

than blue smoke and mirrors from the opponents of reform.

The Republicans in Congress have chosen to look toward Medicare's future. We decided this spring that we would save Medicare from bankruptcy, control the growth of program costs, and ensure that the program would survive past its 40th anniversary. We developed and passed a budget plan in June that guaranteed a strong Medicare into the next century.

Suddenly, the President decided to join us. In June, he submitted a new budget proposal, one which he claimed would save Medicare.

In June, the President made a good start. His budget would save \$127 billion from Medicare over the next 7 years. He is now comparing that with our budget, which will slow the program's rate of growth by \$270 billion over the next 7 years.

If I believed that we could save Medicare by doing only what the President wants to do, I would do so in a second. But, after a long, hard look at the numbers, and after extensive discussions with the Congressional Budget Office, I do not think the President's plan saves Medicare.

You see, the President has assumed that the costs of the program will not grow as fast as projected by the nonpartisan Congressional Budget Office.

The President's June budget assumes that a serious Medicare problem does not exist. He says the problem is not as hard to solve as CBO says it is. The President is much more optimistic in his assumptions than CBO.

I wish that were true, but I am afraid it is not. As much as the President wishes it would, the problem will not go away.

The President has come a long way since his first budget in January. Now all he has to do is agree to use the honest, objective, and nonpartisan CBO numbers, and we will have an excellent starting point for discussions.

All he has to do is live up to the commitment he made in his first State of the Union address, his promise that he would use CBO numbers.

We in Congress use CBO numbers. The honest, responsible way to budget is to rely on a single source for our assumptions, and that is what we did both in our budget plan, and in our plan to save Medicare. We did not make the problem go away by wishing that it would. We asked CBO and the trustees what it would take to save Medicare, to keep it alive for its 40th anniversary.

The Trustees have told us what we must do. Now we are going to do it.

We are going to slow the rate of growth of the program. Medicare spending will grow 6.4 percent per year under our plan. Over the next 7 years, Medicare spending is going to increase from \$4,800 per person, to \$6,700 per person.

I know that older Americans are seriously concerned about the future they will leave to their children and their

grandchildren. I have found that senior citizens are extremely concerned about the crushing burden of the debt that our current policies will place on their grandchildren.

And I know they want a Medicare program that is fair, both for them, and for future generations. I also know that a 65-year old couple that starts receiving Medicare this year will, over their lifetimes, receive \$117,000 more in Medicare benefits than they will put into the system in payroll taxes and premiums.

I know that this will concern many seniors, who want Medicare to be there in the future for them, for their kids, and for their grandchildren.

We are going to spend nearly 5 percent more per year on each Medicare beneficiary in this budget. So anyone who tells you that we are cutting Medicare is just trying to scare you.

What honestly should scare America's senior and disabled citizens is the prospect that we will do nothing. For if we do nothing, seniors will have hospital benefits for only 7 more years.

If we do nothing, seniors will be able to keep their doctor, but only for the next 7 years. After that, you will still have your doctor, but he will not be able to treat you in a hospital. After that, the hospital insurance trust fund will run out of money, and Medicare will not be able to pay hospital benefits.

I want to make sure that our seniors can keep their existing coverage.

I want to give them the opportunity to choose other health plans, just like my colleagues and I in the Senate can choose our health plans.

And most important, I want to make sure that they can do all these things for more than just the next 7 years.

In September, we are going to report legislation that will strengthen Medicare. We are going to simplify Medicare. And we are going to make sure that every Medicare beneficiary has the right to choose their health plan, just like my fellow Senators and I have.

We need to strengthen Medicare, and that we have to do this by controlling the program's rate of growth. The first thing we are doing is attacking the waste and fraud in the system. Every senior currently receiving Medicare knows that the system is inefficient, complex, and filled with opportunities for waste and fraud. We are going after that money first.

But all the experts tell us that will not be enough. We are going to do it, but then we are going to have to look at changes to the program, in both the short and the long run.

In the short run, we are going to look at how much we pay doctors and hospitals, and the way we pay doctors and hospitals for the services you receive. We are going to try to create the right incentives so that doctors and hospitals are smart about how they spend your money.

Most importantly, we are going to offer seniors more choices. As a U.S.

Senator, I have the ability to choose my health plan once a year. If I want a generous program with lots of benefits and no deductible, I pay a bit more. In some areas of the country, Medicare already allows seniors these choices.

We are going to expand this program, and gradually change the system so that all seniors have choices like we have in the Senate.

Some seniors are going to have to pay a little bit more. There is no way we can get around that. But we are going to come to the seniors last, after we have attacked the waste and fraud in the system, after we have made changes to the way we pay doctors and hospitals, and after we have started to phase in changes that provide seniors with more choices.

Any changes we make will be phased in gradually over time. We know that seniors on fixed incomes have difficulty adjusting to dramatic changes, and we are taking that into account.

We also know that some seniors with higher incomes have a greater ability to adapt to changes than others. We may ask those seniors to pay a bit more, to compensate for those who have just enough income to get by.

I will not let Medicare go bankrupt. Yes, I too celebrate the 30th anniversary of Medicare. It has been an important program, critical to the health of American's older and disabled citizens.

But right now, I am thinking about how we are going to make sure Medicare has a 40th anniversary and beyond.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, I inquire as to what order we are in?

The PRESIDING OFFICER. Under unanimous consent, morning business has been extended until 2 p.m. Senators may speak up to 5 minutes.

Mr. CRAIG. Mr. President, I ask unanimous consent to speak for up to 5 minutes in morning business.

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

PROGRESS OF TIMBER SALVAGE IN IDAHO FROM 1994 WILDFIRES

Mr. CRAIG. Mr. President, it has been 1 year since the start of the terrible wildfires which burned through Idaho last summer. Lightning strikes ignited our forests, already suffering from poor forest health, and raged through Idaho, causing devastation to 738,000 acres, one-fifth of the nationwide total acres burned in 1994.

I am here to tell the story, as it has been written so far, of the 1994 Idaho fires, and the slow progress of reforestation and timber salvage. The fires began in late July, and by early September, 14,000 firefighters had been employed across the State. Early on, Dave Alexander, forest supervisor on the Payette National Forest, called to alert me that with the dry conditions and already-dead forests adding fuel, the fires could not be stopped short of

reaching the Salmon River after a run of 25 to 30 miles.

Dave Alexander was right. The fires were stopped at the Salmon River and extinguished only when the snows arrived in October. By then, Idaho's fires had cost \$150 million to fight and an estimated 2 billion board feet of timber had burned. And, of course, the habitat for the wildlife of the area was devastated.

By Forest Service estimates, as much as 665 million board feet of the burned timber was salvageable, with a potential revenue of \$325 million. Remember, 25 percent of this revenue would be returned to local counties for schools and roads. In Idaho, Shoshone County officials have watched their budget drop sharply because of the lack of national forest timber sales. They are desperate for some solutions to their situation. They are among many who have pointed out the absurdity of no timber sales being offered while dead forests abound. Equally concerned are the 100 former employees of the Ida-Pine sawmill which closed for lack of timber supply, while watching the nearby forests burn up.

Unfortunately the value of burned trees drops rapidly over time. Time is the primary factor in accomplishing timber salvage and replanting the burn. The consequences of leaving burned forests untreated are both environmental and financial. Not only is it a waste of potential revenue to the U.S. Treasury and the counties, it encourages future wildfire. If left standing, dead trees become conduits for lightning and may cause a re-burn, fueled by the ready supply of fallen trees never removed from the first fire. This scenario is no boon to fish and wildlife habitat, either.

So, it made sense to mount an aggressive timber salvage program on the Boise and Payette National Forests. On the Boise alone, an estimated 2,600 jobs would be created by the salvage operations. These two forests have been moving as quickly as possible under current law. But the laws and regulations, prior to enactment of the fiscal year 1995 rescissions bill with its salvage provisions, simply did not permit the Forest Service to act quickly enough. Rather, they constituted a formula for inaction and delay.

Let me tell you why. First, both forests have been slogging their way through eight separate NEPA [National Environmental Policy Act] documents, five of them environmental impact statements.

Consider the fact that the Forest Service even finds it necessary to prepare five environmental impact statements. When NEPA was enacted in 1969, EIS's were to be done only in the case of a major Federal action. Now, driven by the courts, the Forest Service is compelled to conduct an EIS just to sell dead, burned trees. You tell me how this makes sense.

Consider also, that preservation groups have found a new method to

delay and obstruct completion of these NEPA documents. They deliberately use the Freedom of Information Act as a harassment tool. The Boise National Forest has responded to 45 separate FOIA requests at a cost of more than \$50,000. On the Payette, the number of FOIA requests has quadrupled, and a new, full-time position was created at a cost of \$20,000 to handle the responses. One FOIA request was expected to take 670 hours of staff time to respond, thereby diverting staff away from salvage preparations.

It is this type of delay and added expense which causes me and other Senators to argue the need for streamlining the current rules as we have done in the rescissions bill, which is now law. Without the help of the Congress to clear some of the procedural path, timber salvage would be nearly impossible to accomplish.

The continuing story of the 1994 Idaho wildfires is a case in point. As of July 1, not one stick of burnt timber had yet been salvaged from the Boise or Payette National Forests. Not 1 acre of the burned forest has been replanted with trees, because the reforestation would be paid for by salvage receipts. The State forests had been salvaged. The adjoining private ownerships had been salvaged, but not the Federal lands.

Now those decisions are finally being made on the EIS's, those decisions have been appealed and held up by proponents of gridlock. I intend to come to the floor again soon to continue this story. I will follow the story as it unfolds. It will demonstrate why it is imperative that Congress provide relief in some form to free salvage sales from the burden of the unnecessary and costly procedures in place now. Salvage provisions in the rescission law are only temporary. They will expire in December 1996. With that in mind, I will press forward with S. 391, the long-term forest health bill I introduced in February. More on that with the next chapter of this story.

For now, please take note—665 million board feet awaits salvage; as of July 1, no timber salvage had done; no reforestation had been done; and 11 months had passed in preparing NEPA documents. Now those decisions are being appealed.

Soon I will be back to talk about the fires of 1994, the devastation and the destruction, and ways this Congress and this country can move to a better procedure to manage our national forests.

I yield the remainder of my time.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

EXTENSION OF MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that the time for morning business be extended to the hour of 2:15, and that I have the opportunity to speak until then.

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

The Senator from Nevada is recognized.

Mr. REID. I thank the Chair.

(The remarks of Mr. REID pertaining to the introduction of S. 1093 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

THE 30TH ANNIVERSARY OF THE PASSAGE OF MEDICARE

Mr. REID. Mr. President, I feel it is important to talk on the 30th anniversary of the passing of Medicare and especially after listening to some of the statements made by my friend, the senior Senator from the State of New Mexico while I was in the Chamber.

It is important that we recognize Medicare is a program that is really working. It is a program that has separated us from other countries, made our senior citizens able to receive the care, medical care in general, that they need. Certainly there needs to be improvements made in the Medicare system, and we should make those. But I think the across-the-board cuts we have in the budget resolution that is now before this body are really out of line.

Mr. President, just so we can understand, these cuts really do affect people. These cuts are not just farfetched, in the imagination of the Senator from Nevada. Republicans are proposing to cut more than \$450 billion from health care between 1996 and 2002, \$270 billion of these dollars from Medicare and \$182 billion from Medicaid. In combination, these cuts are more than four times anything ever enacted. Most of the \$270 billion in Medicare cuts would not be necessary without the Republicans' \$245 billion tax cut.

Over a 7-year period, the combined Medicare and Medicaid cuts of the Republicans would reduce Federal health care dollars to Nevada by \$2 billion—the small State of Nevada by over \$2 billion. Each of Nevada's 182,000 Medicare beneficiaries would pay as much as \$3,000 more in premiums and copayments. Couples would pay at least \$6,000 more. Overall, the State of Nevada would lose \$533 million in Medicare funding in 2002 and \$2 billion over 7 years.

In Medicaid, overall, the State of Nevada would lose \$157 million in Federal Medicaid funding in 2002 and \$516 million over the 7 years, a reduction of 29 percent in the year 2002 alone, and this is according to the Urban Institute. This will have a devastating impact on the State's current almost 100,000 recipients. According to this study, these cuts would mean that Nevada would have to cut off coverage to over 25,000 recipients, likely adding them to the ranks of the uninsured.

Mr. President, we all heard the speeches early on. The distinguished majority leader before the election said: