fund, and highway projects are protected in a trust fund. They believe these trust funds have billions of dollars in them, and that this amendment will not affect them.

But this is simply not true, Mr. President, and my colleagues on the other side of the aisle have proven this time and time again by refusing to exempt these programs from this amendment.

When we balance the budget there is no assurance that these programs won't be drastically cut. In fact, it is very likely that they will.

Mr. President, I know we must make heavy cuts in Government spending to reduce the Federal deficit. I have made the tough votes to reduce the deficit in the past, and I will in the future. But, as written, this constitutional amendment is a back door trick that may very well backfire on us. It could prevent any progress on the deficit in the future because we are not being honest.

The amendment I offer today will help to harness the energies and ideas of the States, and make our task of reducing the debt a more democratic process.

Mr. President, my friends on the other side of the aisle have unanimously deprived the American people of their right to know. Will they also shut off a State's right to tell Congress how to cut Federal funds in their own State?

These are the same States who we listen to in formulating national policies promoting the general welfare of our American society on issues like

crime and welfare. We should also listen to them in this process as well.

I urge my colleagues to join me in this effort.

Mr. President, I ask unanimous consent that my amendment No. 307 be temporarily laid aside until Monday.

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

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I thank the Chair for recognition. I ask unanimous consent that I be permitted to yield for the purposes of a unanimous-consent request of the Senator from West Virginia, and that I retain rights to the floor.

The PRESIDING OFFICER. Is there objection?

Mr. ASHCROFT. I object.

Mr. BYRD. Mr. President, will the Senator yield briefly without losing his right to the floor?

Mr. KERRY. Mr. President, may I yield without losing the right to the floor?

The PRESIDING OFFICER. Is there objection?

Mr. ASHCROFT. I object.

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

Mr. KERRY. I would be happy to yield to the Senator from West Virginia for the purposes of a question.

Mr. BYRD. The question is: Under the previous order that was entered here, is it not required that Senators who wish to call up amendments that will be in order for a vote on next Tuesday must call those amendments up today prior to the hour of 3 o'clock p.m.?

Mr. KERRY. Mr. President, it is my understanding that is the order, and that in order to have amendments qualified they must be called up by the hour of 3 p.m.

Mr. BYRD. Does not the Senator feel that any Senator in this body, whether he is a Senator from the minority or from the majority, has a perfect right to try to get his amendments called up today before 3 p.m., so that they will be in order for a vote on next Tuesday?

Mr. KERRY. Mr. President, I have never known in my 11 years in the Senate a Senator who was present on the floor who wishes to call an amendment up—who under a previous order is permitted to do so—from being prevented from doing so.

Mr. BYRD. Does the Senator know that I wish to ask unanimous consent that the following amendments be called up and laid aside —and these are already on the list—amendments Nos. 253, 254, 255, 258, and 259; and, that in lieu of amendment No. 257 I wanted to ask—which is on the list—ask unanimous consent that amendment No. 252 be called up and laid aside? Does the Senator know that was the request I was about to make?

Mr. KERRY. Mr. President, I did not know that. But now that I do know that, I ask unanimous consent of the Chair to have those specific amendments called up and be temporarily set aside until such time as I have completed my amendments.

The PRESIDING OFFICER. Is there objection to the request?

Without objection, it is so ordered.

Mr. KERRY. I thank the President.

Mr. BYRD. Mr. President, I thank the Senator for yielding. I thank the distinguished Senator on the other side, for perhaps he is a member of the response team who has not learned some of the usual courtesies that we try to extend to one another around here. I am going to make the unanimous-consent request now.

I ask unanimous consent that the following amendments be called up and laid aside: amendments Nos. 253, 254, 255, 258, 259; and, that in lieu of amendment No. 257, I ask unanimous consent that amendment No. 252 be called up and laid aside.

The PRESIDING OFFICER. Is there objection to the request? Without objection, it is so ordered.

Mr. BYRD. Mr. President, I again thank the Senator. I thank all Senators.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. I thank the President, and I particularly want to pay tribute to the Senator from West Virginia who has done such an extraordinary job helping to pull out this debate.

Mr. President, I commend the Senator from Arkansas on his comments and observations with respect to this amendment.

This has been a lengthy but, I think, a valuable, for the most part, enlightened debate. I congratulate colleagues on both sides of the aisle for their tempered and passionate arguments for and against a balanced budget amendment in the Constitution.

We have debated this issue before. As the Senator from Arkansas said, we have voted here previously. He previously voted for it. I have previously voted against an amendment to the Constitution, but I was, I think, one of the original cosponsors and one of the first three Democrats to be supportive of the Gramm–Rudman-Hollings law and have voted for a balanced budget law.

As we all know, and as we have heard a number of colleagues recount, the fiscal realities confronting the United States of America are more compelling today than in previous years, and they will be worse in the future unless Congress summons the courage to do something. And so a reexamination of this issue is both important and, I think, appropriate.

The question before us is whether or not passing this constitutional amendment, as drafted, shows courage and whether it is the right thing for us to do.

Over the past weeks, despite my prior vote, I have gone back to try to reevaluate this issue and to weigh it carefully. I have reexamined my own position on this question and I have reviewed all of the arguments in this debate, closely reading the daily RECORD, reading and rereading historical documents, analyzing the committee hearings and the report language and carefully assessing the impact of this amendment on Massachusetts and on the country as a whole.

As I mentioned in my short colloquy with the distinguished Senator from Tennessee a few minutes ago, we begin this debate, I think most of us, are genuinely in the same place—with a clear understanding of the profound fiscal condition of the Nation.

No Senator, I think, will argue that we do not need to make a set of tougher choices than we have ever made before. And no one, I think, will argue that we can just continue to go along as we have been going. The numbers do speak for themselves: The national debt now over $4.9 trillion, three times what it was 11 years ago; gross interest on the national debt soon to be the second-largest expenditure in the entire budget, higher than defense spending; and in 1980 remembering that interest payments on the national debt were $52 billion, this year they will be $235 billion, an increase of over 450 percent and over 100 percent increase when adjusted for inflation.

We all now know the cliched but all too real trend lines, that each day we spend $640 million in interest payments, that Federal spending continues to grow because of automatic increases, and that our lack of action does, indeed, threaten generations to come.

I am persuaded that with or without an amendment, like it or not, no one of us here can avoid the fiscal confrontation that faces us, except temporarily. Just like the health care issue which is, in fact, part of the current problem, we cannot avoid the issue, or hide from it, or make it disappear, or wish it away. It is going to get worse and worse and an angrier and angrier public is, ultimately, going to hold Congress accountable.

The question is whether we can summon the courage under any scenario that addresses our fiscal problems, and do what must be done before the public decides to change the players until they force responsible action.

Mr. President, the amendment before us purports to be that summoning of will. I think it is not. Let us be absolutely clear at the outset. We do not need an amendment to the Constitution in order to balance the budget, and everything about this debate has to begin at that point. The truth is—acknowledged in the committee report itself, acknowledged in the course of debate—technically, we do not need this amendment in order to balance the budget. We do not need an amendment to the Constitution. If the more than 60

Senators who are now committed to voting for this amendment would simply agree among themselves that they will not allow a filibuster, that they would vote for cloture and that 51 votes, majority Government that our Founding Fathers established to do the job, would be allowed to vote on each measure, up or down, then, Mr. President, we could balance the budget today.

I hope America focuses on that, because that is the centerpiece of this debate. It is the centerpiece of what is at stake in Washington. Not the question of whether or not we need a piece of paper and words that we transfer from our current politics into the Constitution to balance it, we could do it today, and if those 60 Senators who have made this their Holy Grail, their prime objective, would simply say ''we will not filibuster, we will have a balanced budget now, we could do it this year, not make yet another promise to America that we will do something 7 years from now.''

I would agree to that. I would give my solemn pledge to come to the floor, no filibuster. I do not care if it is a program in Massachusetts or a program dear to my heart, I am prepared to let 51 votes decide whether we continue it or cut it, whether we raise the debt or do not, whether we cut taxes, raise taxes, cut a program or increase a program. That is what the Founding Fathers of this country envisioned.

Those who call themselves conservatives ought to stop and think hard about what conservation really means and what conservative means with respect to the Constitution that guides our actions in this country. All they have to do is agree: Let 51 votes decide; let the chips fall where they may; we could do it this year.

So the question then is properly put to the U.S. Senate: Why are we insisting on tampering with the Constitution to accomplish what, by rights, we could accomplish now, what the American people have a right to expect we would accomplish now if we had the will?

The proponents of this amendment say that we need this amendment to, No. 1, force discipline on us. I want to quote from the committee report:

> The primary enforcement mechanism is a three-fifths vote to increase the debt ceiling. The committee argues that an amendment to the Constitution ''forces the Government to live within its means.''

Mr. President, how does it force the Government to live within its means? In a long colloquy between Senator JOHNSTON and Senator HATCH, Senator HATCH acknowledged—in fact, insisted—there will not be court cases; this will not go to court, because the court will not have jurisdiction; the court will not take jurisdiction; it will not be justiciable; there will not be standing; there will not be ripeness, a whole set of reasons.

So, Mr. President, if the Senator from Utah is correct that you cannot go to court, then how does this force the Government to live within its means? If it does not go to court, then the only enforcer is the Senate and the House, and the only enforcement will be the very willpower that is absent today. So here we are with a new modern catch-22, only it is a catch-22 that may be written into the Constitution of the United States of America.

Now, Mr. President, we tried to clarify the court issue. We tried to actually say what the Senator from Utah was promising us. He said it will not go to court. We said if you are so certain that it will not go to court, why not write that in—that it will not go to court? But, oh, no, there was a block vote preventing us from doing that because, in fact, there are those on the other side who want it to go to court, and who want the ambiguity. So we are in effect being asked to write ambiguity into the Constitution of the United States without an understanding of what the risks are to the Nation in doing so.

Now, that is not the only catch-22. One of the most significant catch-22's is in section 6, and I would like to read from the balanced budget constitutional amendment committee report where it says that:

> Congress shall enforce and implement this article by appropriate legislation which may rely on estimates of outlays and receipts. This provision gives Congress an appropriate degree of flexibility in fashioning necessary implementing legislation. For example, Congress could use estimates of receipts or outlays at the beginning of the fiscal year to determine whether the balanced budget requirement of section 1 would be satisfied, so long as the estimates were reasonable and made in good faith.

Most importantly, Mr. President, it says this:

> In addition, Congress could decide that a deficit caused by a temporary self-correcting drop in receipts or increase in outlays during the fiscal year would not violate the article.

Get that. We pass the amendment to the Constitution. We say to America we are going to have a balanced budget. But right here in the descriptions, in the fine print, there is language that says Congress could decide that a deficit caused by a temporary self-correcting drop in receipts or increases would not violate the article. So we come right back in and exercise the very same flexibility that we exercise today, and that has to be measured against their statement that this amendment to the Constitution ''forces the Government to live within its means.'' How, if you are having that flexibility and promoting that flexibility, does this force the Government to live within its means?

Moreover, the very same paragraph says:

> Similarly, Congress could state that very small or negligible deviations from a balanced budget would not represent a violation of section 1.

That is the most extraordinary thing of all to me, Mr. President. We all know the games that get played around here. Who is going to define ''very small''? Who is going to define ''negligible''? Why, we are, of course. And when we define it we will in effect have decided that we can in fact not have a balanced budget. It is right here in the report.

America is being promised a balanced budget, but in the very same language that America is being promised a balanced budget is one of those small, little sections that says Congress is able to define that if you do not have a balanced budget it does not equal a balanced budget problem.

I tell you, Joseph Heller would be proud of this. This is catch-22 at its best, Mr. President.

Now, that is the first reason the proponents say we have to pass it—because this is going to force the Congress to ''live within its means.'' But we have learned, No. 1, they will not say whether or not the courts can enforce it, so we do not know if it is really enforceable or left to the will of Congress. And they have written in some very specific means by which they can escape from responsibility for truly balancing it.

Second, proponents of this amendment say that by this particular amendment as drafted—because I think you could draft an amendment that is better than this, but as this amendment is drafted they say that by constitutionalizing the fiscal principle of a balanced budget a new moral power will overcome the Members of Congress. That is not my language. That is their language. They talk about a new moral authority. Let me quote the committee:

> The committee expects fidelity to the Constitution as does the American public. Both the President and Members of Congress swear an oath to uphold the Constitution including any amendments thereto. Honoring this pledge requires respecting the provisions of the proposed amendment.

The report goes on to say:

> Flagrant disregard of the proposed amendment's clear and simple provisions would constitute nothing less than a betrayal of the public trust. In their campaigns for reelection, elected officials who flout their responsibilities under this amendment will find the process will provide the ultimate enforcement mechanism.

Mr. President, that is incredible. The first reason that they have given for passing this is that it is going to force something that in effect we have shown cannot really be forced. The second reason is they say it is going to give a new moral authority to the principle that every single one of them has already adopted.

Now, Mr. President, needless to say, there is an extraordinary statement of rather pathetic admission in this glorification of new moral authority. Here we are, elected officials, already sworn to uphold the Constitution of the United States. Let me read to you from the Constitution of the United States, the preamble:

We the People of the United States, in Order to form a more perfect Union, establish Justice, insure domestic Tranquillity, provide for the common defence, promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity, do ordain and establish * * *

Mr. President, we, each of us, already raised our hands, every single one of us already came to this body swearing to uphold this Constitution, which already requires us to look out for the general welfare of the country, and to preserve it for posterity. We have a solemn duty and a responsibility today to deal with this fiscal crisis, not pass some piece of paper that goes on for 7 years into the future. We have that responsibility today under the Constitution. And all that is lacking is the courage of those 60 who say this holy grail is worth pursuing to come to the floor and agree not to filibuster, and let 51 votes uphold the responsibility that we have sworn to uphold.

Now, Mr. President, turning to section 8 of article I:

The Congress shall have Power to lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common defence and general Welfare of the United States.

There, it is, Mr. President, section 8 of the Constitution which every Member of this body has already sworn to uphold provides the moral authority to balance the budget today, requires us to exercise that moral authority today.

We should be ashamed of the notion that we have to come here with a whole new process that upsets the very balance of power that was created by the Founding Fathers of this country. A true conservative would think twice about voting in a way that changes the whole power structure and walks away from the personal responsibility already sworn to, to uphold the Constitution, to provide for the general welfare, to pay the debts and provide for posterity.

So I find this rather amazing, that those who already, at the highest level of Government, have a major responsibility to carry out the public trust, who are already on record in town meeting after town meeting, before editorial board after editorial board, in campaign promise after campaign promise. They came to Washington to balance the budget and they have not done it. They have the power today, and they have not exercised it.

Here we are, suggesting to the American people that new words on a piece of paper, enshrining a different concept, will give them the moral force to accomplish what nothing but the lack of personal moral commitment prevents them from doing today, right now. It seems to me there ought to be as much concern about flouting our current responsibility as there is some prospective future responsibility.

Again, I say I am prepared to say no filibuster. I will vote for cloture on any motion on any issue whatever with respect to the budget, providing we agree we are going to try to move toward this goal. I am prepared to come to the floor and say I will vote for the line-item veto and I will vote against the tax cuts. How you can run around offering America $700 billion of tax cuts when you are in this kind of trouble, with the exception of what you may need to help the work force—balance it against education and reeducation—is beyond me.

What if you were to accept the notion that there is a legitimacy to the argument of having some new moral force? What if you were to accept the notion that perhaps it is worthwhile to have a constitutional statement that says we ought to adopt a fiscal balanced budget approach? I think that is possible as a principle. But it seems to me if you are going to do that, you ought to deal with the Constitution as a true conservative in a neutral and fair manner. It seems to me we have an equal responsibility to amend the Constitution in a way that it does not do more injury than good, in a way that does not ignore the fundamental relationships of this democracy, and in a way that does not create the potential for serious economic problems while never even guaranteeing the goal that it sets out to achieve.

Tragically, this amendment as it is currently drafted is neither fair nor neutral. We have tried on our side to adjust that issue of fairness by dealing with the issue of the courts, by dealing with the question of capital budget and other issues. At each step, we have been rebuffed. I believe this amendment in its current form goes well beyond fiscal responsibility and, most importantly, it constitutionalizes the politics of the moment. It takes the immediate political agenda of the current majority and constitutionalizes it in a way that may ultimately do violence to the genius of the Constitution and to our form of democracy.

When the veneer is stripped from this amendment before us, I think you can see a deeply troubling political motive that goes beyond just trying to balance the budget, which by definition could not be the only reason for this amendment since the proponents know that they already have the authority to just balance the budget. They are in the majority: Balance it.

No, I think this amendment goes further than just balancing the budget. It goes to the heart of the democratic process and it is one of the reasons why, in its current form, I have the most difficulty with this amendment, because it carries with it a fundamental shift in the decisionmaking in America. It is, as I said, an attempt to constitutionalize a particular ideology, which is not illegitimate. I am not contesting the legitimacy of the belief system. What I am contesting is whether or not you want to take that current, ephemeral majority view and constitutionalize it, which truly runs counter to the notion of being conservative.

It shields a momentary ideological party view from the fundamental democratic concept of majority rule.

How does it do that? The proponents of this amendment are insisting that both Houses of Congress find 60 percent of their membership, not just 60 percent of those present and voting, but 60 percent of their membership; a fixed number must be found in order to do something, in this case to run a deficit, to raise revenues in any way, whether through user fees or taxes. And, in doing that, everything I read, everything I studied and looked at, says to me: alarm bell, red light. Stop. Take a look at this. Make a sounder judgment for history and for the future.

That would usurp the power of a majority to disagree. Those who are using this amendment as a weapon in an ideological war do not want the votes of those who think differently from them to count as much as theirs. It is that simple. If you believe that you may ever reach a different conclusion than they have, they want to make certain that your vote does not count equally by requiring that you have to find a supermajority to fight back.

We are here as passing custodians of an extraordinary trust. These desks do not belong to us. These chairs do not. This room does not. We are the custodians of the Constitution, an extraordinary document, unparalleled in the course of human events. That document is based on the notion of majority rule, and to take that now, and suggest that you are going to require a supermajority to stop some particular action that is a mere choice of policy—fiscal policy, at that—is to suggest that those votes do not count as much for something that a current view suggests is popular. It is fundamentally undemocratic. It is fundamentally revolutionary in the worst sense of the word.

That is not all that I think is wrong, though that ought to be enough, conceivably, in this current draft. The amendment also allows us to cast a vote that permits us to escape the current responsibility and only require that this take place 7 years from now. Which means 7 years from now, you have to find the $322 billion projected as the deficit for 2002, but you do not have to do anything for 7 years.

I have been listening to my friends come to the floor and tally up each day the amount of interest we are losing just in this debate. That is really good television for the purposes of the debate, but what happens to America when this debate is over? What happens next year? The year after? The year after?

They are not saying they have to do it now. They only have to do it 7 years from now. This truly becomes the politician's freedom from responsibility act.

We were not elected to escape our responsibilities or pass legislative initiatives that further obfuscate the tough choices. If we attempt to escape

through the passage of this amendment, then I think we fail ourselves and we fail the Framers of the Constitution and, most important, we fail the American people.

I think it is a cruel hoax to suggest to the American people—as the Contract With America does—you may disagree about the full amount of tax cuts, but no one will disagree that there are big tax cuts in that contract, whether it is $700 billion or $500 billion. It is enough to still make it stick in your throat, when you add that to the already gargantuan task of finding $1.23 trillion between now and the year 2002.

Mr. President, I think the U.S. Senate really owes the American people a higher level of honesty and we ought to have the courage to tell the truth and to do what is right. One of those truths was with respect to Social Security. I do not disagree that Social Security needs fixing. I think Social Security is legitimately on the table with respect to how you adequately fund it into the next century, because more and more Americans are going to be drawing down on it, with fewer and fewer paying in. There is a legitimate question of whether or not we can afford to pay out huge sums beyond what people put in. But that is a question for the Social Security trust fund, not for balancing the budget. And the promise made to the American people was that this is a fund for retirement. It is insurance against poverty, and it should not be used as an instrument to balance the budget. It is obviously upsetting that this has not been made as clear as I think it ought to be. I do not see how you can tell senior citizens that you are acting in good faith with respect to this effort if you are not willing to make that separation clear—up front.

Mr. President, for obvious reasons this is not an easy choice for anybody—I think for many people at least. There is a current fervor in the country and anger that says we want to balance the budget; solve our fiscal problems; cure it. So there is a quick instinct to want to do what is popular and to say, hey, maybe we ought to pass the balanced budget amendment, throw caution to the wind, and do it. Mr. President, we were sent here to exercise a more significant responsibility than reacting to current popular perception. We swore to do that when we each stood at the other side of the well, raised our hands, and swore to this body and to family and friends and Nation that we would uphold the Constitution.

I think that requirement requires a more sober reflection about what this really does. What does the fine print really do? What is the impact of the courts? We are a Nation that already regurgitates over court involvement in our lives. The city of Boston came to understand that only too well in the process of court-ordered busing. There is also a national sentiment against the courts making decisions for people who want to make them for themselves.

This amendment is not going to improve that situation for Americans, if Congress fails to show the will that it could show today. And if the arguments of the proponents are so true then indeed you have to show that you are able to find some new willpower. What is the difference in finding the willpower from putting it in the Constitution versus finding the willpower from the oath we have already sworn?

Mr. President, there is this sense of popular rush to judgment here. But I suggest that we owe the country and the Constitution a slower, more deliberate process in keeping with the notion that this is the deliberative body that is meant to be the check and balance.

I have decided to vote against this particular constitutional amendment, as it is drafted today, principally because I have come to believe that it is an ill-advised attempt to memorialize in the fundamental governing document of this democracy one political party's agenda in such a way as to jeopardize majority rule, and change in a radical way what the Founding Fathers set out to do.

I will do so because this draft leaves a dangerous ambiguity existing about court involvement because it establishes an unrealistic and probably dangerous straitjacket on economic choices to respond to bumps and downturns in the economy, and because it sets the American people up for more political gimmickry and does so by putting the Constitution at risk.

Mr. President, as I said, there is a deep concern that we all should feel when we are about to exercise this most significant responsibility. Our Constitution—and I am sure my colleagues feel this—is indeed a magnificent document. I am not suggesting that my colleague on the other side holds a different view of it. I do not believe that. But we can have different interpretations as to what impact our actions will have on it. I believe that the brilliance, the profound simplicity, and the timeless articulation of fundamental principles like majority rule are worth keeping.

I know that the distinguished Senator from West Virginia, Senator BYRD, believes that we cannot alter the fundamental governing document of this Nation without deep deliberation and compelling reason, and I agree with that. Any amending of the Constitution should be done in the same spirit as the writing of the Constitution itself—with an overriding commitment to fairness, and to what is in the best interest of the Nation.

The Federalist Papers speak to us very clearly of that responsibility. I just do not believe that that fairness governs the current draft of this constitutional amendment. Indeed, I think that in its current draft, because of the problems I have cited, it represents a kind of Trojan horse, because it has one set of rules for treatment of the deficit—the three-fifths majority—and another set of rules for the current majority of the Congress, who may wish to reduce or shift sources of revenue. One value of votes for revenue, one value of votes for deficit. That is not what the framers of the Constitution intended.

I know my colleagues are coming to the floor and saying how frustrating it is and we want to balance this budget, but we are not able to do this, so we have to do that. In fact, Mr. President, we do not have to. All we have to do is get the 60-plus Senators to come and agree, no filibuster, 51 votes. You do not have to change the balance of 60 and 51. The reason you do that is that there is something else that is trying to be achieved, and it is not the fairness, and it is not the neutrality for the process that the Constitution demands.

Mr. President, we obviously cannot amend the Constitution simply because it is fashionable, and we certainly should not do it as a symbolic gesture to score political points or to further personal ideology. We ought to do it because there is an overwhelming national interest that cannot be reached without doing it. There is no expert that I have read in all of these documents of this debate who can say with a certainty that this amendment will result in a balanced budget.

In fact, most experts say it will not result in a balanced budget, and that it may be unenforceable, which results in an extraordinary court battle that could tip the balance of power in this democracy. Who here can imagine judges deciding whether you build a particular defense program, or whether you move a bridge or a highway? Who here wants judges deciding what portion of the budget to cut and how to raise taxes? There is no expert who has suggested that there will not be some court cases.

There is no expert who has said with any certainty that there is a compelling national interest that can be defined and met by the current draft of this amendment. But the most compelling arguments against this amendment, as drafted, Mr. President, come from the real experts, the framers of the Constitution who, were they here on this floor, I am confident would vote against this amendment because it tampers with the Constitution's most fundamental principle of majority rule, and the preservation of our ability to act in the national interest in an emergency.

Mr. President, if fairness were the real consideration here, and if you absolutely felt you had to have a balanced budget amendment that creates this new moral power, then you could do so by passing an amendment that requires 51 votes with an exception, obviously, for state of war or national emergency, economic and national disaster, and you do not have to do it, clearly, in a way that leaves open the

court issue. But, you can close the court issue by simply taking them out of the process within the context of the implementing legislation.

Mr. President, I believe, if you read the Federalist Papers, they make it about as clear as it could be. In Federalist 22, Hamilton called a quorum of more than a majority ''poison for a deliberative assembly.'' That is what is being created here—what Hamilton called poison. He pointedly notes:

> The necessity of unanimity in public bodies, or of something approaching towards it, has been founded upon a supposition that it would contribute to security. But its real operation is to embarrass the administration, to destroy the energy of Government, and to substitute the pleasure, caprice, or artifices of an insignificant, turbulent, or corrupt junto to the regular deliberations and decisions of a respectable majority.

That is about as clear as you can get. He goes on to say:

> The public business must in some way or other go forward. If a pertinacious minority, respecting the best mode of conducting it, the majority in order to something may be done must conform to the views of the minority; and thus the sense of the smaller number will overrule that of the greater and give a tone to the national proceedings.

Hamilton was worried that the requirement of more than a majority would allow the minority to rule simply by not showing up.

When you require the fixed number of a House, not the fixed number of those present and voting, you have given to the minority the capacity not even to participate, and by not participating, they win. That is a tyranny of the minority. That is not majority rule.

Hamilton said, ''Its situation must always savor of weakness, sometimes border on anarchy.''

Mr. President, Hamilton feared that requiring more than a majority would effectively paralyze the Government's ability to act and could result in anarchy. Harsh and outrageous as that possibility may sound, those who threaten majority rule could threaten the power of the Federal Government by limiting its ability to act at all. All of us know how frustrating it can be to bring some issue to the floor, how long it takes, and how easy it is for one or two Members to frustrate the process. If you have to find that magical number, more than the majoritarian rule, you are already shifting the power in a remarkable way. A minority could limit the Government's ability to raise revenue, however unpopular that might be, or its ability to expend funds, and therefore limit what Hamilton called in Federalist 33 ''The most important of the authorities of the Federal Government.''

This amendment as drafted, Mr. President, is political dogma disguised as economic policy. It is the continuation of the ongoing effort to demonize certain national interests by demonizing those who promote any kind of national program to protect the American concept of community.

Mr. HATCH. Mr. President, is the Senator finished?

Mr. KERRY. Mr. President, I will yield for a question.

Mr. HATCH. How much longer will the Senator be?

Mr. KERRY. Mr. President, I have probably another 10 or so minutes. I know there is a 3 o'clock deadline. I do not want to delay any of my colleagues. If I could, I will ask unanimous consent that I could finish my comments, and I would be happy to yield for the purpose of permitting an amendment to be called up, if I can retain my rights to the floor thereafter.

Mr. HATCH. I appreciate my colleague for saying that. At 2:55, would it be OK if our colleague would yield so the distinguished Senator from California can call up an amendment and I can call up four amendments?

Mr. KERRY. I would be happy to delay for a moment now and let my friend from Utah call them up, or anybody else, if there is an understanding that I can simply return to complete my comments.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Massachusetts?

Without objection, the Senator may yield without losing his right to the floor.

Mr. KERRY. I thank the Chair.

Mr. HATCH. If I could ask the Senator, we just need to call these up right before the time expires at 3. Ours have to be called up last.

UNANIMOUS CONSENT AGREEMENT

Mr. HATCH. I ask unanimous consent that right before 3 o'clock the Senator from California be allowed to call up her amendment, and I then be permitted to call up the amendments I have on behalf of the majority leader and myself.

The PRESIDING OFFICER. Is there objection to the request?

Mr. KERRY. Reserving the right to object, and I will not, I want to say that I would like to also be able to call up one amendment prior to the 3 o'clock deadline.

Mr. HATCH. If I can amend my request to say that the last three people to be recognized for amendments—unless somebody else comes in—will be the distinguished Senator from California to call up an amendment, the distinguished Senator from Massachusetts to call up an amendment, and I to call up a number of amendments for and on behalf of Senator DOLE and myself; I further ask unanimous consent that immediately following the calling up of these amendments, the ability to call up of amendments be closed, and that the amendments I called up to be the last ones to be called.

The PRESIDING OFFICER. Is there objection to the request?

Mr. KERRY. Reserving the right to object for the basis of our side, I do not see anybody here, and I presume that it assumes the 3 o'clock deadline has been passed.

Mr. HATCH. Right.

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

Mr. HATCH. Will the Senator yield for one more unanimous consent request?

Mr. KERRY. I am happy to.

UNANIMOUS CONSENT AGREEMENT

Mr. HATCH. I ask unanimous consent that the Senator—except for that interruption—be permitted to complete his remarks today, and then the Senator from Missouri be able to complete his remarks, and the Senator from Florida be able to complete his remarks and then the Senator from California be able to complete her remarks, in that order, following the amendments.

The PRESIDING OFFICER. Is there objection to the request?

Without objection, it is so ordered.

The Senator from Massachusetts has the floor.

Mr. KERRY. Mr. President, it is my fear that this amendment as it is currently drafted—and I want to emphasize that—begins the process that may permit an erosion of Government's ability to protect certain interests of every American based on a concept of majority rule. It begins to institutionalize a particular judgment, an economic judgment, against a whole set of other judgments which may, at some point in the not too distant future, be the majority view or general interest of the country, but not sufficient to gain 60 votes—but, nevertheless, sufficient to have 51 votes. They could be precluded from then representing those interests. That is, I think, upon reflection, a genuine threat to the notion of the democratic process.

I do not question the sincerity or the intention of those who believe that this is a bad idea whose time has come. But, Mr. President, I think we have to wonder whether we are not on a very dangerous path to fundamental changes in how we govern without the due process that our democracy demands.

The potential of minority rule on an issue as fundamental as raising revenues, I think, begins a dangerous process of beginning to dissolve whatever is left of America's spirit of community by limiting our ability to make decisions that go beyond city limits and State borders, and that may, in fact, be very unpopular, but we have to, if we are going to serve the Nation, preserve the flexibility and capacity for that kind of unpopular decision to be made.

So this debate is not really about specifically spending cuts. It is not about good economic policy. It is about the proliferation into the Constitution itself of a particular philosophy of the moment that almost suggests that the concept of community is lesser than the concept of individual interests. I do

not believe that, Mr. President. I think if we are going to maintain the community the Founding Fathers conceived of, then you have to maintain the majoritarian approach.

Mr. President, an awful lot of people a lot wiser than me have, frankly, found fault with this amendment based on that perception; that there is a shift in the balance of power between the branches of Government and that that is dangerous.

Walter Dellinger, an Assistant Attorney General, testified that:

> Should the measure be enforced by the judiciary, it would produce an unprecedented restructuring of the balance of power between the branches of government. If it proves unenforceable, it would create quite a different but equally troubling hazard by writing an empty promise into the fundamental charter of our Government. It would breathe cynicism about our Government and diminish respect for the Constitution of the United States and the rule of law.

He goes on to say that,

> The Constitution, as written by the framers, did not contain choices. It rather empowered people to enact the choices,

specifically, the kind of choices that I read that we have sworn to make in section 8 of article I.

He argues that a balanced budget amendment simply declares that outlays shall not exceed expenditures without ever explaining how this desirable state of affairs is going to come about and without specifying who among the Government officials should be empowered to ensure that the amendment is not violated or, if violated, how the Nation is brought into compliance.

The distinguished Harvard law school professor, Archibald Cox, opposes such an amendment for four reasons.

First, he said,

> The amendment would damage the Constitution by introducing matters foreign to its fundamental and traditional purposes. It would undermine confidence in the Constitution by holding out an appearance of guarantees that will surely prove illusory. It would spawn disputes and charges of violation without providing either the means of resolving disputes or remedies for the actual threatened violations, except to bring in the courts. And that exception,

he said,

> brings me to the last point, that the amendment risks bringing the courts into a field for which they are totally unequipped by experience.

On the politics of this amendment and the ruling of the majority on political issues, Professor Cox said,

> Deciding whether or when to balance the budget or whether or when to risk a deficit calls for a judgment of policy, the kind of political judgment wisely left by the Founding Fathers to the majoritarian processes of representative government.

Mr. President, constitutional scholars have lined up against this amendment and have presented powerful arguments that raise serious questions about the impact of what we are about to do.

Another scholar, Kathleen Sullivan, expressed concerns about placing economic theory in the governing document of the Nation. She said, ''I oppose the amendment because I believe it would seriously undermine our established constitutional framework if it were adopted and enforced. Either way,'' she said, ''these constitutional harms would far outweigh the meager benefits the amendment is likely to bring about in advancing its distinguished sponsors' entirely worthy goal of achieving national fiscal discipline.'' She goes on to quote Justice Holmes, saying that:

> He was right when he warned: ''The Constitution ought not embody a particular economic theory, be it that of Spencer or Keynes.''

And about majority rule, she quotes Madison from Federalist 58, who argued that ''requiring the supermajority to pass ordinary legislation turns democracy on its head.''

Mr. President, the scholar that I was commenting on, Kathleen Sullivan, said about the issue of majority rule that in Federalist 58, Madison himself said that requiring a supermajority to pass ordinary legislation turns democracy on its head, and she jokingly but accurately pointed out the single most predictable consequence of a balanced budget amendment might well be a period of full employment for lawyers.

Mr. President, I believe Prof. Charles Fried of Harvard Law School has made one of the most compelling arguments against this amendment as it currently appears before the Senate. He said:

> Majority rule is the rule that best expresses democracy. It best expresses it for health care, for defense, for the writing of criminal legislation with death penalties and for the passing of budgets—whether in surplus, in balance, or in deficit. To put this all more practically, the balanced budget amendment would just make it that much harder to govern, giving those who want to put obstacles in the way of government new opportunities for obstruction.

Professor Fried points out a balanced budget amendment would give ''Any president a far better claim to impound funds than that which was asserted some 20 years ago by President Nixon,'' because the President's warrant would be drawn from, as President Nixon said it was, inherent powers of the Presidency. He could point to the Constitution itself and then he could argue it is his duty to do so.

Mr. President, it is not inconsequential if the President of the United States is permitted to impound. We will have created yet another shift in the balance of power, which I believe Members here would want to think twice about, no matter who is in the Presidency or which party controls the White House.

Professor Fried says passage of this amendment would inevitably involve the courts in what he calls ''subtle and intricate legal questions, and the litigation that would ensue would be gruesome, intrusive, and not at all edifying.''

He argues, Mr. President, against this amendment and I think everyone knows that Prof. Charles Fried, former solicitor general, is certainly one of the more conservative members of the legal profession. He argues against this amendment as ''Undemocratic and against the spirit of the Constitution.'' He says that when our Constitution withdraws a subject matter from majority rule, as it does in the Bill of Rights and the 14th amendment, it does so because there are things which no government may ever do. It may never abridge freedom of speech, no matter how strong the majority, and therefore it is withdrawn from majority rule.

His point is this: In no issue on which it is legitimately in the purview of this Government to rule is anything but a simple majority ever required with respect to policy issues.

Mr. President, majority rule ought to be held as the sacred standard of this body. If not, then we embark on a course that could be dangerous, indeed.

Dr. Fried said something that gave me pause beyond what I have quoted. In a most dramatic and compelling statement before the committee that summarizes the fundamental flaws of this current draft of the balanced budget amendment, he said something that I hope would give each person some pause no matter what their position on this amendment is.

It is a particular perspective about what we are about to do. Professor Fried said:

> A balanced budget in any form, if it is workable, is a bad idea. The reason is simply that the political judgments underlying the amendment, sound and important though they are, are just that—political judgments—and as such they should not be withdrawn from the vicissitudes of ordinary majoritarian politics that the Constitution establishes as the general rule for our public life as a Nation. I am not entitled to have my bias against Government spending enshrined in the Constitution to frustrate the will of my fellow citizens expressed by a majority of our representatives.

I think that is a simple but powerful observation that goes to the heart of what is about to happen here, if this amendment is passed. We will enshrine a national bias against a particular choice of fiscal policy for all time; notwithstanding, however, that the political landscape may change.

The Constitution, Mr. President, as we all know, survives beyond each person here. And it ought to remain the same beacon of democracy that it has been for all time. It should not be a hodgepodge of popular gimmicks from one generation to the other. It should not become a means of addressing every difficult problem that we face as a people, and as a Nation. And it certainly should not be used as a cover for the unwillingness of Congress to exercise the will that it has the power to exercise today.

So, Mr. President, it is my hope that those few people who may remain undecided will think hard, in the hours ahead, about the weight of the Constitution and the history that we, in

the Senate, are responsible for. It is my hope that, in the end, people will choose not to burden the Constitution with this particular moment's idea, but rather to come to the floor of the U.S. Senate prepared to do what we have the power to do today.

I would close simply by repeating what I said previously: I am prepared to stay here now—through the next months—with an understanding that we will not have a filibuster, but that we will come up with a budget that sets us on the course to a balanced budget. Let 51 votes decide. If the American people decide that they are unhappy with that judgment, then the next election can be about just that.

We should not continue to use the process of delay for a small cluster of people on either side of the fence to frustrate the capacity of this body to make a judgment in the interests of the country, whether that judgment may be correct or incorrect. It is not for a small group to decide now that the judgment cannot be made at all. That frustrates the intent of the framers of the Constitution.

Mr. President, we do not have to pass an amendment. We could just get 60 people to sign a letter, each of them saying, ''I am committing, this year, to passing a balanced budget over the next 7 years, 10 years, 15 years and guaranteeing that the expenditure line and the revenue line of this country are turned around and brought together at some point in time.''

It seems to me that all we have to do is read the Constitution of the United States, once again. All we have to do is understand that whatever increased moral authority people believe they will get by passing this amendment, if the courts are not able to make the judgment—if the courts are, God save us all— but if they are not, this will ultimately hinge on whether we have to enforce section 6 to make this real. That comes down, to an exercise of the very same constitutional power we have today, when each Member swore here to uphold the Constitution, provide for the common defense, and promote the general welfare, and when we swore we would exercise our power under section 8 to pay the debts and provide for the common defense and general welfare of the United States.

We have the constitutional authority and power today. We lack the will. I hope the American people understand that this gimmick will not provide for the will that each of us should have come with to this institution in the first place.

Mr. President, I repeat: I am prepared for the first time to vote for a line-item veto. I am prepared to vote against the tax cuts with the exception of education, which I think is critical, and I am prepared to pose further cuts than are currently on the table.

But I am also prepared to find revenue, if it is needed, in an effort to be real about this and avoid the continued gimmickry which frustrates the will of the American people.

Mr. President, are we at the moment that we should turn to the amendments?

The PRESIDING OFFICER. Under the previous order, Senators are recognized now for the purpose of offering amendments. The Senator from Massachusetts reserved the right to offer an amendment before the hour of 3 o'clock, the Senator from California reserved the right to offer an amendment, and the Senator from Utah.

MOTION TO COMMIT

Mr. KERRY. Mr. President, I ask unanimous consent that my motion be called up and I ask unanimous consent that reading of the motion be dispensed with and that the motion be set aside for further deliberation at a later time.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The text of the motion reads as follows:

MOTION TO COMMIT

The Senator from Massachusetts [Mr. KERRY] moves to commit H.J. Res. 1 to the Budget Committee, to report back forthwith and at a later time to issue a report which states that:

''The Congress of the United States currently possesses all necessary power and authority to adopt at any time a balanced budget for the United States Government, in that its outlays do not exceed its receipts, and to pass and submit to the President all legislation as may be necessary to implement such a balanced budget, including legislation reducing expenditures for federally-funded programs and agencies and increasing revenues.

''It is the responsibility of members of the House of Representatives and the Senate to do everything possible to use the power and authority the Congress now possesses in order to conduct the fiscal affairs of the nation in a prudent fashion that does not permit the federal government to provide the current generation with a standard of services and benefits for which that generation is unwilling to pay, thereby passing the responsibility for meeting costs of those services and benefits to later generations, which is the result of approving budgets which are significantly deficit financed.

''All members of the House and the Senate who vote to approve submission to the states of a proposed amendment to the United States Constitution requiring a balanced budget, have a responsibility to their constituents to support a budget plan to balance the budget by no later than 2002.

''The Congress should, prior to August 15, 1995, adopt a concurrent resolution on the budget establishing a budget plan to balance the budget by fiscal year 2002 consisting of the items set forth below:

''(a)(1) a budget for each fiscal year beginning with fiscal year 1996 and ending with fiscal year 2002 containing—

''(A) aggregate levels of new budget authority, outlays, revenues, and the deficit or surplus;

''(B) totals of new budget authority and outlays for each major functional category;

''(C) new budget authority and outlays, on an account-by-account basis, for each account with actual outlays or offsetting receipts of at least $100,000,000 in fiscal year 1994; and

''(D) an allocation of Federal revenues among the major sources of such revenues;

''(2) a detailed list and description of changes in Federal law (including laws authorizing appropriations or direct spending and tax laws) required to carry out the plan and the effective date of each such change; and

''(3) reconciliation directives to the appropriate committees of the House of Representatives and Senate instructing them to submit legislative changes to the Committee on the Budget of the House or Senate, as the case may be, to implement the plan set forth in the concurrent resolution, with the cited directives deemed to be directives within the meaning of section 310(a) of the Congressional Budget Act of 1974, and with the cited committee submissions combined without substantive revision upon their receipt by the Committee on the budget into an omnibus reconciliation bill which the Committee shall report to its House where it shall be considered in accord with procedures set forth in section 310 of the Congressional Budget Act of 1974.

''(c) the budget plan described in section (a)(1) shall be based upon Congressional Budget Office economic and technical assumptions and estimates of the spending and revenue effects of the legislative changes described in subsection (a)(2).''

AMENDMENT NO. 315

The PRESIDING OFFICER. Does the Senator from California desire to call up her amendment at this point?

Mrs. FEINSTEIN. Thank you, Mr. President.

I do desire to call up my amendment. I recognize that I have to ask unanimous consent to be able to do so.

The PRESIDING OFFICER. It has already been granted.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent that the Senate proceed to amendment No. 315 and I ask for its immediate consideration.

Mr. HATCH. Mr. President, on behalf of this side, we have to object.

The PRESIDING OFFICER. Objection is heard.

Mr. HATCH. Mr. President, I ask unanimous consent that it be in order for me to call up four filed motions under the majority leader's name.

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

MOTION TO RECOMMIT

Mr. HATCH. Mr. President, I call up filed motion No. 4.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Utah [Mr. HATCH], for Mr. DOLE, moves to recommit House Joint Resolution 1 to the Budget Committee.

Mr. HATCH. Mr. President, I ask unanimous consent that reading of the motion be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The text of the motion reads as follows:

Motion to recommit House Joint Resolution 1 to the Budget Committee with instructions to report back forthwith House Joint Resolution 1 in status quo and, after passage of House Joint Resolution 1 and upon the request of the governors of the states promptly provide, to the extent practicable, data regarding how the Congress might achieve a balanced budget.

Mr. HATCH. Mr. President, I ask unanimous consent that the pending motion be laid aside.

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

MOTION TO RECOMMIT

Mr. HATCH. Mr. President, I now call up filed motion No. 3.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Utah [Mr. HATCH] for Mr. DOLE, moves to recommit House Joint Resolution 1 to the Budget Committee.

Mr. HATCH. Mr. President, I ask unanimous consent that reading of the motion be dispensed with.

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

The text of the motion reads as follows:

Motion to recommit House Joint Resolution 1 to the Budget Committee with instructions to report back forthwith House Joint Resolution 1 in status quo and report to the Senate at the earliest date practicable how to achieve a balanced budget without increasing the receipts or reducing the disbursements of the federal old-age and survivors insurance trust fund and the federal disability insurance trust fund to achieve that goal.

Mr. HATCH. Mr. President, I ask unanimous consent that the pending motion be laid aside.

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

MOTION TO COMMIT

Mr. HATCH. Mr. President, I now call up filed motion No. 2.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Utah [Mr. HATCH] for Mr. DOLE, proposes to commit House Joint Resolution 1 to the Judiciary Committee.

Mr. HATCH. Mr. President, I ask unanimous consent that reading of the motion be dispensed.

The PRESIDING OFFICER. Without objection it is so ordered.

The text of the motion reads as follows:

Motion to commit House Joint Resolution 1 to the Judiciary Committee with instructions to report back forthwith House Joint Resolution 1 in status quo and to issue a report reaffirming the Committee's view that this Amendment does not sanction court involvement in fundamental macroeconomics and budgetary questions and expressing its support of Implementing Legislation which ensures a restricted role for the courts in enforcing this Amendment which will not interfere with the budgetary process.

Mr. HATCH. Mr. President, I now ask unanimous consent that the pending motion be laid aside.

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

MOTION TO COMMIT

Mr. HATCH. Mr. President, I call up filed motion No. 1.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Utah [Mr. HATCH] for Mr. DOLE, moves to commit House Joint Resolution 1 to the Judiciary Committee.

Mr. HATCH. I ask unanimous consent that reading of the motion be dispensed with.

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

The text of the motion reads as follows:

Motion to commit House Joint Resolution 1 to the Judiciary Committee with instructions to report back forthwith House Joint Resolution 1.

The PRESIDING OFFICER (Mr. THOMPSON). Are there further amendments to be called up under the unanimous-consent request?

Mr. HATCH. Mr. President, the hour of 3 o'clock has arrived, and no further amendments can be called up.

The PRESIDING OFFICER. The Senator is correct. No further amendments are in order.

Mr. ASHCROFT addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. ASHCROFT. Mr. President, I am grateful for this opportunity to make remarks about the most important action that we will be taking during this session of the U.S. Congress: A vote on a balanced budget amendment to the U.S. Constitution.

Of course, there have been a number of reasons elevated for our inspection by those who oppose the amendment, and I think inspection is what they deserve.

There are those who say that there are no problems with the Constitution, there are only problems with us as Members of the Senate. That is what constitutions are for. Rules are designed to correct problems in the way the players play the game. There are no problems with the rules of the basketball game, but you have to have a rule against fouling or the game gets out of hand.

Mr. President, the Constitution of the United States is full of ways of correcting abuses which would otherwise occur—because we would have problems as Members of the Senate in making correct judgments—absent the parameters of the Constitution.

When the Constitution of the United States starts in the Bill of Rights by saying ''Congress shall have no power,'' it recognizes that the problem may be in Congress, and that the way to correct it is to have a framework which forbids Congress from engaging in the abuses which are hurting the American people or which might hurt the American people.

So for Members of this body to suggest that we do not need an amendment to the Constitution—because the problem is a problem of this body, or the individuals who populate this body, Mr. President—is to suggest that, ''Well, we don't need a Constitution, we just all have to act appropriately.''

It reminds me of the famous phrase out of Tammany Hall: ''What is the Constitution among friends? Ignore it, we don't need it, we can just all act properly.''

Constitutions, charters of government, are—and have been from the Magna Carta forward—established on the basis of an understanding that people will not always act properly and, therefore, we need the restriction, we need the confinement, we need the guidance, we need the direction, we need the regulation of a document that protects us from abuses.

Interestingly enough, the balanced budget amendment is not really a protection for us against abuses. Oh, yes, we have been abused, but those who have been abused most dramatically are those who are not here yet. They are the children of the next generation. They are the individuals who have not yet gone to school, let alone gone to work. They are the people whose wages we are now spending before they even go to work. We are spending them to satisfy our appetite for program after program, for policy after policy, for interest group after interest group, in a wild credit card binge across America, buying votes for the next election to the U.S. Congress, be it the House of Representatives or the Senate.

We must curtail that, Mr. President. It is suggested by our friends—as the esteemed Senator from Massachusetts just a few moments ago suggested—that it is undemocratic to have a provision in the Constitution which would require that 60 votes in the Senate be required in the event you wanted to go into debt, asserting that it is undemocratic not to let the representatives of over 50 votes be able to have equal weight.

But I am worried about the votes of the next generation. I think it is undemocratic for this body to encumber the next generation, to say to the children of the next century they will not have an opportunity to decide how the tax revenues of their America will be spent because we will spend their taxes for them now.

We are talking about a fundamental problem here. It is a problem of taxation without representation and, yes, the problem is in the Senate, the problem is in human nature. And one of the reasons you have constitutions is not to say that if everyone acts at their best and highest level of responsibility we would not need it. The reason is that we know that there will be times of weakness, when in spite of all the good intentions, those good intentions will not lead us to do the right thing.

That is why the first amendment to the Constitution says, ''Congress shall make no law,'' and as you get to the amendments added on through the amendment process, over and over again we have seen the wisdom of saying that Congress shall not be able to impair principles which are important to the future of this democracy. And that is where we are at this very moment in time.

It is fundamentally important, Mr. President, that we say about the next generation that we will build a hedge between them and the spending habits

of the U.S. Congress so that we in this body do not spend their birthright. Taxation without representation was the core, it was the kernel of the revolution, which grew and finally flourished in freedom—which has not only found its way from the Atlantic to the Pacific, but has found its way around the globe, nation after nation modeled on what we did here in America. But that revolution was a fundamental response to authorities somewhere else taxing us without representation.

I submit that that is exactly what we in this body have been doing by jeopardizing the future of the next generation. We have simply said to the next generation—without telling them because they are not here to hear us—that we are going to spend your money this way and we hope you are productive when you get here, because when you earn the money, it will be taken to pay for the excesses, to pay for the desires, to pay for the programs, to pay for our catering to special interests in our generation.

It is time we stop that. It is true that we could stop it without an amendment to the Constitution, but will we—or have we?

Over and over again in the debate, we have had it brought to our attention that through the eighties and even in the seventies and even as early as the sixties, there were resolutions of this body and there were laws enacted that would pry us out of the pattern of deficit spending—but absent a strong wall in the Constitution to protect those yet unborn generations, we have always managed to find our way to do what is expedient for the next election—not the next generation. It is time now for us to make such a commitment.

The idea that the pending amendment to the Constitution somehow would impair us from doing all the responsible things that our colleagues have said they would like to do—and I commend the Senator from Massachusetts for his willingness to say that he will support a line-item veto and that he will support cloture on it so that we can get real votes on expenditures—is inaccurate. Nothing in this proposed amendment, nothing in this resolution, would stop any Member of the Senate from engaging in that kind of responsible behavior in the next days and weeks and months to come.

Mr. President, nothing in this amendment would stop this body, in conjunction with the House of Representatives, with the cooperation of the President of the United States, from implementing a balanced budget at an earlier time. Nothing in this proposed amendment to the Constitution would impair a responsible Congress from doing what it ought to do.

So we have all the authority to do what is right that we have ever had—but our problem has not been the absence of authority to do what is right. Our problem is the absence of a prohibition against doing what is wrong. And in the absence of that prohibition against doing what is wrong—spending the resources of the next generation—we find ourselves over and over again deeper and deeper in debt.

The President of the United States last year indicated that there would be reduced deficits and there would be a continuing decline in the level of deficits, and that commitment lasted almost a full year. Then this year's budget came out, and did we find ourselves with reduced deficits on a steady decline toward a balanced budget? No, there was simply a concession. The big white towel came out of the corner into the middle of the ring and we conceded that there would be deficits over $200 billion on average for the next decade, and who knows what thereafter.

Again, the problem is not that we already have the authority to do what is right, the problem is that we are not prohibited from doing what is wrong. And what is wrong is spending the resources, spending the inheritance, spending the birthright, of the next generation. It is spending my kids' wages before they graduate from college. It is spending my grandchildren's opportunity to be productive in a world economy that is going to demand productivity, and if they are spending all of their resources on interest on our debt, if they have to tax people and businesses to pay for prior years' excesses—our excesses—they are not going to be competitive in a marketplace that requires productivity.

No, Mr. President. We, and they, will find ourselves sliding back into the backwater of the swamp of those nations that are incapable of being on the cutting edge.

It is time for us as a body to make a commitment to America's future. It is time for us to say, yes, the budget was balanced for well over 150 years except in time of war. It was a tacit agreement, it was an understanding, it was honored as if it were in the Constitution—but we do not have, apparently, the stature or the will or the capacity to do it now.

Nothing in the proposed amendment would keep us from doing it. But let us just ensure that we build this firewall between the next generation and the spending habits of the U.S. Congress, that we build a bulwark and we save those grandchildren—the next generation—from our spending habits. Let us say that as for us, as for me and my house, as for the Senate, as for this Government, as for this Nation, we will be responsible.

If the 1994 elections meant anything, I think they meant that the people of the United States rejected a Congress that was arrogant—a Congress so arrogant that it passed laws for other people to live by but that the Congress did not have to live by, a Congress so arrogant that it would tell State and local governments what to do, thinking that it had been elected to do State and local tasks as well as national tasks, and a Congress so arrogant that it spends the money of the next generation as well as the resources of its own.

I think the people of America expect us to repudiate that behavior pattern, Mr. President. But frankly, they expect us to enact a constitutional amendment to assure them the pattern does not happen again. Time after time, they have listened to the U.S. Congress repudiate ways that were going to balance the budget. They have heard proposals indicating that there would be special withholdings to make sure that it did not happen, and time after time they have watched—sometimes when the curtain was drawn, sometimes when it was in full view—they have watched the U.S. Congress, having made a solemn oath, having made a legal commitment in a statute, turn around and change that statute.

The tragedy is that the U.S. Congress can change the rules for the U.S. Congress, and so a statute is not enough, a resolution is not enough, a sense of the Senate is not enough. The tragedy is that we can change our own rules, and we have changed them over and over again. That is the tragedy.

However, there is also beauty, Mr. President. The beauty is that the U.S. Congress cannot change the U.S. Constitution by itself, and so where we failed as a body in the past because we were always able to change the rules in the law, I believe we now have a chance for success if we put the pending rule in the Constitution—for this is not the transitory whim of just a majority in the Senate.

For this resolution to become the law of the land in the Constitution of the United States, it will take the ratification of three-quarters of the States, of the United States of America, to change it and adjust it. To erode it or impair it would take a similar consensus by all the States as well as this Congress.

And I believe at any of those junctures during the last three decades when the Congress weakened, we would not have found three-quarters of the States willing to weaken with them. Not on your life. The people of America would have said, stay the course. Let us make sure we maintain our commitment to a balanced budget.

It is time for us to enact the balanced budget amendment because it would stay the course, Mr. President.

Yes, the problem is a problem with the Congress. But the way to remedy the problem with the Congress is to build a wall between the Congress and the next generation.

Just to take us back for a moment in history, this Nation was founded as a result of a commitment that it was morally wrong and politically improper for one group to tax another group without its consent. The net result of the Currency and Revenue Act of 1764, undertaken by the British to end the smuggling trade on molasses as well as to raise additional revenue, was to give British sugargrowers an effective monopoly on the colonial sugar

market, and it irritated the colonists, it irritated Americans because we were being taxed without representation.

The Stamp Act of 1765, well known to every schoolchild, extended to America a broadly based form of direct taxation that had long been in use in Great Britain, and the colonists simply said ''no taxation without representation.'' It is a principle embedded in the very depths of American history and in our character.

Patrick Henry, in response to that Stamp Act of 1765, said, ''The colonists are entitled to all privileges and immunities of natural born citizens, to all intents and purposes as if they had been abiding in and born within the realm of England''—meaning no taxation without representation, a fundamental guarantee as old as the founding documents in Great Britain.

The Townshend duties of 1767 were passed to raise revenues on imports to this country, widely used imports like tea and window glass. And you know what happened with the Tea Act of 1773. And over and over again—the Coercive Act of 1774. All of these became a part of the very fabric of American life as did our resistance to taxation without representation.

And what are we doing when we have deficit spending? Are we taxing ourselves? No. We are taxing the next generation over and over and over again, thousands of dollars. Every man, woman, and child born in the United States comes into this world not with a clean slate but with a debt load. And we must make sure that when the Statue of Liberty holds high her lamp beside the golden door, it is not a lamp eliminated by a debtor nation; that it is a lamp of opportunity, not a lamp of responsibility to pay off the debts of previous generations.

A rising $4.9 trillion debt amounts to taxation without representation. There is no other way to categorize it. I think of the young person, not old enough to vote, in the American Revolution, Nathan Hale, captured by the British. They handle him in the rough justice of wartime, and they decide to hang him as a traitor to the crown. And before he dies, he inspires us with the words, ''I regret that I have but one life to give for my country.'' Nathan Hale, looking to the future, is willing to sacrifice himself. What a contrast, Mr. President, to where we stand in the United States today. Looking only to ourselves, we are willing to sacrifice the future.

Nathan Hale says, ''I regret that I have but one life to give for my country.'' In this body we say we regret we have but one next generation to mortgage for our appetites.

We must cease. We cannot continue. It is beyond what free people should do to one another. But even more importantly, we should be unwilling to provide a debt load which will burden the next generation.

Mr. President, this is the single most important responsibility we have. It is a responsibility that relates to the ability of this country and the next generation to be successful, for us to succeed rather than sink; for us to survive and to be a swimmer rather than a failure. That is what we need. We need to build a system which allows those who follow us to have the kind of opportunity we have enjoyed.

We have already talked about the fact that those on the other side of the aisle have said to us there are no problems with the Constitution, there are only problems with Members of the Senate. The truth of the matter is that is what Constitutions are for, to make sure that problem areas that are inherent in human nature do not find their way into policy. Let us keep those flaws out of policy and let us stop this practice of spending the next generation's resources before they are born.

Those opposed to the pending amendment have also complained that it requires a supermajority in order to raise the debt, or to abandon the principle of a balanced budget. They say such a requirement is undemocratic, that we should just be able to spend more than we take in if we have an even majority or a bare majority. In my judgment, what is undemocratic is to keep obligating the next generation, to keep obligating those who are yet unborn by spending their money.

The real tragedy is that the U.S. Senate—in all of its attempts to come up with a way to curtail spending, to stop itself from its spending binge, after setting enactment after enactment, after expressing itself over and over again—has each and every time subsequently come along and undone the deal, taken apart the framework and said we are going to let ourselves go, now that we are really hungry.

The problem is the Senate and the House, with a law, a mere statute, cannot bind the next Congress. What is an even bigger problem, though, is that while we as a body cannot bind the next Senate, we can bind the next generation to debt. So while we cannot bind ourselves to discipline, we continue binding the next generation to debt, over and over and over again. It is time for us to remedy that by enacting the kind of framework, the firewall, the bulwark, the barrier between the spending habits of the U.S. Congress and the well-being of the next generation of American citizens.

Mr. President, there have been those who have said we do not need anything to do with economic policy in the Constitution. As a matter of fact, it was one of the distinguished Members of this House who said the U.S. Constitution is decidedly not a charter of economic policy. For the first time it would be writing into the Constitution economic policy.

I went through the U.S. Constitution, seeking to find specific areas where we talked about things that would have direct economic impact. It is almost impossible to find a part of the Constitution that does not have economic impact. I submit, whether you are talking about section 8, which provides for us to be able to pay our debts, or whether you are talking about section 7 of article I, that talks about bills for raising revenue that shall start in the House of Representatives, or whether you are talking about the ability to raise and support armies but no appropriation of money can last for more than 2 years.

That is an interesting part of our Constitution, to find in article I the language, and I read it:

> To raise and support Armies, but no Appropriation of Money to that Use shall be for a longer Term than two years.

The idea that we would not commit future generations, we would not commit too far in advance, that we would not place a burden on those who were not represented in the Congress is intriguing—could it be that 2 years is the length of a congressional term? You would expect that the next Congress would not have to live under the debt or the requirement of the previous Congress.

My view is, when it comes to spending, is that we have always been willing to be pretty close about spending. We do not allow the Senate, for instance, which is not elected every 2 years, to be the originators of spending measures. Spending measures must originate in the House of Representatives, where the people are face-to-face with their Representatives every 2 years.

The Constitution is full of economic considerations. I went through it. The next page has more underlining, and the next one even more to highlight economically related items in the Constitution. More text is economically related than is not.

As a matter of fact, this entire document—the Constitution—is full of things that relate to our economy. The amendment to the U.S. Constitution which provided for the progressive income tax is a matter having perhaps the most direct economic impact of any single event in the history of the United States, and is part of the Constitution. The suggestion that something, because it has economic impact, does not belong in the Constitution of the United States is hollow, it is empty, because there are sections following sections, and sections upon sections and there are subsections and there are amendments and subparts of amendments that all relate to economic considerations. The very structure of the Constitution has to do with the economy of the United States.

Mr. President, one of the things you need to have for a good economy is a stable government. And we have the most stable government of any government in the world. Why? Because it is in the Constitution that we have two Houses, and that one of the Houses is the Senate, and that by design it does not have the same willingness to make quick changes as the House, and that it

would be a brake—or a more deliberative body than the House—while the House is very closely associated with the people, and perhaps more responsive to moods or fads in society which nevertheless might be good public policy.

We have had this joint way of doing things which has led to governmental stability. Is there an economic provision in the Constitution? It provided a basis for a sound economy. Without it, I wonder whether the United States would have flourished to the extent that we have flourished, economically or socially.

In my judgment, every word in the U.S. Constitution is a word that provides the basis for an economy and a set of opportunities that define the character of this Nation. And the economy cannot be taken out of the Constitution.

Of course, the balanced budget amendment is far more than just something related to the economy. As George Will said in his book ''Restoration'':

> Proscribing deficits is different because deficits are political and moral events, not merely economic events.

Mr. President, a balanced budget amendment would do something of fundamental significance. It would protect important rights of an unrepresented group—the next generation. If the Constitution of the United States is not supposed to protect the rights of the unrepresented—and those who are helpless—what is the Constitution for?

The Constitution was indeed designed, was enacted, and was embraced by the American people—and has been and will be—because it protects us against abuses of power. It should also protect the important rights of an unrepresented group, as George Will puts it, the ''unborn generations that must bear the burden of the debts.''

The amendment would block a form of confiscation of property, of taxation without representation, of confiscation without due process of law. As I recall from my law school training—it has been a few years ago—but I believe the fifth amendment has something to say about taking without just compensation.

So here we find, Mr. President, that the Constitution—while it is full of documents and sections and clauses which have an impact on economics—is not only an economic document, it is a political and moral document, as well. Protecting the rights of those individuals who need protection is part and parcel of what the document is all about. And protecting them from what? Most frequently, protecting them from the U.S. Congress. Over and over again we read it: Congress shall make no law; the Congress shall not impair. That is the language of the Constitution.

Yes, the pending provision would have a financial and economic impact on this country. But it has a political and moral impact as well. It protects freedom. It protects freedom from debt—something certainly worth protecting.

Let me just say that there is more to this amendment than protecting the next generation. We need it to teach the current generation. One of the aspects of government which is very important and fundamental to our society is the fact that government teaches.

We train our children—and rightly so—that government defines what is legal and what is illegal. And that they had better listen to what the Government says. Because, if you do bad things, you will do your time, as well. You will ruin your life. You will impair your freedom. You will destroy your opportunity.

Government is set up as the arbiter of what is legal and what is illegal. And children rightly begin to look to the Government as a moral arbiter of what is valuable, what is good, what is to be accepted, and what is not good, what is to be rejected. When people in a society look at their Government and conclude that their Government does not pay its debts, what does that teach? Does it teach responsibility?

We as a culture have a crisis concerning people accepting responsibility. They look at the Government, which they have been told is the arbiter of right and wrong. And what do we learn? What we are learning from the Government is, ''Oh, don't worry about it. Just take the credit card and go on a binge, and hope the next generation pays for it.''

The truth of matter is, we are learning irresponsibility. It not only destroys the character within us, but it destroys the opportunity of the next generation. It not only destroys their economic opportunity, it suggests to them the sinister failure of a moral certainty, which is that we should pay our own debts.

Anyone who thinks we should abandon the idea of having government act as a good example for our citizens ought to take a look at the news magazines for the recent weeks. Take a look at Newsweek a couple of weeks ago, Newsweek or Time. Forgive me for not distinguishing. The cover story was about the absence of shame in society, about no one having a sense of what is right or wrong, no one having a sense of responsibility. Take a look at the front page of U.S. News & World Report today. It is about men who forsake their families, who do not take care of their obligations, who act irresponsibly.

Mr. President, We preside over a Government that has forsaken the families of the future, which has mortgaged the next generation's inheritance and birthright. How can we expect our society to be moral and responsible when we—those who have been elected to lead the society—lead it with classic irresponsibility, abdicating our responsibility to limit ourselves to the resources we have? We just toss that principle away, pull up to the table, roll up our sleeves with knife and fork, using our card—and their credit. And we impair and cheat the next generation.

This is the major challenge for those of us in the U.S. Congress this year. It is to reverse the concept that somehow the Congress is better than everyone else, that somehow the Congress does not have to live by the laws. We have taken a major step. In the Congressional Accountability Act we said we would live under the laws we passed for others. In the unfunded mandates law—which passed in the Senate and another version in the House, on which we are working to collaborate and work out the details—we said, yes; we are not even going to try to tell other people what to do through unfunded mandates.

We need to come to a further conclusion, Mr. President, and that is that we are not going to spend the wages, we are not going to spend the resources, we are not going to continue to sustain a policy which will put every newborn child in America in multi-thousand-dollar debt. We simply have to stop it. We have to say to the American people, we are not so good that we can spend the next generation's money. We are not so wise that we can make all their decisions for them. We have to say with a sense of humility that it is time for us to live like the average family. It is time for us to have a balanced budget like the average family has a balanced budget.

Some people say average families have debt. But there is no provision whereby any average family can impose debt on the next generation. You have to be able to pay it off, or you go bankrupt. No father can say, ''My grandchildren will pay for what I am doing now.'' And should any father do so? Of course not. The average family has to have a plan to pay.

We do not have a plan to pay. State governments, sure, they have debt. But they have a plan to pay. And every day, they owe less than they did the day before, as they are paying off the debt. If they pay off the debt before the asset—such as a bridge or a building—is used or consumed, they actually have paid for such items in advance.

But we in Congress do not have a plan to pay. We have a plan to play. And the plan to play was outlined in the President's budget which came to us. We are playing with the next generation's resources, $200 million—excuse me—$200 billion. I was in State government too long. We only had millions instead of billions. What a tragedy; $200 billion a year. We admit it. This is what we intend to do to you. We announce in advance with some pride that for the next 10 years we are going to keep doing it.

It is something that we should stop. Yes, Nathan Hale said, ''I regret but that I have but one life to give for my country.'' We have been saying that we regret but that we have but one unborn

generation to mortgage for our appetite. It must stop, Mr. President.

The Declaration of Independence for the United States of America included dramatic language which talked about the fact that individuals were committed to providing for the future a set of opportunities that would allow for personal growth and development, for the achievement of objectives and goals.

The last line of the Declaration of Independence for the United States of America is an interesting line.

The last line reads: ''We mutually pledge to each other our lives, our fortunes, and our sacred honor.''

How would we feel about the Declaration of Independence, Mr. President, if we were to read down through the document and come to the last line and it were to say, ''We mutually pledge to have a good time, to spend the next generation's money, and to get reelected by serving the special interests of today with the resources of the unborn?'' We would dishonor that document so rapidly, we would repudiate it so thoroughly. But that more accurately describes the conduct of the Congress in recent times.

It is time for us to enact the balanced budget amendment. And while we are enacting the balanced budget amendment, it is time for us again to put our John Hancocks on the pledge that closed the Declaration of Independence. It is time for us to say that we mutually pledge to each other our lives, our fortunes, and our sacred honor, and by doing so, provide the same level of opportunities for those who follow us as those who went before us have indeed provided for us now.

Mr. President, I yield the floor.

Mr. MACK addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida [Mr. MACK] is recognized.

Mr. MACK. Mr. President, I yield to the Senator from South Carolina for a unanimous consent request.

UNANIMOUS CONSENT AGREEMENT

Mr. THURMOND. Mr. President, before the Senator from Florida speaks, I ask unanimous consent that I be recognized to speak following the remarks of the Senator from California, Senator FEINSTEIN.

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

The Senator from Florida.

Mr. MACK. Mr. President, I have listened to the debate on the issue of the balanced budget amendment now for several hours today and, frankly, off and on for the last several weeks. Many of my colleagues have done an excellent job of providing expert opinion as to why a balanced budget amendment should be passed, or why it should be defeated. Those experts include economists, constitutional scholars, and past great legislators. But the remarks that I am going to make today are not based on experts. They are going to be based on my own personal observations. They will be based on my own convictions and on some of my own readings.

There is a very interesting set of books entitled ''The Debate on the Constitution.'' I was really stunned when I read through this series of documents and speeches and learned of the fear people had of the Constitution. That document put forward for their ratification terrified many of the citizens of our Nation at that time. It terrified them that a great, new central government was going to grow up in their midst, and that this great, new government would, in fact, either destroy or limit their individual rights. I cannot help but draw the conclusion, after those readings—and observing from my own personal experiences in the 12 years that I have served in the Congress—6 years in the House and 6 years in the Senate—that we have today developed a Government that, in essence, is out of control.

My own personal reason for becoming involved in politics originated after spending 16 years in the banking business. Prior to that time I had no idea whatsoever that I would end up in politics as a Member of Congress and then of the U.S. Senate. I entered politics because I became so frustrated and so angry with what the Government was doing to the banking business—the business in which I was involved. Virtually every single day I heard from the Comptroller of the Currency, the FDIC, the Federal Reserve, or the U.S. Treasury, about the things that I could do and could not do, as a banker. It even reached the point—I believe it was in 1979 or maybe 1980—when all bank presidents received a letter that specifically told them what kinds of loans they could make and what kinds of loans they could not make.

To show you the degree to which this Government control extended itself, this letter provided that banks could lend money for home improvements if the home improvement was going to be the addition of a needed room; but it did not for the addition of a swimming pool. That is the extent that Government had intruded into the operations of private business in America in the late 1970s and early 1980s. So, again, I am reflecting on my own personal conviction that there must be a restraint on Government, and that is what this debate is about.

I think the message of the 1994 election was pretty clear. Even though some Republicans have a tendency to see the election as being a mandate for Republicans, I would say that the mandate was a little bit more specific than that. It was a mandate to control Government. It was a mandate to follow a set of ideas of less taxing, less spending, less Government, and more freedom. I think it is important for us to think about that message of 1994 as not necessarily being a wave of Republicanism, but a wave of saying we want our lives back, our freedoms back, and we want Government off our backs. This is a fundamental debate. It is a debate between those who believe in more Government and those of us who believe in less Government.

I have told the story of my first vote in the Congress many, many times throughout my stay here. I tell about this story because I want to make the point that there is more to this debate about a constitutional amendment to balance the budget than economics. The first vote that I cast as a Member of the House of Representatives in January of 1983 was a very big deal for me because I had never cast a vote in a legislative body before then. Politics and legislative bodies were all brand new to me. It was a very, very exciting moment, and I thought it was an important moment. As I look back, I realize that the issue we were debating that first day in the House back in 1983 was not an issue that was going to change the direction of the world; it was not going to have great significance on the country or, for that matter, great significance with respect to the House of Representatives. The question that was being posed that day was whether we should add a new committee to the Congress of the United States. I must say to you that I came here already with a preconceived idea that we had too many committees; that the staffs were, frankly, getting too large; that we were spending too much money on the legislative operations of Government, and that we did not need this committee. But because I was brand new, I thought maybe this question was not quite so simple and that I should check with some of my colleagues on both sides of the aisle to get a sense of what they were going to do.

As I wandered around the floor, the message I got back was, ''CONNIE, we do not need another committee. We already have too many of them.'' In fact, they said to me, ''This is a select committee and they do not write legislation. They are really platforms for politicians to make public statements, and we are spending too much money. The committees are out of control, the staffs are getting too large. We do not need another committee in the House of Representatives.''

So I went over and cast my first vote. In the House, they use a computerized card to record votes. I put my card in and pushed the ''no'' button and I looked back over where the Speaker sits. Everybody's name is awash in lights across the back of the room. I looked up there thinking—after listening to my colleagues—that this board was going to be awash in red lights voting ''no.'' Well, out of 435 Members of the House, I think about 34 of us voted against the addition of another committee.

There are a couple of things I did not mention to you. First, the name of the committee was the Select Committee on Families and Children. The other

thing I was told, as I wandered around the floor as that brand new freshman legislator filled with excitement and enthusiasm and idealism was, ''CONNIE, you do not vote against something called 'families and children' and go back home and run for reelection.''

Now, to me, that story says it all. It says if there is not some form of outside constraint on the ability of Members of the Congress to spend the taxpayers' dollars, we will end up with exactly what we are getting.

Earlier today, I heard the distinguished Senator from Massachusetts say, basically, that we do not need this amendment; we can just go forward and do the things that we know we should be doing without this restraint—without this requirement in the Constitution.

Well, in one of the books I was reading this past week I came across a statement that I think many of us have heard from time to time. I did not realize it was an old Chinese saying. But it said something to the effect: If you do the same thing over and over and over again reaching the same result and each time expect that there is going to be a different outcome, this is insanity.

Again, I have made this comment to the people in the State of Florida, that it is insane for us to continue, year after year after year after year, to continue operating under the same process that has failed us. So it seems to me that logic dictates that we ought to be adjusting the process because it is only in changing this process that we will bring about change. And, as I said earlier, change is what the 1994 election was all about.

Interestingly, as I stand here both of my grandfathers come to mind. The desk I am standing over was handed over to me by Senator PHIL GRAMM in January 1989, was the desk that my grandfather, Morris Sheppard, sat at when he was in the U.S. Senate from 1912 to 1941. And, the baseball that I hold in my hand is a baseball that was signed by my grandfather, whose name so many people recognize, Connie Mack, who was born in 1862. He signed this baseball in 1929. Since then my father has signed it, I have signed it, and my son, who is now 27, just recently signed it last year.

I thought about bringing this baseball to the floor of the U.S. Senate because I had the opportunity again during the debate on this amendment to observe the distinguished Senator from West Virginia refer to a contract that he had signed many, many years ago. What it brought to my mind is how our Nation has changed from one generation to the next; how different America is from the country that my grandfather was born into in 1862; and how different the Nation is compared to what it was like when my father was born and when I was born and when my son was born.

I think about what this Nation is going to be like for my grandchildren, three of which I have at this moment, 10, 8, and 1½. I wonder what kind of future is in store for them if we do not make some significant changes in the way we do business.

I looked back at some of the historical fiscal records of this country. In 1929, when my grandfather signed this ball, I looked up the level of Federal spending. Calculated in 1994 dollars Federal spending in 1929 was the equivalent of $29.9 billion. In 1941, Federal spending was $174 billion. In 1961, it was $520 billion. And in 1994 it was $1.46 trillion.

Another point I should make is that, in 1929, the debt was about $480 million—$480 million. By 1994, the national debt had reached $4.643 trillion.

If we keep this up, what kind of future will we leave our children? What will it mean to them?

The previous speaker spoke very eloquently about what will happen to future generations because of what we have already done and how much worse it will be if we fail to do something to change the direction in which we are headed.

It also struck me, as I listened to the discussion, how our country has changed from generation to generation and how much our country has changed from 1776 to 1862 to the present. If we fail to recognize that our society is one of change, I guess one could conclude that we should not change the Constitution.

Both previous speakers used the term, ''moral obligation'' in reference to the Constitution suggesting that it is a moral document. I am suggesting that I think we ought to recognize our society has changed and continues to change. Unfortunately, we have moved away from a group of people who believed in the idea of personal responsibility to those who have fostered an entitlement mentality today.

I would suggest that what we have done for the last 25 years is a reflection of who we are; that somehow or another we think we can live generation to generation passing on huge amounts of debt with no consequences. And I think everyone understands that that is just fundamentally wrong.

Again, there are those who are going to say to us, ''We don't need this constitutional amendment to do what is right.'' I would make the argument that after having served these last 12 years and being involved on the House side in helping to pass the Gramm–Rudman legislation, we do not have the resolve to impose limitations on ourselves. As you may recall Gramm–Rudman was a statute, an attempt to control spending which the Congress merely changed when it became too difficult to get the job done.

So the conclusion that I have come to is that the only way to effectively control what the Congress does with respect to spending the taxpayers' money is to put an outside restraint on them. Without this restraint we risk losing those personal freedoms that have made this country great.

Oh, I know, today there will be people who will say, ''Aren't you going a little overboard to suggest that our Nation and our individual freedoms might be at risk because of our decision to continue to overspend and to run deficits?''

I do not think so at all.

What we are involved in—we have heard the term many times —is an experiment in self-government. We are involved in an experiment in democracy.

We need to understand that this is a continual experiment in democracy. Ours is a constantly changing nation, a nation whose values and whose morals have been changing. If we do not address and adapt to that change, then we are putting the next generation at risk.

I think that when we come down to the final vote, we are going to have the necessary votes to pass this constitutional amendment. And when we look back, I think that we will find the turning point was when President Clinton submitted his budget for fiscal year 1996.

I am not going to put this in a partisan perspective, because I recognize the claim can be made that Presidents Bush and Reagan did exactly the same thing in submitting budgets which failed to address our debt problem. But, what is different about this debate is that the country finally recognized that a constitutional amendment had to be passed, that it was an absolute requirement which we as a nation, as a society, and as a Congress had to put in place a series of budget decisions to get us to a balanced budget.

My hometown newspaper referred to the President's budget proposal by saying: ''Clinton to GOP: You Cut the Budget.'' It went on to say, ''Republicans Ready and Willing.''

I think that those who had been arguing all along that we can balance the budget without a constitutional restraint saw in the administration's budget proposal that this was simply not the case. They recognized that we were going to get the same old thing, over and over again. If we wanted the status quo, then we got it in the budget that was presented to the Congress by President Clinton.

I want to refer, also, to a chart that I have used in the past. Many may remember this book, entitled ''Bankruptcy 1995.'' There is a very interesting chart in it referred to as the ''Hockey Stick Chart'' because it plotted the total debt over a period of time from 1970 to the year 2000. It illustrated that at some point the total debt just goes straight up, absolutely out of control.

I remember when I read this book, it started off with a series of examples of what would happen when a country's debt gets out of control, and the choices that would face a society, such as monetizing the debt. What really

has come back to my mind is the story that was told as to what happened in some of the Latin American countries in the past, and what they said would happen to the United States. The message was: ''If you fail to get control of your spending and your deficits and your debt in America, the same thing could happen to you.''

I remember reading through this. It was fairly dramatic. Think about what it would be like if you woke up in the morning to talk with your mother and dad, who had received an emergency telephone call the night before from the place where they were working, telling them that it was no longer necessary for them to come in because there was no company left. The company went bankrupt because of certain things that happened as a result of monetizing the debt. Inflation skyrocketed to the point where the cost of the basic necessities of life—food, housing, health care—no longer could be afforded, because they went spiraling out of control as a result of uncontrolled debt.

It is interesting how people react to this story. They think this could never happen in America. This is America. This is the Nation that led the world through World War I, and World War II. We defended freedom all over the world. We are looked upon as the beacon of hope and opportunity around the world. This could never happen in America.

I guess the reason that I wanted to come back to this is because of what is happening in Mexico today. To draw the conclusion that the price that Mexico is paying for its economic disorder is not a price that we would have to pay for our economic disorder is fundamentally unsound. We are fooling ourselves if we think we can continue on this binge. We are fooling ourselves if we think we will solve the problem just by trying the same old process that has failed us year after year after year.

Mr. President, I conclude my remarks by saying that this is a fundamental debate which is taking place here in the U.S. Senate. It is a debate about those who believe more government will solve our problem, and those who believe that less government, less taxing, and less spending, will give more freedom. I have concluded that freedom is the core of all human progress. It must be defended. The only way we can defend it economically is to put into place a constitutional amendment that requires a balanced budget.

I yield the floor.

The PRESIDING OFFICER. By a previous unanimous consent request, the Senator from California was to have time. She is absent from the floor. I now recognize by previous unanimous consent the Senator from South Carolina.

Mr. FORD. Mr. President, will the Senator yield to me to ask a question?

Mr. THURMOND. Mr. President, I will be pleased to yield.

Mr. FORD. Is the unanimous consent for those who are able to speak the rest of the afternoon, or is this the last speaker under the unanimous-consent agreement?

The PRESIDING OFFICER. This is the last person who is sequenced to speak.

Mr. FORD. I will not make a request, but try to attempt to get the floor in my own recognition.

I thank the Chair.

Mr. THURMOND. Mr. President, I rise today to continue the debate on this historic opportunity to adopt House Joint Resolution 1, the balanced budget amendment.

Over the past 3 weeks we have heard many eloquent speakers on the need to pass a balanced budget amendment and bring this Nation's fiscal policy under control. It has been especially encouraging to see our freshman colleagues take to the floor and urge this body to adopt a balanced budget amendment. Many of their campaigns were centered on the premise that the Federal Government has grown too large, spends too much money and must be curtailed to operate within its means.

Mr. President, we have been considering this proposal for 26 days. There has been significant debate and compelling arguments on the need for a balanced budget amendment. I would just note that during our debate over the past 26 days, the Federal debt has grown over $21.5 billion.

Undoubtedly, it is the desire of every member who supports the balanced budget amendment to see the Federal budget deficit eliminated that we may begin to cut away at the Federal debt which currently stands at $4.8 trillion. Without a balanced budget amendment, there has been little pressure on the Congress to make tough legislative choices on Federal spending and the Federal deficit has continued to grow. With a balanced budget amendment as part of the Constitution, the Congress would be mandated to follow a sound fiscal policy. The Congress would finally understand the reality that there are a finite number of tax dollars available for public spending and various proposals would compete on merit and need, not popularity.

The balanced budget amendment would instill an urgent need for legislative accountability as Congress considers various proposals for increased Federal spending. Currently, there is no real check on runaway Federal spending, and there will never be a shortage of legislation creating new Federal programs or efforts to increase spending in existing programs. Without a balanced budget amendment, budget deficits over the long term will continue to rise and the Federal debt will continue to grow. The Congress has not shown the fortitude to address, in a meaningful way, the budget deficit and the Federal debt. There have been times when legislative gestures were made to bring spending within our means but those efforts were short-lived. Statutes to reduce Federal spending have not been enough. They are too easily cast aside and the Congress rolls along on its path of fiscal irresponsibility.

I am convinced that without the mandate of a balanced budget amendment, Federal spending will continue to eclipse receipts and the American people will continue to shoulder inordinate tax burdens to sustain an indefensible congressional appetite for spending. In 1950, an average American family with two children sent $1 out of every $50 it earned to the Federal Government. Today, the average American family is sending $1 out of every $4 it earns to the Federal Government. Under current budget projections, there is no reason to believe that these statistics will improve.

Mr. President, we can trace the debate on a balanced budget amendment back in our history for 200 years. A defining moment may well have been the appointment of Thomas Jefferson as Minister to France. Thomas Jefferson was abroad when the Constitution was written and he did not attend the constitutional convention. If Jefferson had been in attendance, it is quite possible that he would have been successful in having language placed in the Constitution to limit the spending authority of the Federal government. Upon studying the Constitution, Thomas Jefferson wrote in a letter of a change he so fervently believed should become part of the Constitution. He wrote the following and I quote,

> I wish it were possible to obtain a single amendment to our Constitution. I would be willing to depend on that alone for the reduction of the administration of our government to the genuine principles of its Constitution. I mean an additional article taking from the government the power of borrowing.

Further, Jefferson stated and I quote, ''If there is one omission I fear in the document called the Constitution, it is that we did not restrict the power of government to borrow money.'' President Jefferson also stated, ''I place economy among the first and most important of republican virtues, and public debt as the greatest of the dangers to be feared.''

President John Quincy Adams stated, ''Stewards of the pubic money should never suffer without urgent necessity to be transcended the maxim of keeping the expenditures of the year within the limits of its receipts.''

—and incidentally, he was the only President ever born in South Carolina—

Another former president Andrew Jackson stated the following:

> Once the budget is balanced and the debts paid off, our population will be relieved from a considerable portion of its present burdens and will find * * * additional means for the display of individual enterprise. We should look at the national debt, as just as it is, not as a national blessing but as a heavy burden on the industry of the country to be discharged without unnecessary delay.

President Harrison described unnecessary public debt as ''criminal.''

President Woodrow Wilson stated, ''Money being spent without new taxation and appropriation without accompanying taxation is as bad as taxation without representation.''

President Calvin Coolidge stated the following:

> The Nation must make financial sacrifices accompanied by a stern self denial in public expenditures until we have conquered the disabilities of our public finance * * * we must keep our budget balanced for each year.

Mr. President, early American Presidents and public leaders understood the dangers of excessive public debt. For almost 150 years, balanced budgets or budget surpluses were the fiscal norm followed by the Federal Government. The unwritten rule followed by Presidents and legislators until recently in our Nation's history was to achieve balanced budgets except in wartime. But the role and the size of the Federal Government has gown out of control. In the past three decades, the Federal Government has run deficits in every year except one. Further, the Federal Government has run deficits in 56 of the last 64 years.

Mr. President, during the 1960's, deficits were averaging around $6 billion per year. The following decade, the 1970's, saw deficits rise and they averaged $36 billion per year. In the last decade, the 1980's, deficits continued to rise and averaged $156 billion per year. So far, in the 1990's, deficits have averaged $259 billion per year.

The Federal debt has grown as deficits have continued to grow and the debt now stands at $4.8 trillion. It took this Nation over 200 years to run the first trillion dollar debt yet we have recently been adding another trillion dollars to our debt about every 5 years.

I have been deeply concerned during my time in the Senate over the growth of the Federal Government. It has been too easy for the Congress to pass legislation creating new Federal programs and spending more tax dollars whenever there is a call for Federal intervention. Of course, the Federal Government has an appropriate role to protect the citizens of this Nation, but it is not realistic to believe that Washington should respond to every perceived problem with a new Federal approach. This Nation has drifted from its original foundations as a national government of limited authority. I believe the adoption of a balanced budget amendment will do much to return us to a more decentralized Federal Government of limited authority and the mandates of such an amendment will increase legislative accountability. A balanced budget amendment is the single most important addition we can propose to the Constitution to begin reducing the size of the Federal Government.

Mr. President, we have seen the national debt and deficits rise because in large part, the Federal Government has grown. The first $100 billion Federal budget in the history of the Nation occurred in 1962. This was almost 180 years after the Nation was founded. Yet, it took only 9 years, from 1962 to 1971, for the Federal budget to reach $200 billion. Then, the Federal budget continued to skyrocket; $300 billion in 1975, $500 billion in 1979, $800 billion in 1983, and the first $1 trillion budget in 1987. The budget for fiscal year 1995 was over $1.5 trillion. Federal spending has gripped Congress as a narcotic but it is time to break the habit and restore order to the fiscal policy of this Nation.

It is incumbent upon this body to send the balanced budget amendment to the American people for ratification. I am pleased that we have reached agreement to vote on final passage on February 28, next Tuesday. The vote on final passage on House Joint Resolution 1 could well be the most important vote we will face as Senators as its adoption is essential for protecting our liberties as a free nation. I hope we do not fail the American people on this historic opportunity and instead present to the States our proposed amendment to mandate balanced budgets. It is time to act to secure the future for all Americans.

Mr. President, I just want to say in closing, what other way can we balance the budget? The Congress has not shown the fortitude, it has not shown the willingness and it has not balanced the budget. How can we make them do it? There is no way I know to make the Congress balance its budget except a constitutional amendment.

We have tried all other ways. They have failed. The balanced budget amendment put in the Constitution will tell the Congress it cannot spend more than it takes in, and then we will get the budget balanced. Once we balance it, I hope we can keep it balanced. If we have this constitutional amendment, we will have to keep the budget balanced.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, Members of this body will vote on Tuesday on the balanced budget amendment, and I am very thankful for that. There are increasing indications that Senators have, of course, learned from the last election last November, and that from their constituents who want this amendment now that the American people want a change from the past, because formerly this amendment was bottled up year after year in one House or the other.

I hope it tells the people of our country that they can make a difference. They expressed in the last election that they wanted a difference, and I think it gives credibility to the election process when people who are elected understand why they were elected and want to carry out the mandate of that election.

Year after year, this constitutional amendment was voted down in one House or the other, or both. Year after year, the budget deficit increased and our children and grandchildren have been left holding the bag, and the American people, I think, expressed in the last election they want that to stop.

Many Members had concluded for many years that Americans would never want a balanced budget because of the cuts that might affect programs that they relied on, that they benefited from and in which they felt some security. But the American people, I believe, are less selfish than that.

Every day we see new indications that Americans are willing to cut spending to balance the budget. For instance, it is becoming clearer that a balanced budget can be attained with less pain than some have suggested. Today, DRI-McGraw Hill, which has been called the world's leading nonpartisan economic analysis and forecasting firm, has concluded that the amendment will add credibility to budgeting. This credibility will lead to lower interest rates and a stronger economy.

This same firm found that the lower interest rates that would come as a result of the constitutional amendment can create half the necessary savings that is going to take us to balance the budget. This is the case because interest on the debt is such a large portion of the budget.

As these facts become known, Americans are learning that they can live with the reductions in the growth of Federal spending that will be necessary if the balanced budget amendment is adopted. They are willing to do their part to prevent future generations from being saddled with an unconscionable amount of debt. They are willing to do so even if it means that some Federal spending that they support will be affected. Importantly, the willingness to take the necessary steps to balance the budget derives from the whole populace, I believe, not just a few.

This week, I received a letter from a person by the name of Andrew Alexander, the library director in Mason City, IA. As a librarian, Mr. Alexander receives funding for his budget from the Library Services and Construction Act. Obviously, one would expect that as a recipient of Federal grants his position would be against Congress adopting this amendment and changing the level, whatsoever, of funding in that program.

Of course, he could certainly make an argument that was not based solely upon bureaucratic self-preservation, because we know that libraries are important, education is important and it would be possible to very sincerely argue that the Federal Government should then continue to help local libraries.

But that is not what Mr. Alexander argued to me in his letter. He asked me and asked me to ask my colleagues in the Senate to discontinue all Federal funding for local libraries. Although he recognizes that the Library Services and Construction Act was passed with good intentions, it has produced, in his words, ''bad or negligibly good results.''

He goes on to say: ''The Federal Government has no business involving itself in a function that has historically been very much the responsibility of local government.''

I would like to mention that Mr. Alexander told me in this letter, ''I am a lifelong Democrat.'' He goes on to say, ''I voted Republican last November because I am certain that if we do not stop spending more than we take in, we will, in fact, be the ruin of our children and their children.''

So, Mr. President, it is letters like this that show me, and hopefully the rest of my colleagues in this body, that the American people have a greater understanding of the problem than cynics give them credit for. Americans of all political persuasions are realizing that the role of the Federal Government must be limited. They know that not all Federal programs have delivered what they promised. They also know the tremendous sums of money that are spent on these programs, any one that can probably be justified standing by itself, but adding up to a total spending exceeding $200 billion. You can easily see that some, or a part, of these programs cannot be justified.

At the same time, the public knows that it is not paying for all of these programs. That is very clear. They know that the deficit and the national debt are out of hand and that for a small difference in their lifestyle, this very day, the destruction of the economic future of our Nation and the preservation of our freedom and our society can be avoided. They are willing to make that commitment. Oddly enough, until lately, some of them were not willing to do it, but now they are, as our budget and fiscal situation gets worse and worse.

I believe that this same realization is coming to certain Senators who may not have always supported the balanced budget amendment in the past. Additional Senators are understanding that the American people will support the changes that will flow from the balanced budget amendment. I think our colleagues—realizing that the American people out there are seeing how bad the situation is, are seeing these programs cannot continue to be funded at an unconscionably high level and a deficit level—are being fortified by this change of view at the grassroots and are seeing the public will stand behind them if they make the tough commitment to make sure the balanced budget amendment is adopted so the fiscal discipline will come, as it has to come after its adoption.

So I appreciate the commitments from Senators who are signing onto this amendment every day to support this amendment as the debate continues. We have tried every other approach. Every other approach has failed: Gramm-Rudman I and II, the bipartisan budget agreement of 1990, the Clinton budget agreement of 1993.

I have spoken before about my first involvement in legislation to balance the budget. When Senator Harry F. Byrd of Virginia was a Member of this body, he and I worked together—I was a Member of the House of Representatives—to pass a simple law that says the Federal Government shall not spend more than it takes in. That was a very well-intended but, quite frankly as I look back now, a very weak response because under our Constitution succeeding Congresses can obliterate anything that a preceding Congress has done. So, each of the cases I have given—the Byrd-Grassley law, Gramm-Rudman I, Gramm-Rudman II, and the other budget agreements of the 1990's—have failed because they can be changed so easily.

Whereas a constitutional amendment, though difficult to get adopted in the first place, is also difficult to change. So it will not be changed by a simple unwillingness of a body to follow its mandate, because we take an oath to uphold that Constitution. We see the restraint that a constitutional provision brings to States, and in State legislatures controlled by conservative Republicans or even liberal Democrats that oath and the rule of law applies. And there is better fiscal policy there than what we have at the Federal level.

So only the balanced budget amendment, then, will respond to the informed judgment of the American people that the role of the Federal Government must be rethought. Programs will have to compete with other programs once we do not have the capability, willy-nilly, of borrowing from the future generations. When the total must be paid for, choices will have to be made. It will no longer be sufficient that intentions behind the programs might happen to be just somehow very good or, the usual explanation, the needs are so great.

This is a view held not only by Republicans but by Democrats and independents as well. A new day will come when we have a constitutional amendment disciplining our spending appetites. The Senate passage of the balanced budget amendment will show Americans that we have listened to the people and we have their long-term interests in mind. The people have been ahead of the Senate. Now it appears we are catching up, as a result of the last election. The American people have spoken loud and clear. They should be commended for making their views known and they should also be commended for taking a stand for responsibility.

They should also understand that, out there at the grassroots of America, as they express their views to us personally, as they express their views through the election process, they can make a difference. If we adopt this amendment, it is one more example that people who want change are going to get that change.

So I think once again the American people have spoken and, in the process of speaking, they are showing that they are smarter than the pundits.

I yield the floor.

The PRESIDING OFFICER. The senior Senator from Kentucky.

Mr. FORD. Mr. President, I thank the Chair. I have had an interesting day listening to the comments on the Senate floor by various and sundry Senators, where some have taken a part of history, Madison, Hamilton; some on the street, grassroots, all of that. So it is a mix. I was glad to listen and to get a feel.

This body, in my opinion, is blessed with some former Governors. One of those spoke today, the new Senator from Missouri. I thought he made an excellent speech. I enjoyed his comments, his delivery, and his content. But being a former Governor, he should understand that he had to work with the legislature. He had ideas and thoughts, he had programs and commitments he made in his campaign that he wanted to get through the Missouri legislature. And he found, I am sure, people on different occasions who did not agree with him. Some did not agree with him for personal reasons. Some did not agree with him for political reasons. Some did not agree with him on philosophical reasons.

So that is where we find ourselves today. You know that every once in a while you have a hung jury in the court system. Eleven to one and you have a hung jury. One person believes and feels that an individual is not guilty and, therefore, that person votes that way so you have a hung jury—11 to 1. That is our system. It worked pretty well. It worked pretty well.

A couple of things bother me, Mr. President. I guess you might as well get them out of your chest, out of your heart, out of your head here. There will be no trouble passing this constitutional amendment—I voted for it twice—but this is not the same amendment that I voted for. This does not have the restriction on the Federal courts which was accepted, I believe, almost unanimously the last time we had a constitutional amendment up last year. It was offered by the distinguished Senator from Missouri, by the way, Senator Danforth, and that constitutional amendment was voted on. My good friend, long-time friend, distinguished Senator—I do not think anyone doubts his integrity or his loyalty to this country—Senator NUNN from Georgia, said last night if his amendment, which is the Danforth amendment of last year, is not accepted, then he just cannot vote for the constitutional amendment when the courts will tell you whose taxes to

raise, whose taxes to cut, what program to extend, what program to cut. If they have that ability he just cannot vote for this amendment.

I suspect if that amendment is accepted, the constitutional amendment will pass. But if you are going to stonewall, I do not believe there has been a Republican vote for a Democratic amendment that has been proposed on this constitutional amendment. I may be wrong. Maybe on the judicial question of Senator JOHNSTON, and that is the question that bothers my friend from Georgia, Mr. NUNN. But that is the only one. I believe that is the only one.

To say that we are going to take the Social Security trust fund that so many people are depending on, and we are going to use that, put it in the general fund and help balance the budget—I do not know whether I am different or my constituents are different. I can learn a lot at the barber shop. At the barber shop 2 weeks ago, there were a lot of young fathers there bringing their sons in to have a haircut. There I sat waiting for mine. These young fathers I knew—and I probably knew them from a young age—asked me about only one thing.

They said: Senator, we are for balancing the budget. We think we ought to reduce the cost of Government. We ought to reduce our taxes, if we can. We are willing to accept a freeze on our taxes. But Social Security? Mom and Dad are drawing Social Security. They have a small pension or 401–K or something from their previous employment. The check from Social Security, that they had been paying into for years and years, is now in jeopardy because of the constitutional amendment. If I do not fly, I do not pay the airport improvement trust fund tax. But that will go into the general fund, also. The highway trust fund will go into the general fund as such to be used. All of the trust funds now are going to be used in order to try to balance the budget. I get the argument. If we do not do that, Social Security is not going to mean anything, anyhow.

Well, I do not know about that. But let us get back to the Social Security. You have to pay Social Security if you work. It comes out of your pay, whether you want it or not. It is matched by your employer. If you are self-employed, you pay the whole thing. That is mandatory. We have to change the Social Security system. We need a means test. We can do that without it being in the constitutional amendment, saying we will not use that surplus. We can still change the structure of the Social Security system.

I hear a lot about dropping that 85-percent tax. If you make $34,000 or $44,000, for a couple, drop it back to 50 percent, the couple says, then still charge 85 percent, but take the difference between the 50 and 85 and put it in a Social Security trust fund so it will be there in the future for others that come behind us.

It makes some sense to me. All kinds of propositions are being offered, but no one on that side. The Republican side will vote to say no, we are not going to use the Social Security trust fund to balance the budget. We want them to continue to pay their taxes, continue to pay their Social Security, continue to pay their gasoline tax, continue to pay their airplane tax, continue to pay all of that to go into balancing the budget. They are designated taxes. I do not think any of us are fussing too much about the tax on your airplane ticket. Some may. We are not fussing too much about the gasoline tax. But there is something very, very personal about Social Security taxes. It is there for the future. It is there for retirement. It is there so they will not be a burden on their children.

So when we refuse to do that, then some in this body have just said they refuse to support the amendment. Somehow it is hard for me to understand why that is not accepted, and we will go ahead and pass the amendment. Everyone in this body knows that it would pass this body if that was acceptable.

Second, to keep the courts out—several Senators in this body are swallowing awfully hard to cast every vote against Social Security, against the proposition that we do not want the courts telling us what to do. They are swallowing awfully hard. That vote is coming back. We will have it. The votes on Tuesday about Social Security and about the courts will tell you whether this amendment is going to pass or not. I want to vote for it. I want to vote for it. But you are stopping me from voting for it because of two little items. I am getting a little bit harassed, I guess—or worried—because very time a good amendment comes up, the floor manager says, ''Senator, you have a good idea. I wish we could put it in this amendment. But we do not want to send it back to the House. The House has steamrolled everything they brought up over there.''

Why are you afraid to send it back? What is the reason that you will not send it back? I believe with all my heart that if you send the Social Security portion back and take the courts out of telling us what to do, the House will pass it in the flick of an eye. So why will you not include it? I do not know. They just do not want to send it back to the House.

''Senator, we will work with you after we pass this amendment. You have a good idea. We will try to get it done. I look forward to working with you, trying to solve this,'' when you know the implementing language can be changed every day. And the statements by the leadership on these sense of the Senate, or whatever it might be, sounds good; votes, in order to take care of it. You have a judicial resolution out here now or a sense-of-the-Senate resolution to try to salve the pain. I think we have had enough of that. They do not want to send it back to the House.

I hear a lot about we do not have the intestinal fortitude to make the decisions to balance the budget. My friend from Iowa, who just spoke before me, mentioned the Clinton budget of 1993. I want to tell you, there was not much intestinal fortitude that came across that aisle right there. We raised taxes on the top 2 percent. We cut them on others. We cut programs and reduced the deficit by $700 billion over 5 years. That is about the round figure. But we did not get a Republican vote, and even lost a Democrat or two. But we did not get a Republican vote.

Are the Republicans trying to tell this Senator that we have to have a constitutional amendment that forces us to balance the budget? We have had one experience already during this administration. That experience was a hard-fought experience. Sure, we raised taxes. That is what everybody said we are going to have to do. Sure, we cut programs. That is what everybody said we had to do. And we are going to reduce the employment of the Federal Government by 272,000 people.

We have already reduced over 100,000 employees of the Federal Government. We are reducing Government. So it is very difficult for me to see why you will not accept at least two proposals. I think that the supermajority, three-fifths, for deficit spending in a time of emergency is trying to go against what the framers of the Constitution have said. It has been good for a long time, a simple majority. The Vice President has a right to break the tie, and then we can go on about our business. But, no, we have to have three-fifths in order to deficit spend, and we have to have 51 Senators. We exclude the Vice President from his constitutional position of breaking ties in the Senate under this constitutional amendment. We have to have 51 Senators.

I thought it was a good debate when we said that the 51 votes then could be used to take money from other programs and put it into the defense of this country. I do not know how long it would take us to do that, going through the House and the Senate, arguing over whether we are going to take money from nutrition programs, WIC programs, housing programs, whatever, and put it into defense. But you need 51 Senators and, I guess, 218 Members of the House to do that. In that debate, it was brought up that it has to be done every fiscal year. So that is from October 1 to September 30. What if it came up on September 1 and we had less than 30 days left and 11 months of the money had been spent for that fiscal year? There would be no more money left. You can take all the money for Government use for other programs and try to put it into the defense of this country. So they say if we have a problem with the defense of this country and if we were being attacked, there would not be any trouble getting the money. We have to be prepared

sometimes to prevent it from happening. We have to make that decision.

I have tried my best to stay out of the partisan political position that this is obviously trying to put people in. I understand what is happening here. I have tried to approach this question as best I could as a Kentuckian and as an American. I only ask two questions: Why can we not accede to exempting the Social Security trust fund? Why can we not allow an amendment to go on this constitutional amendment to keep the courts out of telling us who to tax and who not to tax and who to increase and who to decrease, and what programs to cut and what programs not to cut? I hear people say that is not what this thing does. Why is there all this nervousness? You can feel it around this Chamber when you start talking about the courts. It was a close, hard vote, 51 to 47, I think was the vote. This amendment would sail through here—sail through—and we are only asking two questions. Is that so hard to accept? Is that so hard to accede to? Is it too hard for some of those that apparently want to harm people, unless they are rich—the rich will not care too much about Social Security. But the average American out there, particularly those who have retired or are about to retire, are certainly worried about having their Social Security. Their families are worried about their mothers and fathers having Social Security.

I had a Sunday school teacher, one of the best Christians I guess I have ever known, outside of my wife and family, Beryl Brown. He was one of the strongest Republicans and nicest fellows I have ever met. Every once in a while, he would compliment the Democrats for having Social Security. That is about the only thing he said nice about Democrats or the Democratic Party, that we started Social Security. He said, ''The reason it is good and I think it is a program that ought to stay is that Mama and I can stay home. We do not have to worry about moving in with our family. We can enjoy ourselves, have a little garden out in the backyard and have enough income to get along.'' That is Social Security.

If you are rich, it does not make any difference. But if you worked hard all your life and you expect a few years of having your own way and playing with your grandchildren and doing all those things, then Social Security is important. But I see that question slammed every day in this Chamber. If you are going to be against the elderly and against the young folks, with the reduction of WIC, nutrition programs, education, Social Security, well, somehow or another I believe it will come back to haunt us, and it will not take long. But if those two items are in there, I think you can accomplish what you want.

So, Mr. President, I hope that I have explained my position a little bit. There are not enough votes to pass the amendment as of this moment. I wish there were enough votes, because if there were enough votes, you would have Social Security trust fund excluded, the surplus, which the recipients are depending on, and you would say we would not be yielding what our forefathers gave to us to protect, and that is giving a piece of the legislative branch of Government to the courts; and, second, when we get to the line-item veto, we will be giving that portion of it to the Executive, and we slowly but surely erode what the forefathers said we ought to have, which is three branches of Government—executive, legislative, and judiciary. They are all there for a purpose and they have all worked very well.

We are putting fiscal policy in the Constitution. I understand that there are other things that relate to the economy in the Constitution. But just two questions is all the people ask. There is a difference and there is a holdout. There is a holdout. We have 51 that are saying we want to take Social Security and put it into the trust fund and pay the budget deficit off. We have, maybe, 15 more—14 probably now—that want to agree with that, or will agree with that, for various and sundry reasons. This could be a hung jury—11 to 1—and so be it, Mr. President. So be it.

I see other Senators are here wishing to speak. I will not take any more time of my colleagues.

I yield the floor.

Mr. JEFFORDS addressed the Chair.

The PRESIDING OFFICER (Mr. DEWINE). The Senator from Vermont Mr. JEFFORDS, is recognized.

Mr. JEFFORDS. Mr. President, I have listened to the very eloquent statements of my good friend from Kentucky. Certainly, all of us understand the need for the protection of the Social Security System. Certainly, I, like others, was torn when I had to vote on amendments that would be sacrosanct and separate from the possibilities of being tampered with by the balanced budget amendment.

However, I can make the same kind of arguments on behalf of the children of this country for nutrition and the reasons why we should make sure that we do nothing that will endanger their ability to be protected from cuts which might damage their future.

In a moment, I will talk about the care we must take when we make cuts, because if we do not recognize that education is so important to the foundation of our society and our economy, if we make mindless and unwarranted cuts in that, we will be counterproductive in the ability of us to balance the budget.

However, I came to the conclusion in deciding to vote for the balanced budget amendment that we had to leave ourselves open to all options and that we could not pick and choose those things for which we ought to try to protect. And I understand and realize that it would be much easier for us to separate Social Security from it.

Mr. President, on February 13, I came down to the floor to discuss my position on the balanced budget amendment. I outlined the concerns that increased debt load places on our economy and our future generations and how the interest payments we are making now on the budget are threatening everything else, now having exceeded the defense expenditures and the discretionary expenditures. I outlined at that time that in the past, in 1982, when I had been in the House only some 8 years, I was first faced with the balanced budget amendment. I said at that time, ''I won't vote for it because we can't wait 7 years for the budget to be balanced.''

At that time, we had just had a very important bill passed which greatly reduced the taxes of this Nation. I was the only Republican that opposed that amendment which made drastic cuts in our taxes, and I stated at that time that I was afraid that what we had done would lead to huge deficits in the future. I took a lot of abuse at that time for that vote. But, as history has shown, that vote probably was one that was the best judgment I could have exercised at the time.

But, as we now know, it is important for us to pass the balanced budget amendment. We must begin to balance the budget and to outline our priorities. So we must be careful not to make balancing the budget more difficult.

Today, I will talk about the need to be careful on how we cut, especially in the field of education. I am the chairman of the Senate Education Subcommittee and, therefore, have a particular responsibility to make sure that what we do from this point on does not in any way inhibit the ability of this Nation to be able to meet its commitments to its young, but most importantly its commitments to this Nation that we maintain our ability to be the most competitive and the most economically sound nation in the world.

I am afraid, as I look across the Congress to see where cuts are being made. I also recognize the future needs of our Nation especially in the area of education. For without immediate attention by this Nation on our educational system, we are facing incredibe danger for our economic future. We cannot move forward without recognizing that cuts within the educational system may well prove to be counterproductive—counterproductive in that they will reduce the potential revenues that we would otherwise have and that they will only increase the social costs that we are presently experiencing.

So let me now, as we go into the 21st century, take a look at where we are with respect to education and the need for us, a Nation, to place ourselves in more competitive position within the international economic community.

In order for our country to remain viable in the global economy we must not only be free from crippling interest

payments on our debt, but we must also prioritize our spending so that we maneuver ourselves to be ready to face the challenges of the new millennium. If we do not act now, we will destroy the dreams that we cherish—good health, a good education, a good job, and a good retirement.

Some have proposed that we reduce the deficit simply by making across-the-board cuts on all programs. Such cuts might provide a solution to our financial woes in the short term, but they only exacerbate the deficit in the long term. Here is why. If we cut back on programs for education and training, we lose our competitive edge in the marketplace, resulting in a lower standard of living, fewer high paying jobs, less Federal revenues in taxes, and, naturally, a larger deficit.

On the other hand, if we work to improve our education system, we not only increase our national productivity, but our standard of living will increase, resulting in greater Federal revenues and a decreased need to invest in our social programs.

In Michael Crichton's recent book, ''Disclosure,'' the main character's professional advancement is threatened by the appointment of a woman as his supervisor. He is so distracted by the immediate problem of sexual harassment that he only belatedly understands the advice from an anonymous ally.

That advice—to solve the problem. And he keeps repeating, ''Just solve the problem.''

I believe this advice applies to the larger problem that we face today. If we solve the larger problem, then this will solve those immediate ones that we look at with respect to our inability to fund the various programs we all desire to fund. For if we do not improve our educational system, and if we are unable to solve the deficit problem, we can not ensure that we have the capacity to provide for the programs we need. And then we will find that the problem of balancing our budget is unsolvable and that this Nation will disappear in the next millennium as a lesser nation.

The way to solve the problem of our deficit is not, as some suggest, mindless across-the-board cuts. Solutions to our financial woes are long-term investments—specifically in our education system. By not solving the problem of reduced productivity and higher costs through education failures, interest payments will keep increasing, tax revenues will keep decreasing, and our deficit will only grow larger. More mindless cuts is not the answer. Instead, thoughtful investments and adequate resources are the solution to our long-term fiscal concerns.

Consider for a moment the education spending patterns over the last decade. Since the beginning of the 1980's overall Federal support for education, after adjusting for inflation, has decreased by 5 percent. Funds for elementary and secondary education declined 15 percent, while postsecondary education funds declined 24 percent. Where has that led us? Certainly, not to the first class education system we all support. In fact, using the six education goals developed by a bipartisan group of Governors in 1989 as our barometer, we are not close to reaching our mark of excellence in education.

Among the goals for our future is that our children come to school ready to learn, that they come without hunger, and that they come with the capacity to be able to understand the education that they are going to be faced with. That means they must first be fed, immunized, and, hopefully, have had some preschool experience. However, only 45 percent of young children from low-income families are enrolled in preschool programs and only 55 percent of infants have been fully immunized, protecting them against childhood diseases. Head Start continues to only serve one-fourth of all eligible children in this Nation.

We also recognize that educated people who can compete in the global marketplace require a mastery in challenging core subject areas—such as math and science—and that all adults be literate and prepared for life-long learning. Unfortunately, in these basic areas, we are far from the finish line.

The 1993 National Assessment of Educational Progress indicates more than 75 percent of students at all grade levels failed to achieve even the basic level of proficiency, and over 60 percent failed to meet the proficiency level in English.

In international comparisons, American students consistently score below most other industrialized nations.

In the 1992 international assessment of education progress U.S. 13-year-olds scored second to last among the nations in mathematics achievement, and similarly in science.

More recently, a report recently came out that investigated the literacy of children that graduate from high school. The report found that 51 percent of the students now graduating from our high schools were functionally illiterate. That is, incapable of handling an entry-level job with their educational achievement.

Make no mistake about it. These disturbing statistics are not about someone else's children. They are not someone else's problem. These are our children. These are our problems. Our future work-force and our future leaders. The quality of our public schools in America, is directly related to the standard of living of each and every citizen. Without a strong investment in education, this Nation will not be able to maintain an adequate number of highly-skilled workers, these workers are necessary if our country is to maintain a competitive position within the global marketplace.

To give you a quick idea of why curing our educational ills is critical and key to our future, we will examine a yearly cost of our failing educational system. The total cost of our failure in education to our economy has been estimated to be one-half trillion dollars each year to our economy.

The lost revenue alone has been estimated to be about $125 billion. That is, if the educational levels were where they should be, the income to the Nation, relative to furnishing our budget, could be higher by $125 billion, putting us a long ways towards being able to have the budget balanced.

For example, American business spends approximately $200 billion a year to perform training for employees which is necessary to provide those individual minimum skills required to perform on the job, skills most of which should have been taught in the schools.

The Department of Education estimates that 30 million Americans are functionally illiterate, another 46 million are marginally literate. This creates a significant problem for our economy. ''Combating Illiteracy In The Workplace,'' by Robert Goddard, puts the cost of this illiteracy at a staggering $225 billion a year. This includes lost productivity, unrealized taxes, crime, welfare, health, housing, and other social costs.

We pay for our failed educational system every time an individual drops out of high school. Lack of a high school degree costs an individual $440,000 in lifetime earnings. These lost earnings often drive these individuals into welfare, crime, and drugs. Up to 80 percent of our people that are incarcerated in our State jails are functionally illiterate, school dropouts.

Federal expenditures for welfare were $208 billion in the fiscal year 1992. The cost of incarceration, which I mentioned, is $25 billion per year and growing, and the medical costs of violent crime is another $18 billion per year. Illegal drugs cost the economy $238 billion a year, as estimated by Brandeis University. These difficult circumstances perpetuate themselves generation after generation.

I think most Americans agree, and in poll after poll people cite the quality of education as a paramount concern. The support for education in these polls is often cited as one of the most important roles of Government. Americans understand intuitively that investing wisely in education is the key to our future success and the best possible national investment we can make for the country. The evidence is clear: Countries which spend more on education per pupil have higher levels of per capita GDP. Institutions like Motorola report corporate savings of $30 to $35 for every dollar on training. That is 3,000- to 3,500-percent rate of return. But most of that education, if you read the report, was to make their students literate to put them in a position where they could read.

They found, amazingly in their study, they were having trouble with their employees answering simple math problems and they could not believe they do not have the capacity to

do the math, when they found out the problem was they could not read the problems. Thus they had to teach them how to read to do simple math problems. That is the state of the situation, and that is Motorola, one who can be selective in their employees.

People, as rational consumers, also realize investing in their own education leads to substantially higher lifetime earnings. A person with a bachelor's degree earns over 1.5 times of the person with a high school degree. A professional degree earns over 350 percent higher lifetime earnings than a high school diploma in itself.

While we recognize both intuitively and through research the economic rewards of education, we do not simultaneously invest the funds necessary to support the position. Many of my colleagues, while acknowledging the importance of educational investments, argue that throwing money at education is not the solution. I could not agree more. Increasing educational expenditures in itself will not solve our country's educational deficiencies.

We have a responsibility to invest educational dollars wisely, including more active congressional oversight over Federal initiatives. Simultaneously, we must also reinvigorate our schools by demanding that students learn to high academic standards.

Why? Because the status quo in our schools has failed. Too many of our graduates finish school without knowing the three R's, much less more rigorous academic standards. Clearly, there is no room for federally mandated standards. We should be providing incentives for States and communities to set high goals for student achievement—pupil by pupil, and school by school.

More importantly, they must know what standards this Nation must reach, if we are going to be able to continue to compete internationally. It is one thing to believe that our education, as most people in this country do, has improved over the time they were in school, and I find that is true for myself. I am amazed that the students in high schools are taking subjects which I did not get until college.

What they do not realize, for instance, in a recent report on the comparison of our students to other nation's students we fared poorly. One example is with Taiwanese students. These students when they graduate are 2 years ahead of our students in many subjects, such as in math. Is it any wonder we come out last in these tests, or next to last?

What is important is that we know and that the States know that we do have a problem. That this Nation is faced with a very serious educational problem, and if we do not do something about it, we will not be the Nation we must and should be in the next generation.

So we must be sure that when we begin to reduce the budget to try and balance it that we do not do counterproductive cuts which will decrease our revenues and increase our social costs. Rather than cutting the deficit it will increase the deficit.

This last dream can only be realized by setting high priorities on education and educational investment. These increases are essential if our country wishes to remain viable into and throughout the next century.

Next, Mr. President, I would like to mention something else which I think is incredibly important. I think that we must realize if we are going to bring this deficit under control we must do something about escalating health care costs. This is an area that I and many of my fellow Members have been deeply involved in. I would say that we must realize that if we do begin to tackle our national health care problem, there is no hope for bringing the federal deficit under control.

Mr. President, one of the only ways we can balance the budget is by getting the Federal health care expenditures under control. For example, CBO estimates that if we do not address the health care expenditures, the debt will grow by $1.4 trillion by the beginning of the next century, due to health care costs.

The chart I have here for my colleagues to look at demonstrates what will happen if we do not get health care costs under control. I point out that the red line indicates current health care trends for Federal expenditures.

Mr. President, 2 years ago I introduced a bill, worked very hard to demonstrate that health care expenditures can be brought under control. If this bill was passed into law that Federal health care expenditures could be brought under control and that the anticipated national debt could be reduced by $1.4 trillion over the next 10 years.

That yellow line on the chart demonstrates what could be done if my plan was accepted last year. But that is not the only plan. That plan worked by shifting the burden of hospital care back to the States, capping our Federal expenditures and allowing the States through managed care and other processes to bring this under control.

However, now it is important that we look at other measures. For instance, we found out this past year that with the Clinton bill, and bills like it which tried to go too far, we were not ready nor was our society ready to go that far.

Let us take a look before we do that, take a look at why it is important that we do try and get the health care expenditures under control.

First of all, let us take a look at the entitlements and mandates. This chart demonstrates in red what is happening to items such as Social Security, Medicare, and Medicaid, as we move into the next century. It demonstrates clearly that if we do not balance the budget, we cannot get the costs under control, and if we do not take care of our entitlements, we never will.

The next chart shows the biggest component which is increasing at the most rapid rate, which is in yellow, is Medicare and Medicaid. As you can see, where that was a relatively small growth up through 1985, starting in 1985 things just escalated out of control.

My point is that Federal health care has to be brought under control or there is no hope of balancing the budget. As I indicated in a bill 2 years ago, there is a method to do it. I am working now on another one that uses the private sector to demonstrate it can be done. Federal health care spending is projected to increase from 3.3 percent of the economy today—this is important, too—to over 11 percent by 2030.

The growth of Federal health care costs poses an immediate and critical drain on our budget and thwarts our ability to balance the budget. The CBO projects that entitlement spending will be 58 percent of total Federal outlays by the year 2003, from 47 percent today. This represents an astounding 11 percent increase over 8 years.

For unless appropriate policy changes are made by the year 2003, less than 15 cents of every dollar the Federal Government spends will be available for nondefense discretionary programs. And that includes education and programs for the poor, elderly, and disadvantaged Americans. We cannot let that happen.

First, I want to outline some of the problems we face as we work to solve this dilemma. Medicare enrollment has been growing at an average annual rate of 2.2 percent per year since 1975, and is expected to grow at an annual rate of 2.1 percent through 1996. As the baby boomer generation reaches 65, beginning in the year 2010, the rate will rise even more. In fact, it will rise substantially more.

Total Medicare expenditures have grown from $34 billion in 1980 to $160 billion in 1994. This means an average growth rate of 11.7 percent over this period. The CBO projects that Medicare expenditures will grow from $176 billion in 1995 to $286 billion in the year 2000. This represents an average annual growth rate of 10.2 percent over the next 5 years.

Mr. President, this trend cannot continue or we will only expect this growth rate to continue to explode as our population ages and, again, the baby boomers will be, into the next century, raising the costs and the number of people to be treated by a substantial number. But if we work hard, we can start to get our Federal health expenditures under control.

Second, Medicaid is also affecting our ability to balance the budget. Total Medicaid expenditures have grown from $41 billion in 1984 to $138 billion in 1994. The average annual growth rate from 1984 through 1990 was 9.8 percent, while the average annual growth rate from 1994 was 17.7 percent, an astounding jump.

The CBO projects Medicaid expenditures will grow from $157 billion in 1995

to $262 billion in the year 2000. This represents a compound annual growth rate of 10.8 percent over the next 5 years. Currently, Medicaid consumes approximately 18 percent of State spending and approximately 6 percent of Federal spending. Like Medicare, we cannot allow this trend to continue.

If we are going to reach the goal, and I believe we can, we must get health care costs under control. I expect and believe we can do that. I am working toward that, and I know others are, too, but we must remember we cannot do it without solving the health care crisis and improving the educational system.

Finally, I would like to raise another spectrum with respect to the needs of what we must do to balance the budget and get health care costs under control, and that is in respect to the fourth dream which I mentioned, to start with, and that is that we have a good retirement.

Just to give an idea of why it is incredibly important that we bring health care expenditures under control, some 10 years ago, the amount of money in an average benefit package was about 50 percent health care and about 50 percent pensions. Twenty years ago, 35 percent was for health care and 65 percent was for pensions. Now it is 21 percent for pensions and 79 percent of each benefit package for health care. If you also take a look, as others have been working on, as to what is going to happen to Social Security in the next century, if you add to that this dimension, that little money now being put into pension plans, the problems of the elderly will be exacerbated.

So, in wrapping up and finalizing, I reluctantly back the balanced budget amendment. I do so with the firm conviction that if we improve our educational system, we do not mindlessly cut or eliminate programs, we can prepare ourselves for the next century. We can, to a large extent, allow our economy to continue to expand, thereby allowing our nation to grow its way out of this deficit problem, with increased revenues and lower Federal spending on some programs.

More importantly, in the immediate area, we must dedicate ourselves this year to finding a solution to health care reform. If we do that, as I know we can, if we have the courage to do it because it will require shifts and it will require the understanding of the elderly population that they will be cared for in a betterand more efficient way, we will be able to bring the budget deficit under control in the not too distant future. I am hopeful that we can. For that reason, I will support the balanced budget amendment.

Mr. President, I yield the floor.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. I thank the Chair and wish the President a good afternoon.

Mr. President, I know it is late and much has been said about the balanced budget amendment before this body. I am going to say some more.

In 4 days, debate on the constitutional amendment to balance the budget will come to a close and finally we will cast our vote determining the fate of this historic amendment. We spent the entire month of February debating this amendment, and during this debate, we have considered and weighed the role the judiciary may play in interpreting and enforcing the amendment. We have considered how the amendment will affect benefit programs that have been created by statute, including Social Security. And we have debated the voting rules of the House and Senate with regard to waiving the balanced budget requirement.

Throughout the debate, I believe the Senate has lived up to its reputation as the world's greatest and deliberative body. We have examined in fine detail all of the nuances and interpretations of the language of the amendment and have sought to allow all sides of the issue to be aired and debated.

The distinguished chairman of the Judiciary Committee, Senator HATCH, who was just on the floor—I am sorry he cannot hear these words of praise, but I mean them genuinely—has been a superb advocate for this amendment. He, along with our colleague on the other side, Senator SIMON, are to be commended for their diligence and commitment in leading the Senate throughout this debate.

The distinguished senior Senator from West Virginia, Senator BYRD, is to be commended for his extraordinary work in leading opposition to the amendment.

Senator BYRD first entered the Senate the year before my State of Alaska joined the Union. When he entered the Senate in 1958, his colleagues on this floor at that time included the illustrious Senators John Kennedy, Everett Dirksen, Lyndon Johnson, and William Fulbright, to name just four. Senator BYRD's determination and commitment throughout this debate will long be remembered by Members as well as historians of the U.S. Senate.

But let us delve into our deficit history for just a moment. After listening and participating in this debate for the last month, I am convinced of one thing, both the proponents and opponents of the constitutional amendment believe that we cannot sustain the economic prosperity of this Nation if we continue indefinitely to run these extraordinary deficits. Our differences are solely about the means necessary to end the deficits, not the end in itself.

The opponents of the amendment believe we need not amend the organic document covering this Nation, namely the Constitution, in order to balance the budget. This Senator believes that nothing short of amending the Constitution will change our addiction to spending and living beyond our means. In reaching this conclusion I rely simply on history.

I would suggest to you, Mr. President, we simply do not have the self-discipline. You remember the extended debates on military base closings—how can we close bases in our own States? We agonized, we went on and on and on. Obviously, we could support the closure of a base in another State, but not in our own States. So we reached the conclusion the only way we could do it is to leave the entire matter up to a qualified board and they would select and reprioritize, and then we would be left with the responsibility of simply voting up or down on the package—and it worked.

That is really about where we are on this issue. We have tried to cut spending, we have tried to increase revenue, and we continually run deficits to the point where we have to acknowledge that nothing else works. This will mandate a balanced budget over a period of time.

Let us look at history. For more than one-third of a century, 34 out of the last 35 years, our Government has run a continuous and unending string of deficits. If you and I did that, our checks would be bouncing all over the place. What have we done? We have simply added to the deficit.

We go through a curious process around here called a budget. We get our revenues and we get our expenses. They do not balance. So everything else we need we get by adding to the deficit.

Even if we adopt this amendment next week, it is almost a certainty, a near certainty at least, that the unending string of deficits are going to continue for a while, into the year 2000 or thereabouts. If we adopt the amendment, however, we will surely be forced to lower the deficits in the next 5 years below the currently projected levels, and virtually everybody agrees on that. But the reality that must be faced is that by the end of this century—and that is less than 5 years from now—the United States will have run a deficit for four decades. We have become hooked on it. Four decades of deficits, and the result is that today our national debt is more than $4.8 trillion.

I do not know of any person who can really imagine what $4.8 trillion really is, but let me try to put it into perspective. A $4.8 trillion debt means that every man, woman and child in America owes Uncle Sam $18,400. A family of four owes $74,800.

If we do not begin to turn things around, the national debt will then jump to nearly $6.7 trillion in 5 years—if we do not begin to turn it around. In 5 years it will jump from $4.8 trillion to $6.7 trillion. That would mean that every man, woman and child in America would owe Uncle Sam $24,170 instead of $18,700. And the family of four would move up and owe almost $97,000.

We have not been blind to these deficits. We have debated them. Historians will note for the last 10 years Congress and the President have sought to find solutions. We have sought to find remedies to the deficits. We have passed statutes. We have passed reconciliation bills and sequestration provisions, all in the name of getting our deficit to zero. On three occasions over the past 10 years, legislators on both sides of the aisle have sat down with the President and hammered out so-called solutions to solve the deficit, and on every single occasion the promise of a zero deficit has simply evaporated away because we in Congress have never had the political courage to do the one thing that would bring down the deficit, and that is to reduce spending.

Yes, we have voted to raise taxes on more than one occasion, but we have never, ever cut, frozen, or capped spending. We have to do one or the other. It is just that simple. Some would suggest if we do not cut spending, we do not raise revenues, there is some other alternative. Some have suggested, given enough attorneys to study the problem, there might be another alternative. But I can tell you—not as an attorney but as a former banker—there is not any other alternative. You do one of those two things, you cut spending or you increase revenues.

We have never faced up to the challenge of runaway entitlements which today account for 55 percent of Federal spending and will grow to 59 percent by the end of this century. Quite the contrary, we have generally placed entitlement spending simply off limits in all the budget deals that have been negotiated over the past 10 years. And we all know why. It is simply that we do not have the self-discipline to make those cuts.

What we do not consider, however, is the result; that if we do not face up to this obligation, getting this under control, our monetary system as we know it today will ultimately collapse. There is absolutely no question about it.

That is a pretty big order when you recognize you have to have a healthy economy, you have to have a sound monetary system in order to meet the social obligations of our society. I have many letters from my State of Alaska, people expressing concern over cuts and what these cuts might mean to programs. Obviously, through the block grants giving the States more responsibility, we can make the process more efficient. We can take out the fat that results from administering these programs from the Federal Government and give that responsibility to the States, and they can do it much better. But the point is that in order to meet those social obligations we have to have a healthy economy, one based on sound fiscal principles and a dictate of a balanced budget.

Mr. President, I know we have not had many charts around here in the last week or so, so I am going to spring three charts with one for dessert for good measure at the end.

These three charts record the history of our ''get-tough'' budget agreements over the past 10 years. The first chart shows the promises and the reality of Gramm-Rudman I, which we adopted in 1985. As you can see, Gramm-Rudman I was supposed to bring us to a zero deficit—down at the bottom—a zero deficit over a 6-year period starting in 1986 and ending in 1991. From a projected high of $172 billion, which is where we were in 1986, the deficit was supposed to come down by $36 billion each year. But in reality by 1991, instead of a zero deficit we were at a record $269 billion deficit. That is our first effort. It did not work because we did not cut real spending. The commitment was there, the will was there, it looked good on a piece of paper and looked good on a chart at the time we adopted it, but it did not happen because we did not have the commitment to make the real cuts.

So then we made the second promise to the American people, and this is the second chart, and it shows the revision which we made to Gramm–Rudman in 1987.

Why did we make the revision? We simply had to because the original version was not working. In that year, we revised the original targets, changed the targets. New targets are up now, and this time we promised again a zero deficit by 1993. Promises are cheap around here, Mr. President. Quite frankly, this was a more astounding failure than the original Gramm–Rudman. It was not the fault of Senator GRAMM or former Senator Rudman but of Congress which simply found enough ways to get around the law that when the deficit was supposed to be $100 billion in 1990, it turned out to be more than double to $221 billion.

Of course, by 1990, it was clear that none of the targets would even be remotely met. So at that time, we will all recall, President Bush entered into a summit agreement, broke his no-tax pledge—some people say that cost him the election—and the American public was again led to believe that we were finally getting a handle on the deficit.

So what we have done here now is we have simply switched this thing around. When we needed to change the targets because Gramm–Rudman was not working, we went back to another budget deal. And what did we accomplish? Absolutely nothing.

I had the privilege of being down at the White House at the time, or shortly thereafter when President Bush made the decision on the tax increase, broke his no-tax pledge. He was absolutely convinced that he would get support from our friends across the aisle, the Democrats, if he went halfway on a modest tax increase. He believed that was the only way he could get support for cuts in Government spending, and he genuinely believed that. There is absolutely no doubt in my mind. But it did not happen. It did not happen again, and it probably cost him that election.

Well, let us move to the third chart now because it is a progression of where we are. The third chart again shows how the deficit was supposed to come down, supposed to come down, as a result of the 1990 agreement. What this chart shows is that by this year, this year, the budget deficit was expected to be only $83 billion. Does that sound familiar, $83 billion in 1995? In fact, as the chart shows, the actual deficit is $109 billion higher at $192 billion.

Now, that is the progression. That is where we have come. What these charts show is that there is no reason for the public to put its trust in the congressional ability to come up with a budget plan that will eliminate the deficit. We have done it. We have looked at the charts. We have seen the results. The results are quite the contrary.

In the 10 years since we enacted the first Gramm–Rudman law, spending increased more than 53 percent, from $990 billion to more than $1.5 trillion. Interest payments increased more than 70 percent from $136 to $235 billion, and the national debt more than doubled from $2.1 to more than $4.8 trillion.

We are not kidding the American public. They have seen this charade. They have observed accumulated debt has gone up to $4.8 trillion, and they are fed up. They say enough is enough. What is even more discouraging, Mr. President, is that this administration which opposes this amendment and which, 2 years ago, was able to get our friends across the aisle to go along with the largest tax increase in history, in my opinion, has completely abandoned the goal of bringing the deficit under control.

During the month that we have debated this amendment, the administration has submitted its fiscal year 1996 budget. Its latest budget shows an unending stream of rising deficits and debt, and I do not find a solution, not a solution is recommended, not a single word about how to reshape entitlements is contained in the President's budget. Instead, what the President now recommends is an increase, an increase of about 24 percent in Federal spending between now and the year 2000—an increase of 24 percent.

How does the President propose to pay for increased spending? It is very easy, Mr. President. The President of the United States proposes to pay for increased spending by adding to the debt. That is how we got $4.8 trillion accumulated debt. His deficit spending adds nearly $1 trillion of additional debt on top of our $4.8 trillion. That brings us up to $5.8, almost $6 trillion. And the only category of Federal spending that he proposes to cut that is identifiable is again our defense budget.

In fact, if you exclude defense spending from President Clinton's budget, actual Federal spending will increase 37 percent by the year 2000.

Quite frankly, the budget presented by the President provides the best evidence that the only way we are going to balance the Federal budget, the only way, Mr. President, is to add a constitutional amendment requiring that the Federal budget be balanced. It is a process of deduction. We have tried all the other alternatives. They have not worked. We have not tried this. It will work. If the balanced budget amendment was now a part of our Constitution, the President currently would be in violation of his oath of office, if he submitted a budget that looked anything remotely like the budget he sent us 3 weeks ago.

Now, Mr. President, the question has been asked, well, are we broke? The answer is yes, this country is broke. We are dead broke, and I will tell you why. We simply can no longer labor under the assumption that it is business as usual in Washington; that we assume every year we can run deficits, each year a deficit. That means we spend more than we generate in revenues, so each year we are running a deficit of $150 to $250 or $350 billion.

Now, this all adds up, and this debt has today brought us to the point where for the very first time in our history, we are now forced to borrow from the credit markets for the sole purpose of paying interest on the debt.

Now, it may surprise some people to know that over the next 10 years, we would be running a surplus in the Federal budget in every year if we did not have to pay $200 to $400 billion annual interest on that debt that has resulted in our chronic inability to bring revenue and spending into balance.

This is the dessert chart, Mr. President, that I promised you, the chart of last resort. This chart shows the devastating state of the Federal budget over the next 10 years. It shows that in every year between 1995 and the year 2000, every single one, all Government borrowing, all of it, Mr. President, all of our borrowing is for the single purpose of paying interest on that debt.

If you look at the bottom line, you will see what happens to that debt. That debt is increasing from $4.6 trillion, 4.9, 5.2, 5.6, 5.9, 6.3, 6.7, 7.0, 7.4, 7.8, $8.2 trillion. And do you know why, Mr. President? Because the interest each year on our accumulated debt is more than our debt each year. That is why we are broke, Mr. President. We are broke. We could finance defense spending, Medicare, Social Security, all other Government functions over this period and still accumulate a surplus of $360 billion if we were not saddled by this extraordinary debt that is going to go from $4.6 billion in 1994 to $8.2 trillion in the year 2004.

As the chart shows, in 1994 our deficit was $203 billion, precisely the amount of interest we had to pay. In other words, our entire deficit in 1994 consisted of interest on that debt. Without that debt service burden, we would not have had to auction a single Treasury note or bond in the market. In 1995, we would be running a surplus of $59 billion, if we did not have to service the debt. Instead, as the chart shows, our $176 billion deficit results directly from the fact that our interest costs are $235 billion. The same holds true in every year through the year 2004.

So if you look at this chart long enough, you will recognize the reality that, if we do not take this action now, this is what we can expect. Only it might get worse because these interest costs are based on current forecasts. Current forecasts suggest a little volatility can be unsettling. I can remember the prime rate in this country in December of 1980, 20.5 percent. These rates are somewhere between 6 percent and 7.5 percent. So you can imagine what would happen. And it could happen again, Mr. President, and it would throw this chart higher than this roof.

So I contend we are broke. We are borrowing just to cover our interest costs. We are subject to the shifting winds of international investment which flow from economic policies that may change in Bonn or London, or an earthquake in Japan, all of which have a direct effect on what the U.S. Government has to pay to service this unending sea of debt.

Can you imagine just for a moment what would happen if the owners of our debt, the holders of those Treasury bills—of which 18 percent of the total balance of this $4.8 trillion is held by foreigners—decided to call it in, call it in, just $300 billion or $500 billion on our debt? How would we pay the owners? We could not, Mr. President, unless we inflated our dollar to the point that what $1 buys today would actually be worth 50 cents or less. That is what happens. We are close to it.

Mr. President, this is a warning signal of what can happen when debt gets out of hand. We have seen it as late as the last few weeks with our neighbors to the south in Mexico. I would not attempt, of course, to even compare our two economies. Ours is far healthier, better based, stronger than Mexico, and there is no comparison between the importance and the stability of the dollar and the peso on the world currency market.

But I would also note that Mexico's crisis is a crisis of investor confidence. The result of that crisis is that Mexico this week had to pay 45 percent interest on the rollover of a small portion of its international debt. Why did it have to pay 45 percent? Because the risk was so great. Do you know what investment does? It goes after the highest return and the least risk. And the calculation was that Mexico was a high risk and, to get the dollars, they had to pay a higher rate of return.

Mr. President, it is not just happening in the south; it is happening in the north. Take a good look at Canada. Our neighbors in Canada are the most heavily taxed people in the Western Hemisphere. Do you know what they are paying for interest on their national debt? Twenty percent of the total budget of Canada is interest on their accumulated debt. Canada runs a health care system, a national health care system, that is an absolute, unmitigated disaster. It is a Government-run health care system. There is no control from the standpoint of having an inducement to reduce costs if you are a Canadian citizen because there is no direct benefit of such reduction to you. You can go in today, go in tomorrow, and on and on. We must learn from what is happening around us.

The only way to get out from under this sea of red ink is to adopt the balanced budget amendment. And I think putting a simplistic and realistic acknowledgment that we have tried everything else and it does not work is the proof in the pudding. The public knows that no family or business can survive for long when, year in and year out, the principal of its debt grows, and all of its borrowing is dedicated to pay off the debt holders. That is where we are going.

So, Mr. President, when future generations look back on the decisions we made in this last decade of the 20th century, I know they will appreciate the wisdom of the people and the Congress in adding the balanced budget amendment to the Constitution because it is the only viable choice we have. For this amendment stands for the proposition that future generations are entitled to economic freedom, unburdened by financial debts of past generations. It is our responsibility to end the practice of sending unpaid bills on to our children and our grandchildren. That is a principle that belongs in the Constitution, in the same sense freedom of speech and press belongs in the Constitution.

So let us make no more excuses, Mr. President. Let us not use the excuse that we have to know where the cuts are before we can vote for this amendment. That is simply a copout for inaction. We have seen enough copouts. We cannot continue this spending. We are either going to have to take in more revenue or make the cuts. The public understands that. And the public will be watching each of our votes. We will have to stand up and be counted on this one.

What the public does not understand is why this body, this Senate, is not moving in the manner in which the House of Representatives did in passing the balanced budget amendment.

So I urge my colleagues to reflect on a very simple reality as evidenced by the charts. We have tried everything else. It has not worked. It is getting late in the game. And if we do not do it now, it may be simply too late forever for our monetary system as we know it today.

I thank the Chair for its indulgence. I wish my colleagues a good day.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I first wish to commend my distinguished colleague from Alaska for a very excellent discussion. I was privileged to join him here on the floor and, frankly, I learned a good deal from that. It was very well prepared and very well delivered.

Mr. President, I observe the distinguished senior Senator from West Virginia momentarily on the floor. I am hopeful that he can join me for a colloquy after I give my remarks.

Mr. President, I have been a cosponsor of the pending measure since its inception, and throughout my 16-plus years in the U.S. Senate I have invariably supported legislative initiatives calling for a balanced budget.

I do so, Mr. President, because not only do I firmly believe in the fiscal ramifications but, equally important, this constitutional amendment, as it goes to our 50 States, will provide an education for all of our citizens as to the complexity of budgeting, and the difficulty of achieving a balanced budget, such that assuming this becomes eventually the law of the land, the people of the United States will have a far better understanding when we have to make those cuts which affect them individually. In some instances, it will hurt, but hopefully they will understand we are doing this for the benefit of all, particularly future generations. This debate will occur, of course, in the State legislatures. Each member of that legislature will have to go to the village greens of his or her respective community and hold that debate in the town halls. This coming Saturday night, in my State, I will go down to Shenandoah County, VA, and there in the firehouse—which is the largest structure for a gathering in this marvelous rural county in the historic valley of Virginia—I am going to talk extensively about this very measure and the thoroughness with which the Senate of the United States is considering this measure. I only wish that I could tell them that, with absolute certainty, the Senate will adopt it next week. I am optimistic, as are others, but I wish I could share that with my constituents on Saturday night.

My constituents, and others, have waited patiently these many years, because the State of Virginia is solidly behind it. I talked with my colleague, the junior Senator from Virginia, today and I am very hopeful that Virginia will have two votes next week for the balanced budget. Senator ROBB appeared earlier today—a bipartisan appearance, which indicates that next week Virginia will get two votes, Mr. President, for this very important piece of legislation.

As I have followed, along with my colleagues, very carefully this week, this debate, it sort of comes down to the argument that we need it because we look the public squarely in the eye and say we cannot do it; we cannot do it unless we have the constitutional amendment. That is a very candid admission. But by our votes next week, we make that admission to ourselves and to every citizen of this great Nation.

People say, ''Are you sure you cannot do it? Have you ever tried to do it?''

Well, I want to share with you a bit of interesting history. To the best of my knowledge, it has not been mentioned thus far in this debate. The Commonwealth of Virginia is among those States which require balanced budgets. My partner in this institution, when I first arrived in 1979, was Harry F. Byrd, Jr., whose father, Harry F. Byrd, Sr., had served many terms prior to him. Basically, he succeeded his father. The Byrd family was known as fiscal conservatives. Therefore, it was quite proper for Senator Byrd, in 1978—actually the year before I arrived in the Senate—to offer an amendment—S. 2152—which he attached to the Bretton Woods Agreement Act. The Bretton Woods Act authorized the United States to participate in a supplemental financing facility of the International Monetary Fund. That is not relevant. It happened to be a vehicle for the Byrd amendment. Senator Byrd, Jr., contended that only by bringing the cost of Government under control could we bring the cost of living under control.

You might ask, why was he so troubled in 1978? He was troubled because there was double-digit inflation, not the relatively, comparatively low rate of inflation today, but there was double-digit inflation in 1978. It was Senator Harry F. Byrd's view that if we put in a balanced budget amendment, we could begin to bring that inflation under control. The majority of the U.S. Senate agreed with him. The text of this amendment was very simple and straightforward.

I quote:

> Beginning with the fiscal year 1981—

Mind you, this was calendar 1978. We were then in fiscal 1979. So Senator Byrd recognized it would take at least 2 years to begin to ratchet down this excessive spending.

So his law said:

> Beginning with fiscal year 1981, the total budget outlays of the Federal Government shall not exceed its receipts.

It was a very short amendment. Repeating:

> Beginning with fiscal year 1981, the total budget outlays of the Federal Government shall not exceed its receipts.

Another interesting feature is that my distinguished colleague spoke very briefly—and I refer you to the CONGRESSIONAL RECORD of July 31, 1978, page S23411. This was his speech, one paragraph:

> If this amendment is adopted, it would be a matter of record on the part of the Senate for a balanced budget beginning in the fiscal year 1981.

Later that same day, Mr. President, the amendment passed the U.S. Senate by a vote of 58 to 28. Curiously, 14 colleagues were not voting. The Senate, within hours after the introduction of the amendment, adopted it 58 to 28. I ask unanimous consent to have printed at this point in the RECORD the vote on that amendment.

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

VOTE ON THE BYRD AMENDMENT, JULY 31, 1978

YEAS (58)

Democrats (28 or 55%)

Allen	Huddleston
Bayh	Leahy
Bentsen	Magnuson
Biden	Matsunaga
Burdick	McIntyre
Byrd, Harry F., Jr.	Melcher
Cannon	Morgan
Chiles	Moynihan
Church	Nunn
DeConcini	Proxmire
Durkin	Randolph
Eastland	Stone
Ford	Talmadge
Hollings	Zorinsky

Republicans (30 or 86%)

Baker	Laxalt
Bartlett	Lugar
Bellmon	McClure
Brooke	Packwood
Chafee	Percy
Danforth	Roth
Dole	Schmitt
Domenici	Schweiker
Garn	Scott
Hansen	Stafford
Hatch	Stevens
Hatfield, Mark O.	Thurmond
Hayakawa	Tower
Neinz	Wallop
Helms	Young

NAYS (28)

Democrats (23 or 45%)

Byrd, Robert C.	Jacskon
Clark	Kennedy
Cranston	Long
Culver	McGovern
Eaglton	Metzenbaum
Glenn	Nelson
Gravel	Ribicoff
Hart	Riegle
Hatfield, Paul G.	Sarbanes
Hodges	Sparkman
Humphrey	Stevenson
	Williams

(Republicans (5 or 14%)

Case	Mathias
Javits	Pearson
	Weicker

NOT VOTING (14)

Democrats (11)

Abourezk	Inouye
Anderson	Johnston
Bumpers	Muski
Haskell	Pell
Hathaway	Sasser
	Stennis

Republicans (3)

Curtis	Goldwater
	Griffin

Mr. WARNER. It is very interesting, because if you were to correlate those that voted for the Byrd amendment who are still in the U.S. Senate today—and I would like to read off a few names: Senator BIDEN, Senator FORD, Senator HOLLINGS, Senator LEAHY, Senator MOYNIHAN, Senator NUNN, and Senator MARK HATFIELD, and others of the Republican side. I mention Senator HATFIELD because this Senator does

not know what he might do regarding this amendment. But Senator HATFIELD voted for this. It is interesting to note those who are in the Senate today that voted against it then: Senator ROBERT BYRD of West Virginia, Senator GLENN, Senator KENNEDY, Senator SARBANES. It is remarkable to see how the composition has changed in that relatively brief period. Some of the term limit folks might want to look at that someday. There is the vote. The amendment went in midday and, in a matter of hours, it was voted on—the same day. The debate was one paragraph long by Senator Byrd. No colleague got up to dispute the value of it, and it passed.

On October 10—I remind you, this was July 31 when the amendment passed the Senate—that language became section 7 of Public Law 95–435, signed by the President as the law of the land. Very clear. This Congress bound itself to the Byrd amendment. It became the law of the land. We had a balanced budget amendment controlling this body, beginning in fiscal year of 1981.

In 1980, the Congress readdressed the Byrd amendment, and it was modified again in the Bretton Woods Agreement Act of 1980, on October 7, 1980, to read as follows:

''The Congress reaffirms its commitment that beginning with FY 1981 the total outlays of the Federal Government shall''—I underline ''shall''—''not exceed its receipts.''

Reaffirmation, once again. Now, it becomes interesting. We are getting to that point where the amendment which is binding on the Congress and the word ''shall'' is once again reexamined by the Congress. The year is 1982, as part of the recodification case of title 31, U.S. Code, public law 97–258, September 13, 1982, 96 statute 907, the Byrd amendment was restated, but restated in a different form.

I go to the code and read the Byrd amendment as it is the law today:

Congress reaffirms its commitment that budget outlays of the United States Government for a fiscal year may be not more than the receipts of the Government for that year.

Mr. President, the key is the word ''may''—examining, of course, how we interpret the laws. ''Shall'' was binding. ''May'' became permissive. There is a very clear record of how this body got right up to where it was going to bind it and quietly slipped in the word ''may'' substituting for ''shall.''

What better example of how this institution, having come to grips with this issue, having voted with this issue twice, then quietly and surreptitiously changed one word, basically, to make it permissive.

That was the end of the Byrd amendment. That is why I and others are here and have been for these many days, to urge this body once again to adopt, in slightly different form, the wisdom of the Byrd amendment and make it binding on this, the Congress of the United States. I yield the floor.

Mr. BYRD. Mr. President, before the distinguished Senator from Virginia [Mr. WARNER] leaves the floor.

Mr. WARNER. Mr. President, I would be very happy to listen to my distinguished colleague.

Mr. BYRD. Mr. President, the Senator pays me great honor and flattery to think that at this late hour, the Senator from Virginia would listen to me for even a short length of time.

I want to comment, in view of the fact that he has mentioned the illustrious names of Harry Flood Byrd, Sr., and Harry Flood Byrd, Jr. I had the great honor and privilege and pleasure to serve with both Harry Byrd, Sr., and Harry Byrd, Jr.

This is somewhat coincidental, perhaps, as I was saying to Senator WARNER just a little earlier. I have just received a letter from a constituent of mine who lives at Salem, WV. It mentions the name of Harry F. Byrd, Sr. I shall read the letter. It was written on the 14th of February. It reached my office on the 17th of February.

Senator BYRD: Enclosed is a letter I thought might be enjoyable for you to read. You also may keep it, if you wish. Years ago my children and I were going to Baltimore, Maryland, and went past your father's orchard. I stopped and allowed my children to pick up an apple each, and one for me, as I assumed the ones had fallen.

Regardless, I came home and fully decided that I had stolen the apples. Today we could be shot for doing this. I was poor and had dimes to pay for the apples. I have saved this letter because he touched my heart by it. The dimes, I am sure, was picked up by my kids maybe me. Who knows.

I loved him and I feel you are just about like him. I think you are doing a fine job. Thank you. Dorothea Moses.

P.S., I'm old now and write uphill.

Well, of course, I am not the son of Harry Byrd, Sr. I wrote the lady, thanked her for the letter, and stated that I came up in the home of a poor coal miner in southern West Virginia, although I served with both Harry Byrd, Jr. and Harry Byrd, Sr.

Here is the letter that Harry Byrd, Sr., wrote to the lady, in response, dated September 18, 1947:

Mrs. Dorothea Moses, Salem.

My dear Mrs. Moses: I just received your letter which I deeply appreciate. This is the first time I have ever been offered 10 cents apiece for my apples.

I am gratified by the sense of honesty which prompted you to send me payment for the apples which, however, I herewith return with the hope that you enjoyed them, although I fear they were not ripe enough for eating purposes. But best wishes, I am faithfully yours, Harry Byrd, Sr.

Mr. President, I think that was a remarkable letter from a very remarkable United States Senator, one whom I admired a great, great deal. I think this was a remarkable constituent, who, upon returning to her home in Baltimore, MD, decided she ought to pay for the few apples that her children and she had picked up off the ground. The letter speaks for itself.

So, I am going to take the liberty of providing this correspondence to Harry Byrd, Jr., for whom I have an admiration equal to the admiration I had for his father.

I think that this is a pretty remarkable story, and I am sure that Harry Byrd, Jr., will enjoy reading this letter from a bygone age when people were honest, although they were poor, and felt that they ought to make a remittance even when apples were picked up off the ground of the orchard's owner. How that must have thrilled Harry Byrd, Sr., to receive that kind of letter from that honest woman.

Mr. WARNER. Mr. President, I thank my distinguished colleague for telling that story. I have always been heartened in this institution and this body by the manner in which the senior Senator from West Virginia has always invariably paid great respect to his former colleagues, and particularly the rendition of stories. If my colleagues will indulge me for a brief story. I think of the time I met Harry Byrd, Sr. My family had interest in property very near the Byrd home, which is in Berryville, VA. I own a farm now that has sort of been in my family one way or another—I have owned it now 30-some odd years. It is in White Post, which is just a few miles from the Byrd orchards.

On my farm are orchards. And, indeed, for some period of time, Harry Byrd, Sr.'s grandson operated with me the apple orchards. So much for that.

I remember visiting one time in July; it was very hot. But it was an annual event where Byrd, Sr. would go to his orchard and invite the people from all over the community to come and listen to him talk about what occurred in the Congress of the United States. Of course, in those early days, the Congress often went home in July. It occurred year after year in the same manner.

He would back up an old apple truck. He would get up on the back of the truck and the people would gather under the trees. He always wore a white suit. Does the senior Senator from West Virginia remember that white suit?

Senator Byrd had a high-pitched voice. I suppose you might say—and I do not mean to denigrate—he had a little bit of a sweep to it, a high pitch. You had to kind of lean forward to listen, but you could hear it. I was just a young man sitting out there listening with all the people.

It is interesting, his staff were always dressed in dark blue suits, so you could see the white suit among the dark ones. Then there were all the folks who worked in the orchards who had on the bib overalls, and the farmers would come from miles around. They would bring a picnic lunch. They wanted to hear this speech.

He did the same thing every year. He would bring down a copy of the budget, the budget document. It would be down on the ground, and he would say, ''Young man, put the budget document up on the rear of the truck here, right

up here on this little podium so I can tell the people about it.''

And the young man would reach down and he could not lift it. He would say, ''It will take two young men to raise the budget,'' and sure enough, eventually it would get up on the apple crates. He just used the old apple crates. He put that budget down, and he would start orating about the excessive spending in the United States and would go page after page after page after page, saying each page is hundreds of thousands of dollars, and we would all listen in absolute silence.

The Byrd family, senior and junior, without parallel in this institution, stood for fiscal responsibility of the United States of America. This brief statute which was enacted by the Congress of the United States on two occasions, which is binding, shall ever remain a hallmark to father and son and their fiscal responsibility.

Mr. President, I thank my distinguished colleague.

Mr. BYRD. I thank the distinguished Senator.

Mr. President, I have received a copy of a resolution enacted by the Legislature of West Virginia, Senate Concurrent Resolution No. 16. The resolution requests that the Congress provide information with respect to this constitutional amendment to balance the budget, which will indicate what actions will be taken by the Congress in order to achieve a balanced budget, if this amendment is adopted. In other words, the West Virginia legislature asserts a ''right to know.''

I ask unanimous consent that the resolution be printed in the RECORD.

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

STATE OF WEST VIRGINIA

SENATE CONCURRENT RESOLUTION NO. 16

(By Senators Tomblin, Mr. President, and Chafin)

Urging Congress to provide full information about the effect of a proposed balanced budget amendment on the people and government of West Virginia before submitting it to the Legislature for ratification.

Whereas, The constitution of the United States of America is the most perfect example of a contract between a people and their government; and

Whereas, The congress of the United States is currently considering an amendment to the constitution, known as the ''Balanced Budget Amendment''; and

Whereas, The House of Representatives has already approved its version of such a balanced budget amendment; and

Whereas, The House of Representatives approved its version without obtaining a projection of how it would be implemented; and

Whereas, The House of Representatives rejected a version of the balanced budget amendment, offered by Representative Bob Wise of West Virginia, that would have protected against cuts in social security and would have allowed for both a capital and operating budget; and

Whereas, The proposal for a balanced budget amendment is now under active consideration in the United States Senate; and

Whereas, United States Senators Robert C. Byrd and John D. Rockefeller IV of West Virginia have called for a ''right to know'' provision so that the senators would know before they vote how a balanced budget would be achieved; and

Whereas, The treasury department of the United States has projected that a balanced budget amendment implemented by across-the-board cuts would reduce federal grants to West Virginia state government by $765 million dollars, requiring the Legislature to increase state taxes to compensate for such losses or eliminate the programs and services currently provided to our citizens by federal funds; and

Whereas, Many citizens of West Virginia would likely suffer from cuts imposed to meet the requirements of the proposed balanced budget amendment, including thousands of our citizens who receive social security, veterans benefits, medicare, medicaid and other essential benefits; and

Whereas, Through the efforts of Senator Robert C. Byrd and other members of our congressional delegation appropriations have been made for numerous projects in West Virginia, including completion of the Appalachian corridor highway system, relocation of the federal bureau of investigation center to West Virginia and a myriad of other projects; and

Whereas, These benefits and projects are vital to the economic development and well being of the people of our state and deserve to be protected if the constitution is amended to require a balanced budget; and

Whereas, West Virginia receives $1.45 in federal benefits for each dollar in federal taxes; and

Whereas, On a per capita basis, each man, woman and child receives approximately $2,000 dollars more in benefits from the federal government than he or she pays in federal taxes; and

Whereas, A proposal to balance the federal budget by returning the programs to the states would mean that West Virginia would be required to either raise its taxes by $2,000 dollars for each man, woman and child or eliminate the programs and services currently provided to our citizens by federal funds; and

Whereas, The balanced budget amendment would be submitted to the Legislature for ratification if approved by the congress; and

Whereas, This Legislature will be unable to establish its own budget without knowing what reductions will be made by the congress to effect the balanced budget amendment; and

Whereas, This Legislature therefore has a right to know what effect the proposed balanced budget amendment would have on state government, but more importantly, on the people of our state; therefore, be it

Resolved by the Legislature of West Virginia: That the Legislature recognizes that a balanced federal budget is a desirable objective; and, be it

Further Resolved, That the Legislature commends the president and the congress for their efforts toward this objective by supporting and enacting legislation that will result in the reduction of the federal deficit for three years in a row; and, be it

Further Resolved, That the Legislature will be asked to vote for ratification of a balanced budget amendment to the constitution if such a measure is submitted to the states by the congress; and, be it

Further Resolved, That the Legislature, acting on behalf of the citizens of West Virginia in deciding whether to ratify such an amendment, is entitled to be fully informed of its consequences on our people; and, be it

Further Resolved, That the congress is hereby urged to submit such an amendment to the States for ratification only if congress provides a detailed projection of what reductions will be made in the federal budget and how these will affect the government and people of West Virginia, including but not limited to, the effect on social security benefits, veterans benefits, medicare, medicaid, education, highway moneys, including completion of the Appalachian corridor system, and other programs necessary for the health and well-being of the people of our state; and, be it

Further Resolved, That the Clerk of the Senate is hereby requested to forward a copy of this resolution to the president of the United States Senate, the Speaker of the House of Representatives and each member of the West Virginia congressional delegation.

Mr. BYRD. Mr. President, earlier today, the distinguished senior Senator from the State of Tennessee referred to my comments a day or so ago when I spoke on the constitutional amendment, with specific reference to section 5. The distinguished Senator from Tennessee, I think, did not really understand what I said with respect to section 5 of the constitutional amendment.

I quote the distinguished Senator from Tennessee [Mr. Thompson]:

''He''—meaning this Senator from West Virginia—''He was concerned that in times of a declaration of war, the amendment requires a constitutional majority of 51 Senators.''

Of course, that is not the case. As I understand section 5, it does not require a constitutional majority of 51 Senators to declare war. The able Senator from Tennessee clearly misunderstood what I said—he must have. And so I let it go at that, because the amendment certainly does not require that. Section 5 of the amendment does not require a constitutional majority of 51 Senators to declare war and I never so stated, unless I was misquoted.

Going on, the senior Senator from Tennessee said: ''He,'' meaning the Senator from West Virginia,

He thought that hurdle was too high because normally without the amendment, on most votes around here it is the majority of those present with the Vice President casting a tie-breaking vote if called upon.

I continue to quote the words of the Senator from Tennessee:

As I listened to that debate, it is very interesting, the possibilities are intriguing from an intellectual standpoint. Sitting and listening to Senator BYRD of West Virginia is like sitting in a good class of constitutional law. I enjoy it. If we did not have a Senator BYRD, we would need to invent one because he brings issues to the floor and to the table that need to be discussed. But again, does this not assume that 50 Senators plus the Vice President would do the right thing? He—

meaning Senator BYRD from West Virginia—

He is concerned we might not get that vote.

Here we are, we need to declare war and we might not get the 51 votes. So he—

meaning Senator BYRD.

assumes, I suppose, that 50 Senators plus the Vice President would do the right thing and we would get the 51 votes that way, but

under this amendment that 51 Senators would not do the right thing.

Now, is that not slicing it a little thin in light of what we are dealing with here? Is that not belaboring the point? It needs to be discussed. But is that what this is going to turn on, whether or not we have 50 Senators plus a Vice President, on the one hand, or 51 Senators on the other?

I must say, Mr. President, it is my opinion that there are enough good people in this Chamber that if we have the kind of situation that requires a declaration of war, we would do the right thing, that we would do the right thing when the circumstances arose.

Mr. President, the Senator from Tennessee misunderstood the direction and the thrust of my remarks. I was not saying that under the balanced budget amendment, a majority of the whole number present would be needed to vote for a declaration of war. I did not say that at all, and the amendment does not say it. Either Mr. THOMPSON misunderstood me or he misunderstands the verbiage in section 5.

It is an honest mistake on his part, but I thought I should set the record clear. I am not under any illusions that the amendment requires 51 Senators to vote to declare war. It does nothing of the kind. A simple majority of those Senators voting, a quorum being present, is sufficient to adopt a declaration of war, both now and under the amendment.

The thrust of my concerns went to the second portion of that amendment, which did not deal with a declaration of war but, rather, dealt with the situation in which a military threat to our Nation's security might exist; in which case, in order to lift the strictures of the constitutional amendment that is being debated, a majority of the whole number of Members of both Houses would then be required—in which case, I took the position that the minisupermajority requirement could put our Nation in further peril and also have the effect, if he should cast a vote in a tie situation, of negating that Vice President's vote, the Vice President not being a Member of the Senate. So much for that.

Mr. President, let us take a look at what may be in store for the Nation should the amendment be drafted into the Constitution; namely, that the amendment may be enforced. I see problems with the amendment, which I have mentioned to some degree earlier and which I shall refer to here again briefly. The problem with the amendment, if it is enforced, is that it creates very serious problems. If it is not enforced, on the other hand, it still creates serious problems.

Suppose at the end of the second fiscal year following the ratification of the amendment, the Office of Management and Budget announces that the total outlays for the United States will exceed total receipts for that year by, say, $50 billion. Suppose further, that the President is advised by White House counsel and the Director of the Office of Management and Budget that he is obligated by the new amendment to take whatever action is necessary to bring the outlays into line with the receipts.

Suppose he is exhorted by his advisers to use a line-item veto, even though the Constitution under which we have operated for over 200 years does not give him that authority. He could be prevailed upon by his OMB director and others to assume that the new amendment to the Constitution inherently gives him the authority to take whatever action is needed to bring the budget into balance, to make outlays balance with the receipts.

What will happen to the outlays of the various departments? Will defense contracts be held up? If moneys are impounded by the President, or if a line-item veto authority, which he does not have today under the original Constitution, should be assumed, or enhanced rescissions authority, which is worse than the line-item veto, were to be assumed, will checks to people who are unemployed be withheld? Will Medicare payments be stopped? Will Medicaid be cut back? Will Social Security checks be put on hold? Will the President impound moneys that have been mandated by the Congress to be spent, even though he would be acting in violation of the 1974 Budget and Impoundment Control Act? This sounds like a sure prescription for an Imperial Presidency.

The President, any President, could feel the compulsion to obey the mandate ''implicit'' in the Constitution as amended by this balanced budget amendment, believing that it contained inherent authority to exercise enhanced revisions authority, line-item veto authority, and impoundment authority, and he would be certainly advised by his counsel, I should think, to proceed to reduce outlays, thus sharing the power over the purse that is currently vested in Congress by article I of the Constitution, article I, section 8, the power that is given to the Congress to raise revenue, and by section 9 of article I to appropriate money. He would believe himself to be authorized to cut whatever programs and projects he chose to cut while leaving untouched those projects he supported. By holding programs and projects hostage, he would be in a position to suspend a Damocles sword over the heads of Senators and Representatives with respect to projects and matters important to their States and districts.

Moreover, he could use this leverage to bring legislators into line on matters other than those affecting the budget. Confirmation votes on future Clarence Thomases could bring tremendous pressure on Senators by such enhanced Presidential powers. He could threaten this or threaten that, and I, as a Senator, might or might not buckle under that pressure. I have had pressures from Presidents, like Lyndon Johnson, who really knew how to twist arms. It was pretty hard to say no to a President who, like Lyndon Johnson, was the former majority leader of this Senate, who had much to do in those days with putting me on the Appropriations Committee, but I said no. What it meant was about 30 minutes of excruciating torture, after which I felt that my clothes needed washing and drying. I felt that I had been put through a clothes wringer.

Confirmation votes on future Clarence Thomases or future treaty votes would be a President's to collect, merely by threatening to line-item veto or impound monies concerning programs supported by certain Members of Congress. A President could also use this power effectively with respect to cutting capital gains taxes or achieving other cherished goals.

I suggest, if any Senator is interested in reading about one of those arm-twisting sessions that I had with the late President Lyndon B. Johnson, the Senator read from the second volume of my history on the United States Senate, 1789 to 1989. It is all laid out there.

The road would be paved for the courts then—get this—to get into the act of balancing the budget. Beneficiaries of programs arbitrarily cut back by the President's actions could go into the courts and demand that the cuts be restored, and the claimants of such payments could very well, in some circumstances, at least, establish standing to sue.

If the courts concluded that it was necessary to impose a tax in order to bring receipts up to the level of outlays, the taxpayers would have standing to apply for relief. And if ever there could be a lawyers' paradise, the millennium would be here.

One might denominate this amendment as the constitutional amendment to benefit lawyers. In saying that, I do not speak with any disrespect toward lawyers. I would prefer to call it the constitutional amendment for minority rule. I may have more to say on that at another time.

Montesquieu, in his ''Spirit of the Laws,'' stated, ''of the three powers . . .
the Judiciary is next to nothing.'' Meaning of the three powers: The executive, the legislative and the judiciary. Montesquieu said, ''of the three powers . . . the Judiciary is next to nothing.'' He also said, ''There is no liberty, if the power of judging be not separated from the legislative and executive powers.''

Hamilton agreed with Montesquieu in the Federalist Paper, Number 78, wherein Hamilton went on to state: ''The executive not only dispenses the honors but holds the sword of the community. The legislature not only commands the purse, but prescribes the rules by which the duties and rights of every citizen are to be regulated. The judiciary, on the contrary, has no influence over either the sword or the

purse . . . The judiciary is beyond comparison the weakest of the three departments of power.'' That was Hamilton.

The amendment on which we are about to vote within the next few days would turn Montesquieu's and Hamilton's world topsy-turvy, upside down. The judiciary could become the strongest of the three departments of government and thus hold influence over both the sword and the purse. Constitutional government as we have known it for over 200 years, based upon the separation of powers and checks and balances concepts, would perish from the Earth.

That is one course that we may find ourselves travelling.

The Peoples' Branch would atrophy. Representative government would no longer exist. Unelected members of the courts would wield the power of the purse. The Constitutional mandate, section 9 of article I of the Constitution, that ''no money shall be drawn from the Treasury, but in consequence of appropriations made by law,'' would be changed, and, instead, we would be treated to the spectacle of appropriations made by judicial fiat.

The American people fought one revolution over the principle of ''taxation without representation,'' and now we are about to vote on an amendment to the Constitution which could easily result in unelected judges mandating higher taxes—judges who are appointed for life mandating higher taxes. If we think the people would be upset with Congress for increasing their taxes, just imagine what their feelings will be when their taxes are hiked by unelected judges who are appointed with life tenures. Could we be sowing the seeds for another revolution by adopting this amendment? If there were ever a Pandora's box with evils imprisoned therein to bring misfortune to our country, this would surely be it. If the amendment is enforced, the powers of the legislature will flow to the executive and to the judiciary, and we will have destroyed a government of separation of powers and checks and balances.

Contemplate that, for 200 years—206 years, our Nation has operated under the Constitution that was written by the illustrious Framers in Philadelphia in 1787, and that, by the adoption of this amendment and by its subsequent ratification by the States—if the States do ratify it in the requisite number as set forth in the original Constitution—we will have destroyed, I think, the constitutional form of Government that our forefathers gave us. It will certainly be in danger, great danger. So the handiwork of the Framers will finally have been ill served.

I saw them tearing a building down,
A group of men in a busy town;
With a ''Ho, heave, ho'' and a lusty yell,
They swung a beam and the sidewall fell.
I said to the foreman, ''Are these men skilled
The type you'd hire if you had to build?''
He laughed, and then he said, ''No, indeed,
Just common labor is all I need;
I can easily wreck in a day or two,
That which takes builders years to do.''
I said to myself as I walked away,
''Which of these roles am I trying to play?
Am I a builder who works with care,
Building my life by the rule and square?
Am I shaping my deeds by a well-laid plan,
Patiently building the best I can?
Or am I a wrecker who walks the town,
Content with the labor of tearing down?''

Mr. President, the lines from The Masonic Craftsmen are well descriptive of the situation if this balanced budget amendment is ever nailed into the original Constitution as an amendment. I shudder to think that that prospect may very well be close at hand.

If, on the other hand, the Constitutional provision is not enforced, we will have made the Constitution promise something that it cannot fulfill, and it will henceforth become a mere piece of paper, relegated to the dustbin of history.

What will actually happen in the event of the adoption and ratification of a balanced budget amendment to the Constitution remains to be seen.

Nobody knows. I do not know precisely what will happen. I have outlined two very sad prospects—one if the amendment is enforced, the other if it is not enforced—as to what may be in the offing in the event this constitutional amendment were to be adopted and ratified. We, of course, cannot be absolutely sure, but why should we take such risks? Republican Senators will not tell us how they intend to carry out the mandate of the constitutional amendment on the balanced budget. I happen to believe that if the amendment is grafted on to the Constitution, there will be efforts to enforce it, and this will mean that we no longer have a government by the people, but, instead, the people will be governed by a black-robed Office of Management and Budget, run by one Chief Director and eight associate directors appointed for life, with control over both the sword and the purse.

There will be no rams' bellies by which we may ride out of that dilemma, as Odysseus did when he and his companions escaped from the cavern of Polyphemus.

In escaping from that cavern, Odysseus instructed his companions to hold onto the bellies of the rams as they went out of the cave to graze, Polyphemus, the chief of the Cyclopes, having been blinded by the fire of a piece of wood that Odysseus had plunged into the giant's eye. They escaped by holding onto the bellies of the rams.

The giant laid his hands on the tops of the rams as they went out of the cave. He never thought to feel under the bellies.

Odysseus and his remaining few companions—those that had not ended up in the stomach of Polyphemus—had found a way to escape by holding onto the rams' bellies. Well, Senators, we will not have any rams' bellies here by which we may ride out of this dilemma. And unlike Odysseus in Homer's epic, while we may be able to escape the violent whirlpool of Charybdis, we will still be devoured by Scylla, except, unlike Homer's Scylla, which had 12 legs, and 6 hideous heads bearing 3 rows of teeth each, ours will be a monster with 18 legs, and 9 heads bearing 2 rows of teeth each. Ours will no longer be a government of laws; instead, it will become a government of judicial fiats. Is this what Washington and his starving men at Valley Forge fought for? Was it for this that Americans shed their blood at Lexington and Concord, and at Saratoga? Was this what Nathan Hale had in mind when he gave the only life he had for his country? Did our forefathers pledge their lives, their fortunes, and their sacred honor to throw off the tyrannical hand of George III, only to be ruled by the heavy hand of a judicial oligarchy?

Mr. President, when the Constitutional Convention had completed its work in 1787, Benjamin Franklin, one of the Framers of the great document, was approached by a lady who asked the question, ''Dr. Franklin, what have you given us?'' Franklin answered, ''A republic, madam, if you can keep it.''

Mr. President, this amendment carries the seeds for the destruction of the American Constitutional republic as it was handed down to us by our forefathers. I say it carries the seed of destruction. I am concerned about the future of this Republic. And there are Members on both sides of the aisle who are going to vote for this amendment, come next Tuesday, who have expressed to me privately their serious doubts with regard to the balanced budget amendment.

I know of no magic herb by which we may prove ourselves invulnerable to the seductive charms of this ''quick-fix'' amendment. I can only hope that Members will fill their ears with wax so that they will not be lured by the siren's song and will ignore the pleas until the danger is safely past.

Each of us upon being elected to the office of Senator subscribes, by oath or affirmation, to support and defend the Constitution of the United States. It is a solemn oath. We do not swear before God and man that we will support and defend a political party. We do not swear that we will support and defend a so-called Contract With America, but only that we will support and defend the Constitution of the United States.

Of course, we all understand that the Constitution provides a process, in Article V, for its own amending, and while I, or any other Senator, may be willing to amend the Constitution in one particular or another, what we have here is an amendment which, for all intents and purposes, could result in the destruction of a government of checks and balances, a government of separation of powers. We are, therefore, talking about the very bottom bedrock

of our Constitutional form of government. Take away the checks and balances, which could be the result of this amendment; take away the separation of powers, which could be the result of this amendment; then we will no longer have a government of the people, by the people, and for the people. We will have a government of three branches, in which the peoples' branch, the legislative, will become a mere vestigial leftover from a bygone day, shorn of its power over the purse and no longer able to fulfill the functions for which it was created.

Make no mistake about it. Senators will never be able to wash this stain from their hands.

Mr. President, I am not assured by those Senators who say that we can avoid the intrusion by the courts into the realm of budget making, simply by resorting to the provision that allows a three-fifths vote to approve a specific excess of outlays over receipts. I am not sure about that at all. Most of those who support this provision are among those Senators and Representatives who will never vote for a tax increase, come what may.

I do not like to vote for a tax increase. That is not an easy vote. But there come times when we have to have an increase in taxes. If we ever really bring these budget deficits under control and begin making payments on the principal of the debt, I have no doubt that there are going to have to be some revenue increases. Yet, there are Senators who say they will never vote for a tax increase. They will always depend upon someone else to supply the three-fifths of the whole number of each House.

What this really is, is a prescription for minority rule. Ours would become a government by minority. That is minority rule—no ifs, ands, or buts about it. Are two-thirds of the Members of this Senate ready to submit themselves to such a stultifying prospect?

We are all deeply concerned about the budget deficits, the national debt, and the growing interest on that national debt. I want to see our budget deficits brought down. I want to see our budget brought into balance, especially in those years when we do not have to have a budget deficit in order to deal with an economic decline in the economy, or an ongoing recession. I want to see our budget brought into balance as much as does any other Senator. Every Senator in this body wants to see these deficits brought under control.

A national debt rapidly approaching $5 trillion, and with the sky as the limit if we do not do something to curtail it, is a terrible legacy to leave to our children. We have to do something about it, and it will be painful. It may require us to increase taxes. But it will be an even more awesome legacy to leave to our children and grandchildren, if we destroy the foundations of our constitutional system of checks and balances, sweep away the peoples' power over the purse exercised through their elected representatives in Congress, and undermine the faith of the Nation in the Constitution itself.

I hope that we will ponder this constitutional amendment over this weekend as we have never thought about it before. I have heard many comments from people on the outside—for example, from representatives of the media—about this debate. Those comments have been favorable with respect to the fact that the Senate has indeed taken the time to study the amendment, to debate it, to deliberate, and to try to correct what many of us see as flaws in the amendment.

I believe that was the role that the forefathers intended for the Senate to play. This constitutional amendment to balance the budget was adopted in the House of Representatives after only 2 days of debate. That is appalling. That is an appalling spectacle—to have a constitutional amendment adopted in the other body after only 2 days of debate! But in the Senate, come next Tuesday, it will have been before the Senate for 30 days. I thank the majority leader, and I compliment him for the respect he has thus far shown for the fact that this is a constitutional amendment, and that this is the United States Senate, and that this is the role that the United States Senate was supposed to play. That was the role the Framers had in mind from the very beginning—that the Senate would be a deliberative body. Many times we do not deliberate much here anymore. But in this situation, there has been considerable deliberation.

I think that the Framers would be pleased that this Senate has at least slowed down a stampede to enact this constitutional amendment in a hurry. There have been efforts to amend it, but we have failed thus far. I do hope, however, that the amendment that is being offered by Senator NUNN will be agreed to next week. Senator JOHNSTON's amendment was rejected on a tabling motion. Senator NUNN's amendment is different only in a slight respect from the amendment that was offered by Senator JOHNSTON. I hope that the amendment by Senator NUNN will be adopted. It addresses that very serious and solemn and terrible prospect that the courts might intervene if this amendment were to be adopted and enforced. There is nothing in the balanced budget amendment that either invites or forbids the courts to enforce this amendment.

I intend to support Senator NUNN's amendment. I am not sure that even his amendment will provide all of the answers, because much is left to the implementing legislation that the Congress will be authorized to write to enforce the balanced budget amendment. The implementing legislation may itself carry many seeds for the destruction of the constitutional system of checks and balances and separation of powers that we have known for 206 years.

Implementing legislation might not even be passed. After all, such implementing legislation has to go to the desk of the President. A President may veto it in a given situation. It would require two-thirds of both bodies to override his veto. Or the implementing legislation that is enacted in one Congress may be amended in a subsequent Congress. Even the amendment by Mr. NUNN does not protect us—when I say us, I mean the public—from events which could very well create chaos in the economy and change the constitutional form of government that has served the American people so well. Power could still flow from the legislative to the executive branch.

But at least, Senator NUNN's amendment addresses itself to one of the possible dangers, and it really goes to show that this balanced budget amendment is very much like a balloon. If you squeeze the balloon at one end, it pops out bigger on the other. If you squeeze at that end, then it pops out and makes the balloon larger in another place. If we cure one flaw here, we open up other flaws. That just goes to show that this ''quick fix'' really cannot be fixed.

Mr. President, I thank the distinguished Senator from Utah [Mr. HATCH] for remaining at his post of duty and listening to my remarks on this occasion. He has worked hard on this constitutional amendment. He is entitled to a great deal of respect for his efforts to get out of a very, very tough and difficult and complex problem. Unless he wishes to ask me a question, I will yield to——

Mr. HATCH. I thank the Senator.

Mr. BYRD. I have not yielded yet, but I am available if the Senator wishes to respond to my words.

Mr. HATCH. If the Senator will yield, I want to compliment the Senator. I have seen him work this floor very faithfully, intelligently, and I believe honestly throughout this debate. We happen to differ. I believe that when you press a balloon on one end, it expands on the other end, and when you press it on the other top, it expands on the bottom. But it still contains the future of our country. I also believe that the distinguished Senator, as sincere as he is—and he is sincere, and I know that; he has my respect—is saying that this amendment leads us into a lot of difficulties. But I have to say that we are in a lot of difficulties.

Mr. BYRD. I did not hear the Senator.

Mr. HATCH. I say we are in a lot of difficulties. Many of us feel that though this bipartisan consensus amendment is not perfect in anybody's eyes, that it is the most perfect we can do, and that it is the only way we are going to get spending under control in this country. But I think the distinguished Senator from West Virginia has been eloquent throughout this debate. He has been constitutionally apt in many respects. And although I differ

with him on some of the interpretations, I compliment him for his knowledge, his foresight and his own explanations of how the Constitution is considered.

It is to me, too. I feel very, very deeply about it. I feel deeply about my dear colleague's point of view. I do not have any desire to prolong this this evening, but I just want to compliment the Senator for his comments, for his hard efforts, for his willingness to be on this floor and to do what he has done with the amendments he has brought forward and the intelligent way in which he has discussed them, and for the courteous manner and kindness shown. I really personally appreciate it.

I did not think my esteem could be any higher than it is for the Senator. But it is. It is higher.

Mr. President, I just want to say in closing here this evening, I would like to shut the Senate down, but I understand the Senator from Maryland wants to speak. I would like to get the floor as soon as the Senator from West Virginia is through so I can get legislative matters straightened out here.

Mr. BYRD. I am about to yield the floor if the Senator does not wish to ask any questions.

Mr. HATCH. I do not.

Mr. BYRD. I appreciate his kind comments. They are very sincere.

Mr. HATCH. It never, never ceases to amaze me how the Senator can just call up poetry like he did here this evening, and a wealth of knowledge about history and especially the history of the Senate.

I have to say I was moved by the distinguished Senator's discussion of the Harry Byrd letter and Mrs. Moses' letter. I think what the Senator does in bringing things like that to the attention of everybody perpetuates the importance and the feelings and the basic goodness of the Senate.

Mr. BYRD. As the Senator knows, ''I'll cavil on the ninth part of a hair,'' and ''I'll fight till from my bones my flesh be hack'd.''

Sometimes I think we probably overdo the expressions of affection in this body. However, I do appreciate the kind words the Senator has expressed. I had hoped we might, even at this late hour, engage in debate. But I do not want to insist on it. I will close my remarks with respect to our mutual affection. The Senator knows that, for him ''my affection hath an unknown bottom, like the Bay of Portugal.''

Let us hope that on next Tuesday Senators will remember the words of Lord Nelson, who lost his life in the Battle of Trafalgar. His last words were, ''Thank God, I have done my duty.''

Mr. HATCH. Mr. President, I have to confess that I believe that the distinguished Senator from West Virginia always does his duty. I personally appreciate it, even when I disagree.

Mr. President, the Senator from West Virginia has presented us with the triple threat from the balanced budget amendment of: First, an imperial Presidency; second, an all-powerful judiciary; and third, the seeds of revolution. Possibly, he suggests, the Constitution itself will be relegated to the dustbin of history.

This is strange indeed given that the amendment itself gives Congress the power and duty to enforce and implement the balanced budget amendment.

I would ask what continuing on the path we are on would do to the Constitution or the Nation. If President Clinton's predictions are correct that the generation that is beginning now will be taxed at the net tax rate of 82 percent that all will be tranquility? Or will we see tax revolts that will make the Boston Tea Party look like a Beacon Hill high tea. What does taxation without representation mean if not leaving mammoth taxes to generations who cannot vote yet?

And what will happen to a republic with national debt growing at the rate it is now indefinitely? Ask Argentina, Italy—some point to Weimar Germany as a model of the inflation and the economic and political chaos that could ensue from our path of profligate spending.

Mr. President, the bottom line is a choice between doing what we are doing now and changing the way Washington does business. I have heard some on this floor say that this amendment would not pass if we could vote in secret. Well, that is precisely the problem, the problem that the voters asked us to fix last November.

I have explained repeatedly during this debate why this amendment would not involve the courts in activity infringing on the powers granted to Congress in article I of the Constitution.

This balanced budget amendment indeed contains the seeds of liberation for the rising generation and generations yet unborn. It contains the seeds of liberation from the shackles of insupportable impossible debt and oppressive taxation—the seeds of liberation from an increasingly unresponsive but increasingly intrusive Federal Government. The balanced budget amendment contains the seeds of liberation from a government which consumes tomorrow's wealth to satisfy today's desires.

Mr. President, let us adopt the balanced budget amendment to continue the principles of the American Revolution and Constitution, the principles of freedom—political and economic—for future generations of Americans.

Does the Senator from Maryland want to speak?

Mr. SARBANES. Mr. President, I would like to speak for probably 5 to 10 minutes. There were some points made earlier in the day I would like to respond to.

Mr. President, I thank the Senator from Utah for his courtesies.

Mr. President, I want to address the point about the danger that the balanced budget amendment might well do to our economy in time of an economic downturn.

I think this point very much needs to be emphasized. In fact, there was an article in the New York Times only a day or two ago that was headed, ''The Pitfalls of a Balanced Budget, Dismantling a Decades-Old System for Softening Recessions.''

In the course of that article it is stated ''If the amendment is enacted, the side effect would be huge. A system that has softened recessions since the 1930's would be dismantled.''

Now, I want to just point to this chart and then I want to quote a couple of highly respected economic thinkers in our country. What this chart shows is the change in real GDP beginning back in the late 1800's and coming forward until today.

What this chart shows is there were tremendous fluctuations in the economy until the post-World War II period. The economy would, in the late 1800's and the first half of this century, go, as one can easily see, up and down like a roller coaster, often going very deeply into a negative growth situation.

These are the boom and bust cycles that those who have read American history are familiar with. These were the panics. What happened is, after the Great Depression, as a consequence of the Great Depression, we began to change our thinking and to develop what are called automatic stabilizers. I will elaborate on that in a moment as to what that means. But the consequence of doing that was to markedly change the depth of the business cycle. As we can see, since World War II, although we continue to have fluctuations in the economy, we no longer have the very deep plunges into very significant negative growth.

Now, Charles Schultze, whom all of us know and who is a highly respected economist, stated a couple of years ago in testifying about the then-balanced budget amendment proposal that was before the Congress:

> A Balanced Budget Amendment Would Be Bad Economics. Federal revenues automatically fall and expenditures for unemployment compensation rise when recessions occur. The deficit necessarily rises. This budgetary behavior is a very important economic stabilizer. It helps sustain private incomes during recessions and thus keep sales, employment, and production better maintained than they otherwise would be.

Now, I just want to comment on this. It is very important to understand that, as we go into a recession, we automatically start running a deficit because we lose tax revenues. People have lost their jobs. They are unemployed. So we have less revenues coming in. And we start making payments out of the Treasury—unemployment benefits, food stamps, medical care—and the combination of that means that the deficit grows, but that helps to offset the downward momentum.

Now, what we used to do in the old days, we would try to balance the budget in that circumstance when the

economy was going soft, we would try to balance the budget and, of course, that would only drive the economy even further down.

So, as Mr. Schultze stated and I just repeat it:

Federal revenues automatically fall and expenditures for unemployment compensation rise when recessions occur. The deficit necessarily rises. This budgetary behavior is a very important economic stabilizer. It helps sustain private incomes during recessions and, thus, keep sales, employment and production better maintained than they otherwise would be.

And he goes on to say:

The American economy in the postwar years has been far more stable than it was between the Civil War and the Second World War, even if we exclude the Great Depression from the comparison.

Now this is exactly what this chart shows, although it does not go back quite as far as the Civil War. But clearly what this chart demonstrates, as Mr. Schultze states, is that the American economy in the postwar years has been far more stable than it was between the Civil War and the Second World War. You can see the tremendous fluctuations we used to have in the economy as compared to what has occurred since World War II.

Mr. Schultze goes on to say:

In the period between the Civil War and the First World War, the American economy spent about half the time in expansion and half in contraction. In the period since 1946, the economy spent 80 percent of the time expanding and only 20 percent contracting. In the years after the Second World War, fluctuations in the American economy around its long-term growth trend were only half as large as they were in the period 1871 to 1914. Many people who have studied the period credit an important part of the improved economic performance to the automatic stabilizing characteristics of the Federal budget.

Under the constitutional amendment proposed in H.J.Res. 268—

Which was the proposal at the time, the counterpart to what is before us now—

this stabilizing force would be seriously threatened. The first year of a recession would turn an initially balanced budget into deficit. But under the proposed constitutional amendment, Congress would be required to bring a budget for the next year back into balance by large tax increases or spending imposed as the recession was still underway.

Of course, imposing those tax increases or spending cuts, in order to eliminate the deficit which the onset of the recession had brought about would, of course, only make the recession worse. They would drive the economy even further down, as these tremendous negative growth periods which occurred in the first part of this century clearly indicate.

This is not a desirable economic performance, and the automatic stabilizers, which we have run in the postwar period, have enabled us to avoid that. While we have had ups and downs in the economy, they occur almost entirely in the positive growth area. We do not have the deep plunges into negative growth which marked economic performance in the first part of this century and, indeed, ever since the economy became, as it were, a complicated, complex modern economy. So if we had gone back to the Civil War, we would have had these movements up and down as well.

Laura Tyson, in an article in the Washington Post—and I ask unanimous consent that that article be printed in the RECORD at the end of my remarks.

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

(See Exhibit 1.)

Mr. SARBANES. It is entitled ''It's a Recipe for Economic Chaos.''

Continued progress on reducing the deficit is sound economic policy, but a constitutional amendment requiring annual balance of the Federal budget is not.

Let me repeat that because I agree very strongly with it.

Continued progress on reducing the deficit is sound economic policy, but a constitutional amendment requiring annual balance of the Federal budget is not. An economic slowdown automatically depresses tax revenues and increases Government spending on such programs as unemployment compensation, food stamps, and welfare. Such temporary increases in the deficit act as automatic stabilizers offsetting some of the reduction in the purchasing power of the private sector and cushioning the economy's slide.

Moreover, they do so quickly and automatically without the need for lengthy debates about the state of the economy and the appropriate policy response.

By the same token, when the economy strengthens again, the automatic stabilizers work in the opposite direction. Tax revenues rise, spending for unemployment benefits and other social safety net programs falls, and the deficit narrows.

Now, the marked diminution of the fluctuations in the economy shown on this chart in the post-World War II period reflects the automatic workings of these stabilizers through the business cycle. It demonstrates the benefit we have derived from the application of these automatic stabilizers in the post-World War II period. This is a dramatic illustration of the advantages of having broken out of the thinking that said we had to balance the budget every year and, therefore, led to efforts to balance it at a time of economic downturn which only intensifies the problem.

Ms. Tyson goes on to say:

A balanced budget amendment would throw the automatic stabilizers into reverse. Congress would be required to raise tax rates or cut spending programs in the face of a recession to counteract temporary increases in the deficit. Rather than moderating the normal ups and downs of the business cycle, fiscal policy would be required to aggravate them.

Which is exactly what had been happening in the past, and we now have managed to avoid.

Mr. BYRD. So will not then the chart show for the next several years, after the point where we now are, the same chart would show these lines that are zigzagging and fluctuating above the horizontal line, it would, in effect, show them down here.

Mr. SARBANES. That is right. You go into a downturn, and instead of having these automatic stabilizers to counteract that, the roller coaster would start down and you would simply be intensifying it.

People have to understand, what these downward lines mean, this negative growth means millions of people unemployed. This means small businesses going into bankruptcy. What these lines mean, in every instance in which these occurred, if you went back and looked at what was happening in the economy, there was massive economic dislocation: People losing their jobs, businesses going into bankruptcy, farms being foreclosed. We have not experienced that in recent times and, as a consequence, people begin to take it for granted.

But it is not inevitable.

It must be understood, one of the reasons it has not happened is because we have had a counteracting policy to prevent these deep declines from taking place.

Mr. BYRD. Mr. President, if the Senator will yield.

Mr. SARBANES. Certainly.

Mr. BYRD. So the effect then, if I understand what the Senator is saying, I think he is making a vital point here, which would be that we would return to a situation as the chart indicates for the earlier years, going back more than 50 years.

Mr. SARBANES. The distinguished Senator from West Virginia is correct. We would be back into these up and down cycles. As Charles Schultze said in his quote, which I think is very important:

In the period between the Civil War and the First World War, the American economy spent about half the time in expansion and half in contraction. In the period since 1946, the economy spent 80 percent of the time expanding and only 20 percent contracting.

When it did contract, it avoided going into these very deep plunges which used to occur. We used to call those ''panics,'' ''busts.'' The economy was devastated. You would have the panic of 1893 or the panic of 1922, and so forth. And we have avoided that in the post-World War II period. We have had some ups and downs; we have what we call recessions. We have not had a depression. We have managed to avoid that.

Let me just read what Alice Rivlin had to say today. She is a very thoughtful woman, and those who know her realize that she is what is called a ''deficit hawk.'' She has been anxious to get the deficit down, has worked hard to get the deficit down. Today at a news conference she made the following statement:

This discussion is not about whether the budget should be balanced, on the average. It is about whether we should write into the

Constitution that the budget should be balanced every year. No one can fault the Clinton administration for not being serious about deficit reduction; we believe the deficit is too high, that it must come down. We have brought it down a lot; we want to bring it down more.

But we do not believe that we should write a requirement for balance every year into the Constitution. The real problem with doing that is that it would make swings in the economy bigger.

The Federal deficit has acted as a cushion that dampen recessions, make them less wide, less bad for people.

When the economy slows down, two things happen. One is, there are more people who are eligible for unemployment insurance and food stamps and the kinds of things that help people when they are in trouble. So expenditures for those things go up. More importantly, when people earn less and they lose their jobs, they don't pay as much income tax, so the Federal revenues go down.

With spending going up and revenues going down a lot in the beginning of a recession, what you find is a deficit widening—automatically; it just happens. And automatically, it offsets the horrendous effects of that recession.

Now, what would happen if you had to counteract that effect? The Constitution would say, unless you had a supermajority to override it, that you would have to do one of two things. You would have to cut spending to correct that deficit, and people would have less income, . . . or you would have to raise taxes, which would mean people would have less income. So the recession gets worse. We would have bigger swings in the economy, a deeper recession.

Now, that's not just a theory, you can really see it. You can see it in what has happened to recessions over the last couple of decades.

If you look back in our history, the economy went up and down by huge swings. In the period, especially the period since World War II when these automatic stabilizers have been in effect . . . we've still had recessions, but we have had much smaller ones than we otherwise would have had.

If we pass a balanced budget amendment to the Constitution—

And I say to the distinguished Senator from West Virginia this is exactly to his point.

If we pass a balanced budget amendment to the Constitution, we are saying we want to go back to those days when the economy had huge swings, and many more people were out of work in a recession than are out of work in modern recessions.

Now, Mr. President, this issue is not being given a lot of attention in this debate. It is very clear that by having these automatic stabilizers in the budget, we have been able to avoid very dire economic times.

This amendment would preclude the automatic response which now takes place and which begins to happen before people even begin to recognize that the economy may be in trouble. As soon as the economy starts experiencing some trouble, this cushioning effect automatically starts happening.

It is asserted by proponents of the amendment that sixty votes to waive its provisions would be obtained. 60 votes. Maybe, maybe not. I daresay, in any event, you will not come anywhere close to getting them until it is manifest that the economy is in difficulty, namely until we have moved down the downward curve a considerable part of the way. And at that time, of course, you are really playing catch up. You are trying to pull back this downward momentum instead of having offset it right in the beginning.

Now, I want to underscore these deep downward lines, on this chart. You say, well, this is negative growth, this is GDP taking a nosedive. People say, ''Well, what does all that mean?''

What it means in real human terms, what these deep plunges in growth to negative levels of 5, 10 percent, in the Great Depression even 15 percent, literally means is millions unemployed; it means small business bankruptcies the likes of which we have not seen in roughly the last 60 years; it means farm foreclosures.

Now, these are real life problems, and we run an incredible risk with the proposal that is before us of going back to that kind of business cycle. As the New York Times article said:

If the amendment is enacted, the side effect would be huge: a system that has softened recessions since the 1930's would be dismantled.

The problem is that the balanced budget amendment is a heavy-handed solution and risky. The biggest risk is to the Nation's automatic stabilizers which have made recessions less severe than they were in the century before World War II. The stabilizers, an outgrowth of Keynesian economics, work this way: When the economy weakens, outlays automatically rise for unemployment pay, food stamps, welfare, and Medicaid. Simultaneously, as incomes fall, so do corporate and individual income tax payments. Both elements make more money available for spending, thus helping to pull the economy out of its slump. Under the balanced budget amendment, Congress and the administration would be required to get the budget quickly back into balance through spending cuts, higher tax rates, or a combination of the two, perhaps even in the midst of a recession. The Government would become almost inevitably a destabilizer of the economy, rather than a stabilizer.

Now, in economic terms that is the real concern. I have spoken earlier about the fact that this amendment does not distinguish between a capital budget and an operating budget, and the serious implications of that in economic terms and with respect to investing in our future.

But what I just wanted to come to the floor and address this evening at the close of the day—since some question was raised earlier about whether policy had worked to counteract the economic cycle—was this very graphic description, and these comments which I have quoted by some very able people.

I think this observation of Charles Schultze, I just want to quote it again:

The American economy in the postwar years has been far more stable than it was between the Civil War and the Second World War, even if we exclude the Great Depression from the comparison. In the period between the Civil War and the First World War, the American economy spent about half the time in expansion and half in contraction. In the period since 1946 the economy spent 80 percent of the time expanding and only 20 percent contracting. Many people have studied the period and credit an important part of the improved economic performance to the automatic stabilizing characteristics of the Federal budget.

Mr. President, I do not want to go back to the kinds of fluctuations in the economy we experienced in the pre-World War II period, and that is one of the reasons that I oppose the balanced budget amendment and very much hope it will be defeated.

Mr. President, I yield the floor.

EXHIBIT 1

[From the Washington Post, February 7, 1995

IT'S A RECIPE FOR ECONOMIC CHAOS

(By Laura D'Andrea Tyson)

Continued progress on reducing the deficit is sound economic policy, but a constitutional amendment requiring annual balance of the federal budget is not. The fallacy in the logic behind the balanced budget amendment begins with the premise that the size of the federal deficit is the result of conscious policy decisions. This is only partly the case. The pace of economic activity also plays an important role in determining the deficit. An economic slow-down automatically depresses tax revenues and increases government spending on such programs as unemployment compensation, food stamps and welfare.

Such temporary increases in the deficit act as ''automatic stabilizers,'' offsetting some of the reduction in the purchasing power of the private sector and cushioning the economy's slide.

Moreover they do so quickly and automatically, without the need for lengthy debates about the state of the economy and the appropriate policy response.

By the same token, when the economy strengthens again, the automatic stabilizers work in the other direction: tax revenues rise, spending for unemployment benefits and other social safety net programs fall, and the deficit narrows.

A balanced budget amendment would throw the automatic stabilizers into reverse. Congress would be required to raise tax rates or cut spending programs in the face of a recession to counteract temporary increases in the deficit. Rather than moderating the normal ups and downs of the business cycle, fiscal policy would be required to aggravate them.

A simple example from recent economic history should serve as a cautionary tale. In fiscal year 1991, the economy's unanticipated slowdown caused actual government spending for unemployment insurance and related items to exceed the budgeted amount by $6 billion, and actual revenues to fall short of the budgeted amount by some $67 billion. In a balanced-budget world, Congress would have been required to offset the resulting shift of more than $70 billion in the deficit by a combination of tax hikes and spending cuts that by themselves would have sharply worsened the economic down-turn—resulting in an additional loss of 1¼ percent of GDP and 750,000 jobs.

The version of the amendment passed by the House has no special ''escape clause'' for recessions—only the general provision that the budget could be in deficit if three-fifths of both the House and Senate agree. This is a far cry from an automatic stabilizer. It is easy to imagine a well-organized minority in either House of Congress holding this provision hostage to its particular political agenda.

In a balanced-budget world—with fiscal policy enjoined to destabilize rather than stabilize the economy—all responsibility for

counteracting the economic effects of the business cycle would be placed at the doorstep of the Federal Reserve. The Fed could attempt to meet this increased responsibility by pushing interest rates down more aggressively when the economy softens and raising them more vigorously when it strengthens. But there are several reasons why the Fed would not be able to moderate the ups and downs of the business cycle on its own as well as it can with the help of the automatic fiscal stabilizers.

First, monetary policy affects the economy indirectly and with notoriously long lags, making it difficult to time the desired effects with precision. By contrast, the automatic stabilizers of fiscal policy swing into action as soon as the economy begins to slow, often well before the Federal Reserve even recognizes the need for compensating action.

Second, the Fed could become handcuffed in the event of a major recession—its scope for action limited by the fact that it can push short-term interest rates no lower than zero, and probably not even that low. By historical standards, the spread between today's short rates of 6 percent and zero leaves uncomfortably little room for maneuver. Between the middle of 1990 and the end of 1992, the Fed reduced the short-term interest rate it controls by a cumulative total of 5¼ percentage points. Even so, the economy sank into a recession from which it has only recently fully recovered—a recession whose severity was moderated by the very automatic stabilizers of fiscal policy the balanced budget amendment would destroy.

Third, the more aggressive actions required of the Fed to limit the increase in the variability of output and employment could actually increase the volatility of financial markets—an ironic possibility, given that many of the amendment's proponents may well believe they are promoting financial stability.

Finally, a balanced budget amendment would create an automatic and undesirable link between interest rates and fiscal policy. An unanticipated increase in interest rates would boost federal interest expense and thus the deficit. The balanced budget amendments under consideration would require that such an unanticipated increase in the deficit be offset within the fiscal year!

In other words, independent monetary policy decisions by the Federal Reserve would require immediate and painful budgetary adjustments. Where would they come from? Not from interest payments and not, with such short notice, from entitlement programs. Rather they would have to come from either a tax increase or from cuts or possible shutdowns in discretionary programs whose funds had not yet been obligated. This is not a sensible way to establish budgetary priorities or maintain the healthy interaction and independence of monetary and fiscal policy.

One of the great discoveries of modern economics is the role that fiscal policy can play in moderating the business cycle. Few if any members of the Senate about to vote on a balanced budget amendment experienced the tragic human costs of the Great Depression, costs made more severe by President Herbert Hoover's well-intentioned but misguided efforts to balance the budget. Unfortunately, the huge deficits inherited from the last decade of fiscal profligacy have rendered discretionary changes in fiscal policy in response to the business cycle all but impossible. Now many of those responsible for the massive run-up in debt during the 1980s are leading the charge to eliminate the automatic stabilizer as well by voting for a balanced budget amendment.

Instead of undermining the government's ability to moderate the economy's cyclical fluctuations by passing such an amendment, why not simply make the hard choices and cast the courageous votes required to reduce the deficit—the kind of hard choices and courageous votes delivered by members of the 103d Congress when they passed the administration's $505 billion deficit reduction package?

Mr. HATCH. Mr. President, the arguments of the Senator from Maryland are not arguments against balancing the budget, but to have a rainy day fund available built from surpluses made in the good years to soften the business cycle.

The real economic harm to Americans are the stagnant wages, high interest rates, and high taxes all piled on the backs of working Americans as a consequence of yearly current consumption unrelated to the swings to the business cycle.

There is some irony in the Senator's reference to an article by President Clinton's Economic Adviser Laura Tyson saying that tax increases and speeding cuts world deepen a recession when has boss, President Clinton, said tax increases and spending cuts would lead to a recovery when he fought for his tax bill in 1993.

Mr. President, the Senator from Maryland has made again the objection to the balanced budget amendment that the business cycle and the automatic stabilizers suggest that we should run deficits in bad years to dampen the effect of recessions or depressions. His argument seems to suggest that cyclical deficits are normal and good. The problem is that our deficits have become large, structural, and permanent.

Our deficits do not follow the business cycle in either size or frequency. They continue to go up, year after year. Surely we have had move than one business cycle since 1969, yet we have not balanced the budget in that time.

AMENDMENT NO. 267

Mr. FEINGOLD. Mr. President, I want to express my support of the amendment offered by the Senator from Massachusetts [Mr. KENNEDY] last night which would specifically provide that the balanced budget amendment to the Constitution does not provide the President of the United States with unilateral power to impound funds or raise taxes. This amendment will be voted on next Tuesday and I hope it will be adopted.

Mr. President, this amendment raises interesting questions because the opponents have repeatedly said that they do not believe that the balanced budget amendment, as drafted, should be interpreted to give the President the power to impound funds or raise taxes.

Many have stated they would oppose giving that kind of power to the executive branch, even through the implementing legislation.

The Judiciary Committee's majority report states, unequivocally, ''it is not the intent of the committee to grant the President any impoundment authority'' under the proposed balanced budget amendment.

Yet, these same Members have strenuously opposed an amendment which would clarify this issue once and for all, by making it clear that neither the balanced budget amendment, nor any implementing legislation enacted pursuant to its authority can give the executive branch the unilateral authority to bring the budget into balance by raising taxes or impounding funds.

It seems to me you can't have it both ways: you can not argue you don't support giving the President these sweeping powers and at the same time fight against an amendment which would make it clear that the balanced budget amendment does not provide such authority to the executive branch.

Mr. President, it is particularly important that this issue be settled now, clearly and in a forthright manner, because it raises very serious and profound questions about how this country will be governed if this constitutional amendment is adopted.

The question of Executive power under this amendment, like the question of the role of the courts, is one that ought to be answered now, before the amendment is added to our Constitution, not sometime later, in the distant future.

The people of this country have the right to know in advance whether this amendment will allow a fundamental restructuring of the balance of power and responsibilities between the three branches of Government.

The State legislators, who have an important responsibility when they vote whether or not to ratify this proposed amendment, ought to have this question resolved before they cast their votes.

If this amendment can be construed to give the President the right to, for example, withhold Social Security checks, or salaries of military and civilian employees of the Federal Government, or grants to State and local governments in order to meet the constitutional mandate for a balanced budget, then we ought to know that in advance.

Mr. President, the pending amendment to make it clear that the balanced budget amendment does not grant these sweeping powers to the executive branch is not about whether you are for or against the balanced budget amendment—it is about whether the proposed constitutional amendment is drafted in a way that can result in a fundamental change in the way this country is governed.

The balance of powers between the three branches of Government—legislative, executive, and judicial—is a concept which is fundamental to our system of Government. It has stood us well for more than 200 years. Our democracy has survived and thrived because the checks and balances contained in our Constitution has prevented any one of these branches from becoming dominant.

Without adoption of the pending amendment, that balance could be fundamentally altered.

Mr. President, let me stress again the issue here is not about whether you support or oppose the balanced budget amendment. It is about whether you believe that the President should have the power to impound funds or raise taxes on the American people at his or her sole discretion.

The concentration of this type of power in the hands of the executive is not something that I believe the people of this country want to see happen. They want to see their elected officials use some fiscal discipline and restraint to bring our Federal budget into balance. They want us to stop deficit spending and increasing the national debt—a debt that will be passed on to their children and grandchildren.

I do not believe that these concerns about fiscal responsibility means that the American people want to see the emergence of an imperial Presidency.

I do not believe that they want this President or the next to have the power to unilaterally impound funds or raise taxes.

If the proponents of the amendment truly believe that the amendment does not bestow those powers on the President, then they ought to be willing to accept this amendment.

Their resistance gives this Senator a great deal of concern, particularly in light of the strong legal arguments that have been presented indicating that the proposed balanced budget amendment could well be construed by the courts and the executive branch to bestow on the President extraordinary powers to impound funds or raise taxes in the event that the constitutionally mandated budget balanced has not been achieved.

Mr. President, this is not a risk that we should expose ourselves to when a simple solution—adoption of the pending amendment—will resolve the question.

A number of legal scholars have concluded that without such an amendment to the balanced budget amendment, the President would have such powers to enforce the constitutional mandate of a balanced budget. Their arguments, which I will summarize briefly, make a good deal of sense and we ought to heed their warnings.

These scholars note that the balanced budget amendment which the Senate is now considering is silent on the issue of how it will be enforced.

The amendment itself provides simply that total outlays cannot exceed total receipts in a fiscal year, unless each House of Congress approves a specific deficit by a three-fifths vote. The amendment, however, does not specify what action can be taken if an unconstitutional deficit arises, either because of the inaction of the legislative and executive branches, or because of unforeseen changes in economic factors.

At the same time, proponents argue that the balanced budget amendment is self-enforcing. The Judiciary Committee report states, ''both the President and Members of Congress swear an oath to uphold the Constitution, including any amendments thereto.''

As to how the President is expected to carry out that responsibility, particularly in the case of a recalcitrant Congress, the committee report simply states that it is not their intent to grant the President any impoundment authority, and that, in any event, Congress has the power under section 6 of the amendment to pass legislation that specifically denies impoundment powers to the President.

The implication of these passages in the committee report is clearly that the proponents of the amendment recognize the very real risk that the proposed amendment opens the door to a President acting to impound funds or raise taxes to meet the constitutional mandate of a balanced budget and that they hope that Congress will proscribe that authority in implementing legislation.

That is a thin argument upon which to rest such a profound issue as maintaining the constitutional balance of powers.

If Congress failed to pass legislation to preclude a President from taking unilateral action to bring a budget into balance by either impounding funds or raising taxes or Congress passed such legislation, but a President vetoed it and his or her veto was not overridden, there is every reason to believe that such authority would be there for a strong executive to take under the guise of carrying out his or her constitutional obligations.

Indeed, a President might well feel compelled to veto such legislation for the very reason that it would tie his or her hands in seeking to comply with the constitutional mandate to prevent outlays from exceeding revenues in any given fiscal year.

The Constitution, article II, section 3, obligates the President of the United States to ''take care that the Laws be faithfully executed.'' A commonsense reading of the proposed balanced budget amendment and the obligation of the President to faithfully execute the law means that the President must act to either impounds funds or raise taxes if the total outlays of the Federal Government exceed the total revenues in any fiscal year.

A broad range of respected legal scholars have reached that conclusion.

Assistant Attorney General Walter Dellinger testified before the Judiciary Committee that the proposed constitutional amendment would authorize the President to impound funds to insure that the outlays did not exceed revenues.

Harvard University law professor Charles Fried, who served as Solicitor General during the Reagan administration, testified that section 1 of the proposed amendment ''would offer a President ample warrant to impound appropriated funds'' in a year when actual revenues fell below projects and a bigger than authorized deficit occurred.

Other legal scholars who have reached similar conclusions include former Attorney General Nicholas de B. Katzenbach, Stanford University Law School Professor Kathleen Sullivan, Yale University Law School Professor Burke Marshall, and Harvard University Law School Professor Laurence Tribe.

Mr. President, I think it is important to stress that we are not talking here about the President exercising something along the lines of a line-item veto. Legislation which would give the President line-item veto authority to remove spending items from appropriation bills and provide Congress the opportunity to override those vetoes has passed the other body and will soon be debated in the Senate. The Judiciary Committee has also already held hearings last month on proposed constitutional amendments to provide the President with line-item veto authority.

What we are talking about here, however, is not a line-item veto, but the power of the President to take whatever steps he or she deems necessary, including impounding funds and raising taxes without any review by Congress in order to meet the constitutional mandate of a balanced budget. That is a very different process from a line-item veto authority and one which would vest the executive branch with unprecedented fiscal powers.

Mr. President, although much of the discussion regarding the Presidential powers to faithfully execute the requirements of a balanced budget amendment have focused upon the issue of impoundment authority, there is no reason to conclude that a President would not have equal powers to achieve a balanced budget by unilaterally raising taxes, duties or fees in order to generate the revenues needed to avoid an unconstitutional deficit. That is certainly not a result most proponents of the balanced budget amendment would like to see happen. The only sure way to prevent it is to adopt the pending amendment which would foreclose that option.

Mr. President, the best way to ensure that the balanced budget amendment is not interpreted to give Presidents the power to unilaterally impound social security checks or raise taxes on middle class workers is simple—put it in writing.

Adoption of this amendment will make it clear that the balanced budget amendment does not, in fact, authorize the President to exercise this kind of unprecedented power. Those who oppose this amendment have given no good reason why they are not willing to accept this amendment.

They ask that the American people accept, on good faith, that they ''do not intend'' to give the President these powers. The American people should

not have to rely upon ''good intentions.'' Why take the risk? Let's write it into the amendment.

MORNING BUSINESS

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session to Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–33. A joint resolution adopted by the Legislature of the State of New Hampshire; to the Committee on Armed Services.

''SENATE JOINT RESOLUTION 1

''Whereas, the Department of the Navy has maintained the Portsmouth Naval Shipyard since June 12, 1800; and

''Whereas, the Portsmouth Naval Shipyard has performed in an exemplary manner throughout its almost 2 centuries of history; and

''Whereas, the Portsmouth Naval Shipyard is one of the most modern facilities available in the United States for the repair, overhauling, and refueling of naval vessels; and

''Whereas, the communities located near the Portsmouth Naval Shipyard, in Maine, New Hampshire, and Massachusetts offer an abundance of highly trained, skilled and experienced workers who have an outstanding work ethic; and

''Whereas, the Portsmouth Naval Shipyard is uniquely and strategically located for the continued defense of our country; and

''Whereas, the Portsmouth Naval Shipyard is known for its leadership in the environmental field and has worked hard to be a partner with the surrounding communities; and

''Whereas, the Portsmouth Naval Shipyard has an aggressive pollution prevention program which determines how to eliminate pollution at its source by preventing hazardous waste from entering the waste system; and

''Whereas, the previous closure of Pease Air Force Base has had an extremely negative economic impact on the seacoast region with recovery from that loss taking much longer than anticipated; and

''Whereas, the Portsmouth Naval Shipyard contributes approximately $594,700,000 in personal income and this loss would contribute to the further contraction of the economic base of the region; and

''Whereas, the closure of the Portsmouth Naval Shipyard would have a devastating impact on an area much larger than the seacoast with that impact being much greater than that caused by the closure of Pease Air Force Base; and

''Whereas, the state of New Hampshire is firmly committed to actively supporting the continuation of the United States Naval Shipyard at Portsmouth; now, therefore, be it

''*Resolved by the Senate and the House of Representatives in General Court convened:*

''That the general court of New Hampshire respectfully recommends and urges the Congress of the United States to continue to operate, develop, diversify, and make fullest use of the United States Naval Shipyard at Portsmouth, New Hampshire;

''That the general court further urges the Congress of the United States to take all necessary action to ensure that the Portsmouth Naval Shipyard remains an integral component in a post-cold war defense strategy; and

''That copies of this resolution signed by the governor, the president of the senate and the speaker of the house be forwarded by the senate clerk to the President of the United States, Speaker of the United States House of Representatives, President of the United States Senate, the Secretary of Defense, and to each member of the New Hampshire and Maine Congressional delegations.''

POM–34. A resolution adopted by the Municipal Assembly of Morovis, Puerto Rico relative to Presidential elections; to the Committee on Energy and Natural Resources.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. WELLSTONE:

S. 473. A bill to establish as the nuclear energy policy of the United States that no new civilian nuclear power reactors shall be built until adequate waste emplacement capacity is available, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. MACK (for himself and Mr. GRAHAM):

S. 474. A bill to provide a veterans bill of rights; to the Committee on Veterans' Affairs.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. SPECTER (for himself, Mr. LAUTENBERG, Mr. D'AMATO, and Mr. SIMON):

S. Res. 79. A resolution designating March 25, 1995, as ''Greek Independence Day: A National Day Celebration of Greek and American Democracy''; to the Committee on the Judiciary.

By Mr. DORGAN (for himself, Mr. BAUCUS, and Mr. REID):

S. Res. 80. A resolution expressing the sense of the Senate on the impact on the housing industry of interest rate increases by the Federal Open Market Committee of the Federal Reserve System; to the Committee on Banking, Housing, and Urban Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. WELLSTONE:

S. 473. A bill to establish as the nuclear energy policy of the United States that no new civilian nuclear power reactors shall be built until adequate waste emplacement capacity is available, and for other purposes; to the Committee on Energy and Natural Resources.

THE NUCLEAR ENERGY POLICY ACT OF 1995

• Mr. WELLSTONE. Mr. President, today I address a subject that has received too little attention here. I'm talking about nuclear waste. Since the Senate's last major action on this issue, 8 years have passed, extremely little progress has been made, and more questions have been raised than resolved. I propose an approach designed to keep us from ending up embroiled in another nuclear waste crisis, and to that end today I introduce the Nuclear Energy Policy Act of 1995.

The nuclear waste issue is coming to a boil throughout our country. We all know that—and hear every day about—the Department of Energy's difficulties in figuring out what to do with our high-level nuclear wastes.

My own State of Minnesota has been at the forefront of this complex issue. The legislature last year decided to allow some dry-cask storage of high-level nuclear waste on the site of the Prairie Island nuclear plant. During the debate, people were confused by the advertisements and varying claims the different sides made about the permanency and safety of such a waste dump, and about alternatives to nuclear power electricity generation. And the Federal Government did not help Minnesotans make that decision. In fact, while the battle was raging in Minnesota, the Director of DOE's Office of Civilian Radioactive Waste Management was telling the Senate Energy and Natural Resources Committee that if Minnesota was to allow dry-casks at Prairie Island, he could not guarantee that the waste would ever leave. And Minnesotans were then and still are all too aware that if Yucca Mountain fails to qualify as a permanent repository, there is no Federal policy for what to do with the waste then.

And we also have no policy concerning future nuclear power plants. We have no policy protecting us from a second nuclear waste crisis.

Today I introduce a bill that provides that policy. It should have been the first law Congress passed upon entering the Atomic Age. It is nothing short of common sense.

The bill I introduce today simply requires that we build no more nuclear power plants until we have some place to permanently store the waste they will generate. That's all there is to it.

There is nothing radical about this idea. It is not a partisan idea—just look at the list of original cosponsors: two Democrats and two Republicans. All this bill does is put the nuclear cart back behind the horse, where it belongs.

It is true that no utility has yet stepped forward to site a new nuclear

power plant, and that is exactly why now is the time to pass this law. Once utilities make a huge investment in siting, licensing, and building new plants, the pressure upon Congress to provide a waste-disposal option for them becomes immense. Unfortunately, if Congress acts under such pressure, it might not come up with the best resolution. Let's ensure that for future plants, we deal with the waste issue in a deliberate way, free from pressure applied by utilities with vested interests.

I want to make this point crystal clear: this bill would not impact any existing plants. It would apply only to plants that would be constructed after the date of enactment. It would, therefore, not apply to renewal of existing licenses.

Here is the current commercial high-level nuclear waste situation in a nutshell: we have DOE, by Congressional mandate, putting all of its eggs in the Yucca Mountain basket. Even when Yucca Mountain is on-line—if ever—it will be able to hold only the waste that has been and will be generated by our current generation of reactors.

Where will the waste from a new generation of reactors be disposed of? This bill requires that we answer this question before that second generation is born.

This bill does not judge the deep geologic repository approach that the DOE is currently pursuing. Nor does it make any mention of a monitored retrievable storage facility. It only says that we ought to always have enough permanent storage capacity to take care of the waste that will be generated by a new nuclear power plant.

It is not enough to have a plan for adequate storage. It is also not enough to have begun construction on a storage facility. It is not even enough to have finished building but not yet licensed a storage facility. The permanent storage facility must be sited, built, and licensed for operation before construction may begin on a new plant under this bill.

The bill is written that way because of the huge difference between the planning and building of a waste facility on the one hand, and its actually accepting waste on the other. With politically charged issues like nuclear waste, it is wise to make absolutely certain that there is water in the pool before jumping in, rather than just turning on the spigot, taking a deep breath, and diving.

I urge Senators to support this important legislation. It is time to use a little common sense.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 473

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Nuclear Energy Policy Act of 1995''.

SEC. 2. FINDINGS.

Congress finds that—

(1) a national energy policy that allows the construction and operation of new civilian nuclear power reactors may serve to aggravate the problem of management of high-level nuclear waste including spent nuclear fuel from the reactors;

(2) the creation of the nuclear waste has a direct effect on the amount of nuclear waste transported in interstate commerce; and

(3) it is not in the public interest, and it should not be the policy of the United States, to allow the construction or operation in the United States of any additional civilian nuclear power reactor unless a facility for the permanent emplacement of the waste exists with enough capacity for the waste that the reactor is reasonably expected to generate in its lifetime.

SEC. 3. PURPOSE.

The purpose of this Act is to ensure that the United States does not aggravate the nuclear waste problem by permitting the creation of a new generation of civilian nuclear power reactors without adequate capacity in a permanent waste emplacement facility by establishing as the nuclear energy policy of the United States that no new civilian nuclear power reactor shall be built until adequate waste emplacement capacity is available.

SEC. 4. NUCLEAR ENERGY POLICY OF THE UNITED STATES.

(a) ADEQUATE EMPLACEMENT FACILITY.—No civilian nuclear power reactor shall be built after the date of enactment of this Act until—

(1) there is a facility licensed by the United States for the permanent emplacement of high-level radioactive waste (including spent nuclear fuel) from the reactor; and

(2) there is an adequate volume of capacity within the emplacement facility to accept all of the high-level radioactive waste (including spent nuclear fuel) that will be generated by the reactor during the reasonably foreseeable operational lifetime of the reactor.

(b) GENERATION OF SPENT FUEL.—At no time shall the aggregate volume of high-level radioactive waste (including spent nuclear fuel) that is generated, or reasonably expected to be generated, by all civilian power reactors on which federally authorized construction was begun after the date of enactment of this Act exceed the total volume of capacity available in facilities licensed by the United States for the permanent emplacement of the high-level radioactive waste (including spent nuclear fuel).

SEC. 5. ENFORCEMENT.

Any affected citizen may enforce this Act by bringing a civil action in the United States district court for the district in which the person resides or in the United States District Court for the District of Columbia.●

By Mr. MACK (for himself and Mr. GRAHAM):

S. 474. A bill to provide a veterans bill of rights; to the Committee on Veterans' Affairs.

THE VETERANS BILL OF RIGHTS ACT OF 1995

● Mr. MACK. Mr. President, today my colleague from Florida, Senator BOB GRAHAM, and I are introducing legislation to ensure that all veterans have access to the same care and benefits provided by the U.S. Department of Veterans Affairs regardless of race, ethnicity, sex, religion, age, or geographic location.

Under the Veterans Bill of Rights Act, veterans in all States will have equal access to such services as VA medical facilities, treatment, and personnel; VA home loan guaranty assistance, job training assistance, the administrative claims process, and equal treatment in the handling of claims for benefits.

While equal access to these essential veterans benefits and services is implied, in reality, it is not always the case. My home State of Florida, for example, has the most 100 percent service-connected disabled veterans in the United States. It is also home to the second largest overall veterans population. Consequently, the demand for services from the Department of Veterans Affairs is far greater than other States. Florida's veterans population, however, has far less access to medical care and other benefits than nearly every other State. In fact, veterans in Florida are forced to wait months for appointments at VA medical centers and outpatient clinics while veterans in other States have no waiting lines. That's wrong, and it must be changed.

Our Government made a contract with the men and women who bravely served our country in times of need. The contract guaranteed that the Federal Government would provide for them in return for their service. Many who honored this contract were injured or disabled. The Federal Government must live up to its' end of the contract by providing equitable treatment regardless of where the veteran lives.

Veterans in many States, like those who reside and vacation in Florida, do not receive their fair share of benefits. The Veterans Bill of Rights corrects this inequity, and I strongly urge my colleagues to cosponsor this important legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 474

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Veterans Bill of Rights Act''.

SEC. 2. ADMINISTRATION OF RIGHTS AND BENEFITS.

The Secretary of Veterans Affairs shall take any action necessary to ensure that any rights and benefits provided under title 38, United States Code, to veterans who qualify for the rights and benefits—

(1) are made available to the veterans in any one State or geographic location to the same extent as the rights and benefits are made available to the veterans in any other State or geographic location; and

(2) are not denied to any veteran on the basis of race, ethnicity, sex, religion, age, or geographic location.

SEC. 3. DEFINITION.

For purposes of this Act, the term ''State'' has the same meaning given such term in

section 101(20) of title 38, United States Code.●

ADDITIONAL COSPONSORS

S. 197

At the request of Mr. BUMPERS, the name of the Senator from Arkansas [Mr. PRYOR] was added as a cosponsor of S. 197, a bill to establish the Carl Garner Federal Lands Cleanup Day, and for other purposes.

S. 216

At the request of Mr. INOUYE, the name of the Senator from Texas [Mrs. HUTCHISON] was added as a cosponsor of S. 216, a bill to repeal the reduction in the deductible portion of expenses for business meals and entertainment.

S. 240

At the request of Mr. DOMENICI, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of S. 240, a bill to amend the Securities Exchange Act of 1934 to establish a filing deadline and to provide certain safeguards to ensure that the interests of investors are well protected under the implied private action provisions of the Act.

S. 256

At the request of Mr. DOLE, the name of the Senator from Idaho [Mr. CRAIG] was added as a cosponsor of S. 256, a bill to amend title 10, United States Code, to establish procedures for determining the status of certain missing members of the Armed Forces and certain civilians, and for other purposes.

S. 269

At the request of Mr. SIMPSON, the names of the Senator from Kansas [Mrs. KASSEBAUM] and the Senator from Nevada [Mr. BRYAN] were added as cosponsors of S. 269, a bill to amend the Immigration and Nationality Act to increase control over immigration to the United States by increasing border patrol and investigator personnel; improving the verification system for employer sanctions; increasing penalties for alien smuggling and for document fraud; reforming asylum, exclusion, and deportation law and procedures; instituting a land border user fee; and to reduce use of welfare by aliens.

S. 270

At the request of Mr. SMITH, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 270, a bill to provide special procedures for the removal of alien terrorists.

S. 305

At the request of Mr. WARNER, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of S. 305, a bill to establish the Shenandoah Valley National Battlefields and Commission in the Commonwealth of Virginia, and for other purposes.

S. 426

At the request of Mr. SARBANES, the names of the Senator from South Carolina [Mr. HOLLINGS] and the Senator from Virginia [Mr. ROBB] were added as cosponsors of S. 426, a bill to authorize the Alpha Phi Alpha Fraternity to establish a memorial to Martin Luther King, Jr., in the District of Columbia, and for other purposes.

S. 439

At the request of Mr. THOMAS, the name of the Senator from Maine [Ms. SNOWE] was added as a cosponsor of S. 439, a bill to direct the Director of the Office of Management and Budget to establish commissions to review regulations issued by certain Federal departments and agencies, and for other purposes.

AMENDMENT NO. 274

At the request of Mrs. FEINSTEIN, the names of the Senator from Florida [Mr. GRAHAM] and the Senator from North Dakota [Mr. DORGAN] were added as cosponsors of amendment No. 274 proposed to House Joint Resolution 1, a joint resolution proposing a balanced budget amendment to the Constitution of the United States.

At the request of Mrs. FEINSTEIN the name of the Senator from Arkansas [Mr. BUMPERS] was withdrawn as a cosponsor of amendment No. 274 proposed to House Joint Resolution 1, supra.

SENATE RESOLUTION 79—RELATIVE TO GREEK INDEPENDENCE DAY

Mr. SPECTER (for himself, Mr. LAUTENBERG, Mr. D'AMATO, and Mr. SIMON) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 79

Whereas, the ancient Greeks developed the concept of democracy, in which the supreme power to govern was invested in the people;

Whereas, the Founding Fathers of the United States of America drew heavily upon the political experience and philosophy of ancient Greece in forming our representative democracy;

Whereas, these and other ideals have forged a close bond between our two nations and their peoples;

Whereas, March 25, 1995 marks the 174th anniversary of the beginning of the revolution which freed the Greek people from the Ottoman Empire; and

Whereas, it is proper and desirable to celebrate with the Greek people, and to reaffirm the democratic principles from which our two great nations were born: Now, therefore, be it

Resolved by the Senate of the United States of America assembled, that March 25, 1995 is designated as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy." The President is requested to issue a proclamation calling upon the people of the United States to observe the day with appropriate ceremonies and activities.

● Mr. SPECTER. Mr. President, today I am submitting along with Senators LAUTENBERG, D'AMATO, and SIMON a resolution to designate March 25, 1995, as "Greek Independence Day: A Celebration of Greek and American Democracy."

One hundred and seventy-four years ago, the Greeks began the revolution that would free them from the Ottoman Empire and return Greece to is democratic heritage. It was, of course, the ancient Greeks who developed the concept of democracy in which the supreme power to govern was vested in the people. Our Founding Fathers drew heavily upon the political and philosophical experience of ancient Greece in forming our representative democracy. Thomas Jefferson proclaimed that, "to the ancient Greeks * * * we are all indebted for the light which led ourselves out of Gothic darkness." It is fitting, then, that we should recognize the anniversary of the beginning of their efforts to return to that democratic tradition.

The democratic form of government is only one of the most obvious of the many benefits we have gained from the Greek people. The ancient Greeks contributed a great deal to the modern world, particularly to the United States of America, in the areas of art, philosophy, science, and law. Today, Greek-Americans continue to enrich our culture and make valuable contributions to American society, business, and government.

It is my hope that strong support for this resolution in the Senate will serve as a clear goodwill gesture to the people of Greece with whom we have enjoyed such a close bond throughout history. Similar resolutions have been signed into law each of the past several years, with overwhelming support in both the House of Representatives and the Senate. Accordingly, I urge my Senate colleagues to join me in supporting this important resolution.●

SENATE RESOLUTION 80—RELATIVE TO THE FEDERAL OPEN MARKET COMMITTEE

Mr. DORGAN (for himself, Mr. BAUCUS, and Mr. REID) submitted the following resolution; which was referred to the Committee on Banking, Housing, and Urban Affairs:

S. RES. 80

Whereas the Federal Open Market Committee of the Federal Reserve System has increased interest rates 7 times during the 12 months preceding the date of adoption of this resolution, despite the absence of any serious threat of inflation;

Whereas the inflation rate declined to very modest levels during the 4 years preceding the date of adoption of this resolution;

Whereas the Board of Governors of the Federal Reserve System maintains that the Consumer Price Index overstates the true rate of inflation by as much as 50 percent;

Whereas increases in short-term interest rates have been accompanied by increases in long-term interest rates, reversing the downward trend that helped strengthen the national economy;

Whereas such higher interest rates will have a devastating impact on the economy, including home builders, homebuyers, and homeowners;

Whereas higher interest rates will increase the Federal deficit by adding $171,000,000,000, over 5 years, to pay the interest on the national debt;

Whereas the housing industry is one of the most interest rate sensitive sectors of the economy;

Whereas some home mortgage payments have increased by hundreds of dollars per month because of the increase in interest rates by the Federal Open Market Committee;

Whereas the interest rate on a 30-year fixed rate mortgage increased from approximately 7 percent since February 4, 1994, to the level of 9 percent 12 months later, increasing the monthly payment on a $100,000 home mortgage loan by more than $140 per month;

Whereas homeowners with adjustable rate mortgages will spend an estimated aggregate increase of $12,000,000,000 to $15,000,000,000, in monthly payments during 1995;

Whereas the National Association of Home Builders estimates that a 1 percentage point increase in mortgage interest rates means that approximately 4,000,000 households could not qualify to purchase a median-priced home: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) additional interest rate increase at this time could risk throwing the economy into a recession;

(2) the Board of Governors of the Federal Reserve System should act with caution so as not to risk another recession; and

(3) the Board of Governors of the Federal Reserve System should carefully weigh the effects of interest rate increases on homeowners, homebuyers, home builders, and American taxpayers when evaluating interest rate policy.

Mr. DORGAN. Mr. President, yesterday Federal Reserve Board Chairman Alan Greenspan testified before Congress that the Fed's recent actions to increase interest rates were achieving their intended goal: to put the brakes on economic growth in this country. He also left room for the Fed to raise interest rates even further to deal with inflationary pressures. Well, I say enough is enough. No more interest rate hikes.

The Fed says it has raised short-term interest rates by a full three percentage points this past year to combat inflation. But what inflation? Like Don Quixote on a mission to root out an imaginary enemy, the Fed has made inflation the invisible foe it seeks to defeat. In fact, the evidence shows that inflation has actually been falling for the past four years.

What the Fed has actually accomplished with higher interest rates is to put at risk those most vulnerable to interest rate change including homeowners, homebuyers, and home builders.

Just look at what's happening to middle-income Americans in communities all across this country as a result of the Fed's actions.

The interest rate on a 30-year fixed rate mortgage has jumped from 7 percent to 9 percent in less than a year.

A homeowner carrying a $100,000 fixed mortgage is paying almost $150 more a month now for that loan than just a year ago.

Homeowners with adjustable rate mortgages will spend an estimated $12 to $15 billion more in total monthly payments this year.

The National Association of Home Builders estimates that a one percentage point increase in mortgage rates will prevent four million families from realizing their dream of owning their own home. That is 4 million broken dreams.

Higher interest rates will increase the Federal deficit by adding $171 billion, over 5 years, to pay the interest we must pay on the national debt.

That's why I am submitting today a sense-of-the-Senate resolution, which puts the Fed on notice. Stop the interest rate increase. Do not risk another recession. Consider the interests of the homeowners, homebuyers, home builders, taxpayers, and others who wind up bearing the burden of these actions.

If you're as exasperated as I am with the Federal Reserve Board actions that put a hammer lock on middle-income families and the businesses that serve them, I hope that you will join me in cosponsoring this resolution. The threat is not inflation, which has decreased four years in a row. The threat we face is that of throwing our economy into another recession.

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, I have previously announced a hearing scheduled before the full Committee on Energy and Natural Resources on Thursday, March 2, 1995, at 9:30 a.m., in room SD–366 of the Dirksen Senate Office Building in Washington, DC, for the purpose of receiving testimony regarding S. 433, the Electric Consumers and Environmental Protection Act of 1995, and S. 167, the Nuclear Waste Policy Act of 1995. I would like to announce that the committee will also consider S. 429, the Independent Spent Nuclear Fuel Storage Act of 1995 and S. 473, the Nuclear Energy Policy Act of 1995.

Those wishing to testify or who wish to submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510. For further information, please call Karen Hunsicker at (202) 224–3543.

SUBCOMMITTEE ON FORESTS AND PUBLIC LAND MANAGEMENT

Mr. CRAIG. Mr. President, I would like to announce for the information of the Senate and the public that an oversight hearing on Forest Service appeals has been scheduled before the Subcommittee on Forests and Public Land Management.

The hearing will take place on Wednesday, March 8, at 2 p.m. in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

Those wishing to testify or who wish to submit written statements should write to the Committee on Energy and Natural Resources, Subcommittee on Forests and Public Land Management, U.S. Senate, Washington, DC 20510. For further information, please call Mark Rey at (202) 224–2878.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LUGAR. Mr. President, I would like to announce that the Senate Committee on Agriculture, Nutrition, and Forestry will hold a full committee hearing to discuss ''Farm Programs: Are Americans Getting What They Pay For?''. The hearing will be held on Thursday, March 9, 1995, at 9:30 a.m. in SR–332.

For further information please contact Chuck Conner at 224–0005.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON ADMINISTRATIVE OVERSIGHT AND THE COURTS

Mr. HATCH. Mr. President, I ask unanimous consent that the Subcommittee on Administrative Oversight and the Courts, U.S. Senate Committee on the Judiciary, be authorized to meet during a session of the Senate on Friday February 24, 1995, at 9:30 a.m., in Senate Dirksen room 226, on S. 243, the Comprehensive Regulatory Reform Act of 1995 and regulatory Relief.

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

ADDITIONAL STATEMENTS

IN SUPPORT OF THE PORTSMOUTH NAVAL SHIPYARD

• Mr. SMITH. Mr. President, I recently learned that the New Hampshire State Senate and House of Representatives adopted a joint resolution in support of keeping the Portsmouth Naval Shipyard in New Hampshire open at its full operating capacity. As we approach the release date of the Department of Defense's base closure list for the 1995 round, I would like to take this time to associate myself with the strong support expressed in the resolution passed by my State's legislature and signed by Gov. Stephen Merrill. Furthermore, I ask that the full text of that resolution be printed in the RECORD.

The State resolution follows:

SENATE JOINT RESOLUTION 1—STATE OF NEW HAMPSHIRE

Whereas, the Department of the Navy has maintained the Portsmouth Naval Shipyard since June 12, 1800; and

Whereas, the Portsmouth Naval Shipyard has performed in an exemplary manner throughout its almost 2 centuries of history; and

Whereas, the Portsmouth Naval Shipyard is one of the most modern facilities available in the United States for the repair, overhauling, and refueling of naval vessels; and

Whereas, the communities located near the Portsmouth Naval Shipyard, in Maine, New Hampshire, and Massachusetts offer an abundance of highly trained, skilled and experienced workers who have an outstanding work ethic; and

Whereas, the Portsmouth Naval Shipyard is uniquely and strategically located for the continued defense of our country; and

Whereas, the Portsmouth Naval Shipyard is known for its leadership in the environmental field and has worked hard to be a partner with the surrounding communities; and

Whereas, the Portsmouth Naval Shipyard has an aggressive pollution prevention program which determines how to eliminate pollution at its source by preventing hazardous waste from entering the waste system; and

Whereas, the previous closure of Pease Air Force Base has had an extremely negative economic impact on the seacoast region with recovery from that loss taking much longer than anticipated; and

Whereas, the Portsmouth Naval Shipyard contributes approximately $594,700,000 in personal income and this loss would contribute to the further contraction of the economic base of the region; and

Whereas, the closure of the Portsmouth Naval Shipyard would have a devastating impact on an area much larger than the seacoast with that impact being much greater than that caused by the closure of Pease Air Force Base; and

Whereas, the state of New Hampshire is firmly committed to actively supporting the continuation of the United States Naval Shipyard at Portsmouth; now, therefore, be it *Resolved by the Senate and House of Representatives in General Court convened;*

That the general court of New Hampshire respectfully recommends and urges the Congress of the United States to continue to operate, develop, diversify, and make fullest use of the United States Naval Shipyard at Portsmouth, New Hampshire;

That the general court further urges the Congress of the United States to take all necessary action to ensure that the Portsmouth Naval Shipyard remains an integral component in a post-cold war defense strategy; and

That copies of this resolution signed by the governor, the president of the Senate and the Speaker of the House be forwarded by the Senate clerk to the President of the United States, Speaker of the United States House of Representatives, President of the United States Senate, the Secretary of Defense, and to each member of the New Hampshire and Maine Congressional delegations.●

TRIBUTE TO FRANCIS MARION ''FRANK'' HENDLEY II

● Mr. LUGAR. Mr. President, I rise today to pay tribute to the late Francis Marion ''Frank'' Hendley II, on the occasion of his 78th birthday on February 24, 1995.

Frank was born on February 24, 1917, in Birmingham, AL. After distinguished service with the Coast Guard in the South Pacific during World War II, Frank moved to Indiana, where he lived from 1946 to 1952. As regional manager for Gordon Foods Co., he ws instrumental in changing the Gordon Foods Co. slogan from ''Trucks Serving the South'' to ''Trucks Serving the Best.''

Frank was elected the first national president of the Hendley Family Association, Inc., on November 22, 1975. He led the association with distinction during his tenure as president from 1976 through 1977. Subsequent to his passing on November 15, 1986, he has been honored by the legislatures of the seven States in which he resided, including Kentucky, California, Georgia, Tennessee, and Florida, as well as the cities of Indianapolis and Beech Grove.

It is with pleasure that I offer this tribute to a loyal and true patriot who served his family and his country with great distinction.●

RETIREMENT OF MAJ. GEN. DARRELL V MANNING

● Mr. KEMPTHORNE. Mr. President, on February 25, 1995, Maj. Gen. Darrell V Manning will retire as the adjutant general of Idaho and the commanding general of the Idaho National Guard. The State of Idaho and the Nation will lose the service of a true patriot when General Manning retires.

A native of Idaho, General Manning has an accomplished record of service to Idaho and the Nation. He has served in the active duty Air Force, the Idaho Air National Guard, the Idaho House of Representatives, the Idaho State Senate, and the Idaho Transportation Department as director. As a member of the Idaho Legislature, General Manning was a noted master of parliamentary procedures.

As commanding general of the Idaho National Guard, General Manning has overseen the transformation that has resulted in the Idaho National Guard being recognized as a world-class organization for the training and preparation of soldiers and airmen. Under General Manning's command, the Idaho Air National Guard has flown two unprecedented 6-month tours of duty to Saudi Arabia to enforce the no-fly-zone over southern Iraq. In addition, on December 1, 1994, the Idaho National Guard flew to Turkey for a 4-month deployment to enforce the no-fly-zone over northern Iraq. As a result of the first of these three deployments, Dr. Sheila Widnall, the Secretary of the Air Force, traveled to Gowen Field 1 year ago to present the Idaho Air National Guard with the Air Force's Outstanding Unit Award.

And, too, under General Manning the Army National Guard has proven its readiness and competence in annual training exercises time and time again. For example, the Idaho National Guard's Apache Battalion was stood up and certified combat ready in record time under General Manning's watch. In addition, the 116th Armor Brigade was selected as one of Army's 15 enhanced combat brigades. The Idaho Army National Guard also completed the development of one of the Nation's most technologically advanced armor ranges in an environmentally sensitive and balanced way.

While General Manning has shown himself to be an exceptional military leader, he has also demonstrated a strength of character and discipline I have come to know and respect. Let me give you one example. Every year, the Adjutant Generals Association of the United States [AGAUS] meets to discuss issues confronting the National Guard. At these annual meetings, a number of adjutant generals deliver lectures on special topics. At the 1993 meeting, General Manning delivered a lecture on ethics and morality. In my mind, the Adjutant Generals Association could not have found a better speaker.

Since that meeting of the AGAUS, I have met with a number of National Guard leaders, including the current director of the National Guard Bureau, and each of these officers has praised the content and relevancy of General Manning's lecture.

In my view, the Nation will not only say goodbye to an outstanding commanding officer when General Manning retires, but we will also be saying our farewells to a man of principle, character, and integrity. For these reasons, I want to pay a special tribute to Maj. Gen. Darrell V Manning.●

ORDERS FOR MONDAY, FEBRUARY 27, 1995

Mr. HATCH. Let me get the unanimous-consent requests that need to be done and I will preserve the Senator's rights.

Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 12 noon on Monday, February 27, 1995, that following the prayer, the Journal of proceedings be deemed approved to date, the time for the two leaders be reserved for their use later in the day, there then be a period for the transaction of routine morning business not to extend beyond the hour of 12:30 p.m., with Senators permitted to speak for not to exceed 10 minutes each.

I further ask consent that at the hour of 12:30 p.m. the Senate resume consideration of House Joint Resolution 1, the balanced budget amendment, and at that time Senator BYRD be recognized for up to 1 hour.

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

PROGRAM

Mr. HATCH. For the information of all of my colleagues, as previously announced there will be no rollcall votes during Monday's session. As a reminder, under the consent agreement all debate time during Monday's session will be equally divided between the two leaders. In addition, 23 amendments or motions have been offered under the terms of the consent agreement. Those votes will occur beginning at 2:15 p.m. on Tuesday, February 28.

APPOINTMENT BY THE MINORITY LEADER

The PRESIDING OFFICER. The Chair, on behalf of the minority leader, pursuant to Senate Resolution 105, adopted April 13, 1989, as amended by Senate Resolution 280, adopted October 8, 1994, announces the appointment of the following Senators as members of

the Senate Arms Control Observer Group: the Senator from Rhode Island [Mr. PELL], the Senator from Massachusetts [Mr. KENNEDY], the Senator from New York [Mr. MOYNIHAN], the Senator from Michigan [Mr. LEVIN], the Senator from Maryland [Mr. SARBANES], the Senator from Arkansas [Mr. BUMPERS], and the Senator from Ohio [Mr. GLENN].

APPOINTMENTS BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, in accordance with 22 U.S.C. 1928a–1928d, as amended, appoints the Senator from Alabama [Mr. HEFLIN] as Vice Chairman of the Senate Delegation to the North Atlantic Assembly during the 104th Congress.

The Chair, on behalf of the Vice President, pursuant to 22 U.S.C. 276h–276k, as amended, appoints the Senator from Connecticut [Mr. DODD] as Vice Chairman of the Senate Delegation to the Mexico-United States Interparliamentary Group during the 104th Congress.

Mr. HATCH. If there is no further business to come before the Senate, and no other Senator is seeking recognition I now ask that the Senate stand in recess under the previous order.

RECESS UNTIL MONDAY, FEBRUARY 27, 1995

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until Monday, February 27, 1995, at 12 noon.

Thereupon, at 7:53 p.m., the Senate recessed until Monday, February 27, 1995, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate February 24, 1995:

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

KIRSTEN S. MOY, OF NEW YORK, TO BE ADMINISTRATOR OF THE COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND. (NEW POSITION)

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

THE FOLLOWING OFFICER, NOAA, FOR APPOINTMENT TO THE GRADE OF REAR ADMIRAL (0-8), WHILE SERVING IN A POSITION OF IMPORTANCE AND RESPONSIBILITY AS DIRECTOR, OFFICE OF NOAA CORPS OPERATIONS, NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION, UNDER THE PROVISIONS OF TITLE 33, UNITED STATES CODE, SECTION 853U:

REAR ADM. (LOWER HALF) WILLIAM L. STUBBLEFIELD, NOAA.

IN THE NAVY

THE FOLLOWING NAMED CAPTAINS IN THE LINE OF THE U.S. NAVY FOR PROMOTION TO THE PERMANENT GRADE OF REAR ADMIRAL (LOWER HALF), PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 624, SUBJECT TO QUALIFICATIONS THEREFORE AS PROVIDED BY LAW:

UNRESTRICTED LINE OFFICER

To be rear admiral (lower half)

CAPT. STEPHEN HALL BAKER, 000–00–0000, U.S. NAVY.
CAPT. JOHN JOSEPH BEPKO III, 000–00–0000, U.S. NAVY.
CAPT. JAY ALAN CAMPBELL, 000–00–0000, U.S. NAVY.
CAPT. ROBERT CHARLES CHAPLIN, 000–00–0000, U.S. NAVY.
CAPT. JAMES CUTLER DAWSON, JR., 000–00–0000, U.S. NAVY.
CAPT. MALCOLM IRVING FAGES, 000–00–0000, U.S. NAVY.
CAPT. THOMAS JAMES FLANAGAN, 000–00–0000, U.S. NAVY.
CAPT. VERONICA ZASADNI FROMAN, 000–00–0000, U.S. NAVY.
CAPT. SCOTT ALLEN FRY, 000–00–0000, U.S. NAVY.
CAPT. EVERETT LEWIS GREENE, 000–00–0000, U.S. NAVY.
CAPT. GREGORY GORDON JOHNSON, 000–00–0000, U.S. NAVY.
CAPT. STEPHEN IRVIN JOHNSON, 000–00–0000, U.S. NAVY.
CAPT. JOSEPH JOHN KROL, JR., 000–00–0000, U.S. NAVY.
CAPT. STEPHEN ROBERT LOEFFLER, 000–00–0000, U.S. NAVY.
CAPT. JOHN THOMAS LYONS III, 000–00–0000, U.S. NAVY.
CAPT. JAMES IRWIN MASLOWSKI, 000–00–0000, U.S. NAVY.
CAPT. RICHARD WALTER MAYO, 000–00–0000, U.S. NAVY.
CAPT. MICHAEL GLENN MULLEN, 000–00–0000, U.S. NAVY.
CAPT. LARRY DON NEWSOME, 000–00–0000, U.S. NAVY.
CAPT. RICHARD JEROME NIBE, 000–00–0000, U.S. NAVY.
CAPT. WILLIAM WILSON PICKAVANCE, JR., 000–00–0000, U.S. NAVY.
CAPT. PAUL SCOTT SEMKO, 000–00–0000, U.S. NAVY.
CAPT. ROBERT GARY SPRIGG, 000–00–0000, U.S. NAVY.
CAPT. ROBERT TIMOTHY ZIEMER, 000–00–0000, U.S. NAVY.

ENGINEERING DUTY OFFICER

To be rear admiral (lower half)

CAPT. OSIE V COMBS, JR., 000–00–0000, U.S. NAVY.
CAPT. GEORGE RICHARD YOUNT, 000–00–0000, U.S. NAVY.

AEROSPACE ENGINEERING DUTY OFFICER

To be rear admiral (lower half)

CAPT. JEFFREY ALAN COOK, 000–00–0000, U.S. NAVY.