

A second cloture vote will occur tomorrow if cloture is not invoked today.

It is also my hope that we might at least debate this evening the CIA nomination, Mr. Deutch. I think the administration would like to have that done. I think it is a 2-hour time agreement. We can debate that this evening, and have the rollcall vote tomorrow morning.

I yield the floor.

MORNING BUSINESS

The ACTING 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 12 noon with Senators permitted to speak therein for not to exceed 5 minutes each.

RECOGNITION OF SENATOR BYRD

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from West Virginia is recognized to speak for up to 30 minutes.

Mr. BYRD. I thank the Chair.

THE BUDGET

Mr. BYRD. Mr. President, section 301 of the Congressional Budget and Impoundment Control Act of 1974 requires that on or before April 15 of each year the Congress shall complete action on a concurrent resolution on the budget for the fiscal year beginning on October 1 of such year. The failure to meet this deadline, however, has no effect on points of order under the Congressional Budget Act. In fact, Congress has met the deadline only three times since enactment of the 1974 Budget Act; namely, for fiscal years 1976, 1977, and 1994. So, it is not unusual that Congress, at the April 15 deadline, has yet to complete action on the 1996 budget resolution.

It does seem a little unusual that this year's budget resolution has not been reported by the Budget Committee of either House. Perhaps our friends on the Budget Committees are finding it somewhat more difficult to come forward with a budget resolution which will force Congress to make the difficult choices that will be necessary to achieve a balanced budget, than it was to sign the mostly empty pledges that were contained in the vacuous rhetoric of the so-called "Contract With America."

For a while, everything seemed to be going along swimmingly for the new Republican majority in Congress. We have been told over and over again by the House Republican leadership that they would balance the budget by the year 2002, while at the same time they would increase military spending, cut taxes by some \$630 billion over the next ten years, and take Social Security off the budget-cutting table.

Thus ornament is but the guiled shore
To a most dangerous sea; the beauteous scarf

Veiling an Indian beauty; in a word,
The seeming truth which cunning times put
on

To entrap the wisest.

It was obvious to all who examined this visionary proposal that it amounts to a return to the failed policies of supply-side economics undertaken during the Reagan-Bush years. The problem with the Reagan plan was that we did the easy part—we massively increased military spending and we drastically cut taxes. But when it came to the hard part—cutting entitlement spending—everybody balked. We all know what resulted from those actions—a string of unprecedented budget deficits which were the largest the country has ever seen and which ceased to grow only after the election of President Clinton.

In other words, we went on a national spending spree on credit—not paying our bills, but charging them to future generations. As a result, the national debt rose from \$932 billion on January 20, 1981, when President Reagan was sworn in, to \$4.1 trillion on January 20, 1993, the day that Bill Clinton was sworn in as President.

Immediately following his election, President Clinton submitted a budget that cut the projected Bush deficits drastically and, in fact, in 1993 Congress enacted a massive deficit reduction bill, which President Clinton signed into law. That package of budget cuts reduced the projected deficits over 5 years by roughly \$500 billion, and it was passed by both Houses of Congress without a single Republican vote.

The economy has responded well to the deficit reduction that has taken place thus far under the leadership of President Clinton. I believe that the economy will continue to perform well so long as we continue our efforts to whittle away at the massive deficits built up over the dozen Reagan-Bush years.

Tough decisions will be required to balance the Federal budget. I know that it will require drastic action. I believe that the American people, as a whole, are prepared to face the tough choices that will have to be faced in order to balance the Federal budget, so long as they are certain that their elected representatives are administering the budget cuts fairly across every sector of the country. The budget axe should not be wielded indiscriminately. This round of budget cutting, to be effective, should involve priority setting; it should involve separating out the truly effective and necessary Federal Government programs from those that are merely nice to have but not truly necessary for the Federal Government to be involved.

Furthermore, if we are to achieve fairness in our deficit-elimination efforts, we cannot ignore the huge tax subsidies that are written into the Tax Code from time to time and are never looked at again. These kinds of tax expenditures, many of which may well

serve a worthwhile national purpose, should no longer be allowed to escape scrutiny along with every other area of Federal activity.

We are told by the Congressional Research Service that there are over 120 separate tax expenditures in current law which will cost the U.S. Treasury \$453 billion this fiscal year. That figure will rise to \$568.5 billion in fiscal year 1999—unless Congress and the President enact changes to eliminate and otherwise cut back the growth in some of these tax subsidies. If we fail to do so, then how can we possibly expect the American people to believe that we have administered budget cuts fairly?

Incredibly, Mr. President, we have not seen any indication by the Republican leadership that they are prepared to even examine these 120 Federal tax subsidies to see if they are necessary or if they can be afforded any longer.

Instead, we have seen the House pass a massive tax cut bill, which will cost \$630 billion over the next 10 years. And, who will get the benefit of those tax cuts? According to the Treasury Department:

Nearly half the tax benefits—47 percent—would go to the wealthiest 10 percent of households. These households all have incomes at least somewhat above \$100,000, according to the Treasury measure.

The richest 1 percent of households—1.1 million households—would receive 20 percent of the benefits from the tax package, while the bottom three-fifths of households—65 million households—would receive only 15.6 percent of the total tax benefits, according to the Treasury data.

The average tax reduction for the wealthiest 10 percent of all households would be nearly nine times greater than the average tax reduction for the middle fifth of households—\$4,821 and \$555, respectively.

Mr. President, I am totally opposed to tax cuts at this time. I will not vote for President Clinton's tax cuts, I will not vote for the House-passed tax cuts, or any other tax cuts that may be proposed at this time. We need to keep an eye on the target of reducing the Federal budget deficit until it is eliminated. From press accounts, I understand that Senator DOMENICI, the very able and experienced chairman of the Budget Committee, is planning to recommend to the Budget Committee a budget resolution which, if carried out, would result in a balanced budget for fiscal year 2002. It is my further understanding that Senator DOMENICI's proposal will not include a tax cut. Instead, a tax cut would have to wait until Congress has enacted the necessary legislation to achieve budget balance, under CBO scoring, by 2002.

If this is the position of the chairman of the Budget Committee, I commend him for his courage and foresight, and for his integrity in placing the emphasis in this year's budget resolution