

The assistant legislative clerk proceeded to call the roll.

The PRESIDING OFFICER (Mr. GRAMS). The Chair, in his capacity as a Senator from Minnesota, asks unanimous consent that the order for the quorum call be rescinded.

Without objection, it is so ordered.

#### RECESS

The PRESIDING OFFICER. Without objection, the Senate stands in recess until 3 p.m.

There being no objection, the Senate, at 2:11 p.m., recessed until 3:01 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. FRIST).

The PRESIDING OFFICER. The Chair in his capacity as a Senator from Tennessee suggests the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

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

#### KEEP THE TAX CUT PROMISE

Mr. ROTH. Mr. President, a major purpose of government is to provide an environment for economic growth—one in which jobs and opportunity bring security to our families and communities. History has shown us the blueprint for such an environment: low taxes. Treasury Secretary, Andrew Mellon slashed taxes 25 percent, ushering America into the roaring '20s. John Kennedy's tax cuts in the '60s created the longest peacetime economic expansion in history—that is up until President Reagan embraced Kemp-Roth in the 1980's.

The result of Kemp-Roth, as my friend, Jack Kemp, recalls, was "18 million new jobs and more than 4 million new businesses, an entrepreneurial boom unmatched in the 20th century."

This is what history teaches. But as they say, that was then, and this is now. One after another, Americans have suffered tax increases—each with the promise that it would eliminate the deficit. President Bush broke his pledge of "no new taxes," cooperated in a budget summit, signed the largest tax increase in history at that time, and lost his reelection because of it.

Then President Clinton, two years ago yesterday, signed his tax increase, which still earns the distinction as the largest in history. And now there is renewed talk of renegeing on the \$245 billion tax cut promised in the budget resolution that passed this spring.

The irony, Mr. President, is that the tax cuts—whether they were the Mellon cuts, the Kennedy cuts, or Kemp-Roth—always produced windfalls for the Federal Treasury. As one well-respected economist pointed out, "the Federal Government received hundreds

of billions more tax dollars annually during the Reagan administration than ever before.

That is because the gross national product grew by nearly 80 percent over the 8 years when Ronald Reagan was President. Uncle Sam's cut was a slightly lower percentage, but the pie itself was much bigger. That was the whole point of supply-side economics. Then why is the national debt now at an all-time high, measured in trillions of dollars, instead of mere billions as before? Because Congress spent even more hundreds of billions than the massive new tax receipts pouring into Washington. Without spending restraints, no amount of new taxes will ever balance the budget."

And for those who believe cutting taxes only benefited the wealthy. Let the facts speak for themselves: In 1990, following Kemp-Roth, the wealthiest 5 percent of tax payers paid 43 percent of all taxes. In 1981, before the tax cuts, the wealthiest 5 percent was paying 36.4 percent.

You see, Mr. President, there is nothing inconsistent with our objective to cut taxes and to balance the budget. Americans want a balanced budget. The United States has not had a balanced budget since 1969. And Americans know that you cannot go year to year spending more than you take in.

They cannot do it with their checkbooks. And they believe Congress should not be able to do it, either. In fact, they feel so strongly about this issue that virtually every poll showed 70 percent to 80 percent of the country wanted the Balanced Budget Amendment approved and ratified by the States. Unfortunately, that was prevented from happening by roughly the same group of Senators who are now taking aim against our proposed \$245 billion tax cut.

These are—give or take a few—the same men and women who, 2 years ago, supported President Clinton in a historic tax increase. And where has that increase gotten us? The President said his increase would keep interest rates low. Today the prime rate is 2.75 percent higher than it was last year at this time. Treasury Bills, 30-year bonds and mortgage rates \* \* \* they are all up. Beyond this, average wages and salaries for U.S. workers have fallen 2.3 percent from 1994 to 1995, the largest decline in 8 years. Fewer jobs are being created, economic growth has come to a standstill, and the dollar is down.

This is where we are, Mr. President, and now the same people who brought you these statistics—the same people who voted against the American people on the balanced budget—are trying to kill a tax cut for the middle class—a tax cut that will offset President Clinton's record setting increase.

The tax proposal they are trying to kill is positive and important for economic growth. Thirty-five million families, raising 52 million children, will pay lower taxes. Seventy-four percent of these families have incomes below \$75,000.

Families with children and incomes of less than \$25,000 will pay no income tax at all. And the fact is, that 70 percent of all taxpayers who will benefit from the capital gains tax cut in our plan have incomes of less than \$50,000.

Mr. President, this is how we bring America back. And it should be a bipartisan effort. Mellon, Kennedy, Reagan—no one party has a monopoly on the key to economic growth. I believe we can work together. For this reason, I have been active in my efforts to restore the power of the individual retirement account.

Toward this end, I have worked with former Senator Lloyd Bentsen and am now working with Senator JOHN BREAUX. In my efforts to reduce the threat of estate taxes on family-owned farms and businesses, Senator PRYOR and others have joined with Senator DOLE, me and Members on this side of the aisle.

The magnitude and importance of the objective before us requires no less than our willing and cooperative effort. The American people deserve no less. They have paid too much in taxes. Promises to reduce the deficit have not been kept.

Spending has continued to soar and government has grown overbearing and inefficient. We have proposed the first balanced budget in 26 years. The \$245 billion tax cuts are completely paid for. Let us now work together to see these initiatives passed. In the strong economies and Treasury windfalls that came about from tax cuts in years gone by, we see our future. And working together, I believe we can achieve it.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. I ask unanimous consent that further proceedings under the quorum call be dispensed with.

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

#### HORROR IN THE NATION'S CAPITAL

Mr. DOLE. Mr. President, too often today, when we read and hear about the unspeakable violence that occurs on the streets of our country, we simply shrug it off as the price we pay for living in a free society. In a very real sense, we have begun to tolerate the intolerable.

This past weekend, however, a crime occurred just several city blocks from this building that, I believe, would send shivers down the spine of even the most jaded observer.

Three employees of a nearby McDonald's restaurant—18-year-old Marvin Peay, Jr.; 23-year-old Kevin Workman; and a 49-year-old grandmother named Lilian Jackson—were all shot dead while working the late shift. One of