

politics to suddenly take away our capacity to free both of our candidates, or any major party candidate, from having to go out and raise these extraordinary sums of money which most Americans have come to agree distort the American political process.

That is not the only issue raised in this budget, and we will have ample time in the days ahead to discuss it.

Mr. President, I see that the majority leader is in the Chamber. I do not know if he had an announcement or a procedure.

Mr. DOLE. Announcement. I would like to get back on the bill.

Mr. KERRY. Mr. President, let me just say to the majority leader, I had asked if there were any amendments. There were no amendments, and I allowed whatever amendments were there to be done before speaking. If there is an amendment that is ready to go forward, I am not trying to delay the process or hold up the Senate, but I thought I would call attention to this issue in the absence of that.

Mr. DOLE. I do not have any problem with that.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. If the Senator will yield.

Mr. KERRY. I would like to retain the right to the floor, but I will yield.

INTERSTATE TRANSPORTATION OF MUNICIPAL SOLID WASTE ACT

The Senate continued with the consideration of the bill.

Mr. DOLE. I have just seen a list of amendments—10, 12, 13, 14 amendments. I do not know why people are not here offering the amendments. We are going to be here today, and we are going to vote today, if we have to have Sergeant at Arms votes. People who wish to offer their amendments better come to the floor and offer their amendments. We want to finish this bill.

I do not have any problem with the Senator speaking, because, as the Senator from Massachusetts said, there is nobody here to offer an amendment. But I say to my colleagues who have amendments, if you are going to offer them, come to the floor and offer your amendments. We have two managers here who do want to do business. They were here late last night. They were here early this morning. So I hope we can accommodate Senator BAUCUS and Senator CHAFEE and others who have primary responsibility for this legislation. It is important legislation. We ought to finish it, and I hope that by 4 or 5 o'clock we will be finished with the bill.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I thank the majority leader.

LOOKING AT THE FEDERAL BUDGET

Mr. KERRY. Mr. President, I would like to say to my colleagues that the

last time I looked at the Federal budget, which has been many times in the last few days, I did not notice that spending was increasing significantly in the discretionary domestic side of the budget. I did not notice that Americans were coming up to any of us and saying to us, Senator, we have too much drug treatment in America; we ought to cut it so fewer addicts can get treatment.

I did not notice that a lot of people were coming up and saying, it is already easy enough for me to send my kid to school, so why not cut the tax deduction to send our kids to college and make it harder for us to send our kids to school.

I did not notice people were suggesting that our train system is comparable to the Japanese or the Germans or the French, and therefore we ought to be reducing the investment in our railroads.

I did not notice that our colleges and universities were so fat with money that their laboratories, which are 20 and 30 years old in many cases, are state of the art and so they do not need additional Federal funding to increase the science capacity or research of America.

I could run down a long list of things that I do not think Americans are asking us to cut, but, Mr. President, we are cutting them. We are cutting them. And I respectfully suggest we are cutting out of this country the guts of our ability to be able to remain a great country and guarantee that our kids, who are increasingly growing up in a vacuum, are going to have the best education system in the world, the kind of opportunity that we have promised through these years.

We had a period of know-nothingism in America once before, and I am not sure that we are venturing close to a new period of sort of put your head in the sand and pretend—pretend that a 15-year-old kid who has an abusive parent or a drug addict parent and whose other parent is absent, pretend that that kid, who is already at risk and dropped out of school, is somehow suddenly going to be saved by cutting access to the YMCA, YWCA, the Boys and Girls Clubs, Youth Build, the City Years, the AmeriCorps of this country.

That is what we are doing. The one part of the budget that is increasing is entitlements. It is the only part of the Federal budget that is really increasing in real dollars. And the truth is that you are not going to solve that problem just by whacking away at a fixed amount of money when more and more Americans are turning 65, more and more Americans are living longer, and more and more Americans have a right to expect that they are going to get quality medical care.

What will happen if we just lop off several hundred billion out of Medicare? Sure, we will cut out some waste. And, yes, some good entrepreneurs will respond and there will be an increase in managed care and HMO's, and so forth.

But you will take the guts out of teaching hospitals. You will take the guts out of research and development. And those things that have provided the United States with the most extraordinary advanced technology and medical care in the world will suddenly begin to diminish, just like deferred maintenance on a building. Sure, we can cut the maintenance today, and we have been doing that, I might add, in many different sectors. But 5 and 10 years from now, after 10 years of cuts and deferred maintenance, the buildings begin to crumble, the bridges begin to fall down, the sewer systems fall apart, the water treatment facilities are not there.

Mr. President, we have to stop and recognize that there are three deficits in this country. There is a fiscal deficit, but there is also an investment deficit, and there is a spiritual deficit. And we are not going to address the investment deficit, which is critical to dealing with the spiritual deficit, unless we treat all three of them simultaneously. And all this budget that we will be presented does is deal with the fiscal deficit.

What do I mean when I say an investment deficit? Well, Mr. President, let me give you one example: railroads. The United States is ranked 34th in the world in our investment in our railroads. We are just behind Ecuador and Bolivia and just ahead of Bangladesh. And there are only seven countries I think with railroads that are behind us—34th in the world.

Now, I can tell you that in Boston, in New England, along most of the eastern seaboard and much of the west coast now, and in other parts of this country, rail transportation is essential to moving millions of people to their jobs, taking the burden off of our highways, and yet, we are disinvesting in those railroads, Mr. President.

France has its TGF, Japan has a bullet train. And instead of thinking about how we are going to provide millions of jobs for Americans building an adequate transportation system, we are disinvesting.

No country on this planet has a railroad system that does not have a subsidy. There is not a country in the world that does not subsidize its railroad system. And yet the House of Representatives has zeroed out—zeroed out—money for support of railroads.

Now I can give you dozens of other examples like that. Global climate change. We do not know all the answers. We know that there is a phenomenon taking place. We do not have a complete understanding of it. We need to have an understanding of it, because the consequences could be cataclysmic. And yet we are cutting that research.

The Coast Guard, the admiral in charge of the Coast Guard told me they

have a \$600 million capital expenditure requirement just to keep their ships running properly to stay current with the demand—Cuba, Haiti, fishing enforcement, drug trafficking. But, Mr. President, we are not providing that money. We have cut significantly the amount that they need.

Science and research. There is not a public university in this country that is not struggling to have the capacity to be able to raise the standards of learning for our children. And yet, we are going to have a harder time than ever before in providing the wherewithal for those universities and for those entities to carry on to meet that high standard.

Mr. President, there are so many examples like this that it defies the imagination.

The last time I looked, this was a very rich country. And not only is it a very rich country, but it is a country that is increasingly seeing a huge division growing between those who have and those who do not.

From 1940 to 1950 to 1960 to 1970, Americans all grew simultaneously, at every sector of American society. If you were at the lowest quintile of earnings in America, your income grew in 10 years by 138 percent. If you were in the next two quintiles from 1940 to 1980, for 40 years, if you were in those middle two quintiles, you grew at 98, 99 percent over a 10-year period. And if you were in the top quintile, Mr. President, you grew at about 98 percent.

In the last 12 years in America, the bottom quintile went down 18 percent, the next quintile went down 4 percent, and the top quintile went up 105 percent.

Now, while income has become tougher and tougher for the average American to earn, they have been witnessing the phenomenon of globalization and technology, where more and more the labor of human hands and hearts is not applied to work. You have automation, robotics, artificial intelligence, and technology advancements which are what provide most of the productivity increases of this country.

It is very clear that America is not going to compete, by and large, except for niches here and there with low-wage, low-scale jobs. Increasingly, Americans are being forced into low-wage, low-scale service sector jobs. And we are not increasing the manufacturing base of this country in a way that creates the high value-added jobs that allows an American to earn more money and be able to move up the ladder.

That, Mr. President, accounts for most of the anger that we feel in America today; that, coupled with the accompanying disintegration of families and communities.

Now that gets you to the spiritual deficit.

Mr. President, in 1965, our colleague, PAT MOYNIHAN, warned us about what happens in America when children are

having children out of wedlock—children born into a single-person family. In 1965, Senator MOYNIHAN told us of a 27-percent-out-of-wedlock birth rate in the inner city. He was accused of being a racist. Most of America put its head in the sand and did not pay much attention.

Today that 27 percent is 80 percent. Thirty-six percent of all American children are born out of wedlock.

And I ask my colleagues how they think they are going to deal with a 15- or 16-year-old kid who has already dropped out of high school, who does not relate to their home, who has no organized religion, who does not have in his or her life any of the normal ingredients of teaching values—family, church, synagogue, school—how are you going to reach that 15-year-old in order to prevent that 15-year-old from becoming the next inhabitant of a \$50,000-a-year jail cell?

I am not proposing to my colleagues that Government ought to do it or that Government is the solution. But I do know that Government can make a difference in helping to create a framework which will allow those kids to have a shot. And that framework can be the support that we give to non-profit entities, the support that we give to a boys club, a girls club, support we give to the YouthBuilds, the Americorps and other efforts that try to intervene where there has been such a total failure otherwise.

As I listen to my colleagues in the House and elsewhere, they say, "Well, it is the family's responsibility. Cut it off and people are going to have to take care of themselves."

The problem is, Mr. President, that this country already has a track record of doing that. In the 1920's, 1930's, 1860's, 1870's and 1880's, we saw what happened when everybody was left to their own devices. That is when we had sweatshops. That is when we had slums and squalor. That is when we had no ability to cure half of these things.

The truth is, Mr. President, that over the course of the last years, in the last 40 years, particularly, in America, we have learned that some of these interventions truly make a difference in the lives of our communities and of our kids.

I respectfully suggest that the U.S. Senate, the House, the Congress, the country, are on their way to creating a clash unlike any we have ever known before in this country.

The summer job money has been cut. Let me ask you: What are those kids going to do this summer in the heat of New York City or Los Angeles or Detroit or Chicago or Boston when they have no job? The Government said, "We don't care. We're taking the money away. Go fend for yourself."

But we all know that the economy, historically, carries 6 percent unemployment or more. So even though we, the leadership, know that America is going to have at least 6 percent of its country unemployed, are we still going

to say, "Go take care of yourself," and cut them off? What are they going to do?

So I think, Mr. President, we are heading for a cropper. I remember the 1960's, when I came back from Vietnam. I can remember people out in the streets with guns. I remember cars being overturned. I remember bombs. I remember firestorms of automobiles burning. I respectfully suggest that we better stop and think carefully about the consequences of the steps we take and the choices we make.

Those children that PAT MOYNIHAN talked about in 1965 turned 15 and 16 in 1980. All you have to do is go and look at the increase of juvenile violence in America in 1980, and you can begin to project what those children born today in the 80-percent category are going to do in the year 2010 when they turn 15 and 16.

The increase of murder among juveniles is up 250, 260 percent. There were 29,000 juveniles murdered in America in the last 10 years, and 4,000 juveniles are currently under arrest charged with murder. The highest level of murders in America today are juveniles between the ages of 14 and 25 who are murdering other juveniles between the ages of 14 and 25.

I absolutely guarantee you, it is incapable, unavoidable, incontrovertible that if you have a kid born today in a country that is providing less work, in a country where information and education are more important to your ability to work than ever before, in a country where it will be harder for these kids to get that education, not easier, there is an absolute predictability to what those kids will be like 15 and 16 years from today.

Mr. President, I used to prosecute some of those kids. I used to be a prosecutor, and I talked to some of them back then. It was OK, you could have a conversation and you could learn something about what they felt and about their anger. In the last 2 years, I have spent time going to some of the at-risk programs that we are now running, which are the last link between these kids and total loss. I have never, ever in my life heard such a level of anger that is without explanation. They cannot explain it to you. They do not know where it is coming from. But you can hear those kids talk about being runaways in Florida or New York, about how they left their families at age 10, 11, 12.

Mr. President, do you know that the median age of handgun ownership, or gun ownership, in America today, the median age of first-time gun ownership is 12½ years old?

So as we think about the budget choices that we are going to face over the course of this next 1½ or 2 weeks, it is my prayer that we are not going to put our heads in the sand and ignore the other two deficits this country faces: The investment deficit and the spiritual deficit.

In the end, I have no question that Government is not even the right entity to "deal with the spiritual" or attempt to. But Government needs to understand the connection with those entities that should be doing it, or can be doing it, and their capacity to do it, in the world that we are creating.

Government needs to be an empowerer of the local community to reach these children. For example, in Brockton, MA, there is a Boys and Girls Club, but only 10 percent of the kids in that community get access to that club. Simple question: What happens to the other 90 percent of those kids? They are out on the streets, nobody is there, there is no connection.

That is our responsibility, it seems to me, to try to empower the communities to be able to help create the civic reaction that will begin to deal with these children. And the ultimate response will come from churches and synagogues, spiritual organizations, nonprofit agencies, schools, and parents, but you have to have a place to begin. You have to start somewhere. It seems to me, that if you have a kid sitting in front of you who is 12 or 13 years old and they are already dabbling in drugs, and they are already dabbled in trouble at home, and they are already disconnected to the school, we have a fundamental choice: Are we going to turn our back on that kid and cut that kid off, or are we going to try to channel that child toward some group or organization that will bring the child in, embrace the child with a notion that the child has a stake in the community and the community cares? I think this budget is draconian with respect to those efforts. I am not sure how in the next days, given the choices we have, we are going to fix it.

Mr. President, none of what I am saying should be interpreted to mask over the deficit that we do face on the fiscal side. I am prepared to make tough choices about cuts that we ought to make and even reordering priorities to try to balance the budget, which I think we ought to do. But nobody has ever convinced me of why we absolutely have to do that in 6 years versus 8 or versus 10 years. Nobody has convinced me that there is some economic virtue in picking a target date that is so arbitrary that may wind up cutting capacity to meet other needs that we have.

One other point, Mr. President. Increasingly in America, we are seeing the cash economy of this country grow. It is now, I am told, about a \$600 billion economy. That means that we are losing annually about \$100 billion of revenue because people just choose not to pay taxes. In fact, as a nation, we have gone from voluntary compliance in our income tax of 96 percent down to 81 percent. Each loss of a point of voluntary compliance is the loss of \$5 billion of revenue. So your good tax-paying, hard-working family that is earning \$25,000, \$30,000 a year and paying their taxes is slugging it out to

make ends meet, to pay for fire, police, schools, roads, everything we do, while an increasing number of American citizens are getting away with not paying their taxes.

We have a choice. I read in the newspaper the other day that we are going to have a new thing called a lifestyle audit, and people in America are now going to be able to anticipate the IRS jumping into their driveways and asking them why there is a certain kind of car in their driveway, how they manage to go ski somewhere, what their vacation style is, why they eat at certain restaurants, and that is the way we are going to supposedly enforce the Tax Code. I do not think Americans are going to tolerate an IRS gestapo-like entity of people intrusively moving into their lives.

So, Mr. President, if we are really going to make this system work and recapture that cash economy, we have to talk about changing the tax structure of this country and moving away from a dependency on income and into consumption where it is the only place that you can begin to shift to a reflection of what the cash transaction is while simultaneously, I think, increasing people's savings and moving in a new direction.

Mr. President, I see that the manager of the bill is on his feet. If he has an amendment, I am prepared to conclude.

Mr. CHAFEE. Yes, Mr. President, we have a couple of amendments we would like to have accepted, then the Senator is free to continue.

Mr. KERRY. Mr. President, what I would like to do—the Senator from Wisconsin has been waiting patiently. I talked longer than I told him I intended to—I will just conclude my comments. I will have more to say on this in the course of the next weeks. But I believe we are at a crossroads, and I think that the choices that I have outlined are only a few of the choices. But we cannot look at the needs of this country exclusively in terms of an arbitrary approach to the deficit reduction. We have to look at the other two deficits that the Nation faces.

There is such a thing as investment, and there is such a thing as a return on investment, and there is such a thing as multiples of return on investment. I think that most people in the Senate understand that. The question is whether or not we are going to make those wise judgments.

I thank my colleague from Wisconsin for his patience, and I thank the distinguished managers for their courtesy. I yield the floor.

INTERSTATE TRANSPORTATION OF MUNICIPAL SOLID WASTE ACT

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Senator from Rhode Island.

AMENDMENT NO. 1072

(Purpose: To require the Administrator of the Environmental Protection Agency to conduct a study to determine the quantity of hazardous waste that is being transported across State lines and the ultimate disposition of the transported waste)

Mr. CHAFEE. Mr. President, I send an amendment to the desk on behalf of Senator BREAU and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Rhode Island [Mr. CHAFEE], for Mr. BREAU, proposes an amendment numbered 1072.

Mr. CHAFEE. 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:

At the appropriate place, insert the following:

SEC. . STUDY OF INTERSTATE HAZARDOUS WASTE TRANSPORT.

(a) DEFINITION OF HAZARDOUS WASTE.—In this section, the term "hazardous waste" has the meaning provided in section 1004 of the Solid Waste Disposal Act (42 U.S.C. 6903).

(b) STUDY.—Not later than 3 years after the date of enactment of this Act, the Administrator of the Environmental Protection Agency shall conduct a study, and report to Congress on the results of the study, to determine—

- (1) the quantity of hazardous waste that is being transported across State lines; and
- (2) the ultimate disposition of the transported waste.

Mr. BAUCUS. Mr. President, we have examined the amendment and find it acceptable.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 1072) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 1073

(Purpose: To require the Administrator of the Environmental Protection Agency to conduct a study to determine the quantity of sludge (including sewage sludge) that is being transported across State lines and the ultimate disposition of the transported sludge)

Mr. CHAFEE. Mr. President, I send an amendment to the desk on behalf of Senator BREAU and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows: The Senator from Rhode Island [Mr. CHAFEE], for Mr. BREAU, proposes an amendment numbered 1073.

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

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

The amendment is as follows: