

ask for 6, 7, minutes as in morning business at this point.

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

A BALANCED BUDGET

Mr. DOMENICI. Mr. President, I want to talk a little bit about the balanced budget that we have put forth and that we all worked so hard for—at least on this side of the aisle. I am going to put it into the framework of the Secretary of Treasury, Mr. Rubin, talking to the American people and us about that day sometime after October 20, perhaps before November 15, in that timeframe, when the debt limit that we have imposed upon ourselves expires, and in order to borrow additional money, Congress has to act to raise that debt limit. Essentially, that is being discussed with the American people. I am not sure they all quite understand what that means.

I want to, in a sense, respond as I see it to the fear that the Secretary of the Treasury is pushing across this land in terms of that debt limit day.

First of all, Congress has never given up the power to tell the President and those who work for him, like the Secretary of Treasury how much they can borrow. Occasionally, it seemed kind of strange to me because Congress passes all these laws to spend money, and everybody votes on those, and then when it comes time to extend the debt, people say, "We will not extend the debt." But I am beginning to understand that power to control the debt limit is very important, especially in this year and years like this one.

The Secretary of the Treasury is saying to us, "You'd better agree to extend that debt limit because if you do not, something very ominous might happen." Then he talks about such things as default and we will not be able to pay interest on some bonds.

First of all, let me make it very clear from the standpoint of the Senator from New Mexico, who put this budget resolution together, and look at it from my vantage point as to the seriousness of that contention on the part of the Secretary that we had better be prepared to let that go up.

Now, I see it this way. I think there are two major events that are coming together in the month of November. One is described by the Secretary of the Treasury with all of those ominous tones about what will happen; the other is whether we are going to get a balanced budget—no smoke and mirrors—and entitlement reform.

Frankly, many people are now experts on this Federal budget. Interest rates out there on bonds affect our standard of living because it affects interest rates on many things. Those who look at that know precisely what is a balanced budget and what is not a balanced budget.

Mr. President, we know precisely what the big ingredient in a balanced budget is. The big one is reforming the

entitlement programs that are out of control—Medicare, Medicaid. I did not say cut them, I said reform them. In addition, we must look at commodity price supports and a whole list of programs that are on automatic pilot.

If we do not stop them and change them, they just spin, some at a 10-percent increase a year, some 12. We had Medicaid in some States, increasing as much as 19 percent a year. I think we had as high as a 28-percent increase in one year in Medicaid—28 percent, automatic. Experts on the Federal budget know if you do not fix those and if your assumptions are not honest, then you have a budget that is smoke and mirrors, and ineffective.

Now, what I am saying to Members on the other side and others who will listen is do not jump to the conclusion that the most serious event is the day that we do not extend the debt limit when it needs to be extended.

Actually, an equally important day is coming when the President of the United States has to decide whether he wants to help us get a real—no smoke and mirrors—entitlement reform budget. Both of them are important events.

I will not place one above the other because I believe we must do everything we can this year—not next year, that is an election year; not 2 years from now; right now, this year. We have to get a balanced budget, with no assumptions that are too optimistic, and one that changes entitlement programs to reduce their ever dramatic increases.

Now, I cannot put it any better than that. I am not suggesting I am for a default. I am suggesting that is an important event. I believe we have to put the other event right up there alongside it. We have to serve notice on the Secretary of the Treasury and the President that we are not just going to run out on this balanced budget. We think we have done a job. We think it is positive. We think it is right.

Let me close by saying the reason that this is a big event is because for the first time in 31 years, elected officials are saying, "We care about the future. It is not about today only. It is about the future. And we care about our children, not ourselves. We care about those yet unborn as much as ourselves." If we really believe that, we cannot continue to spend at what is currently, believe it or not, \$482 million a day—a day. That is the amount we are adding to the debt every day—\$482 million. That is a lot.

Who will pay it? If we are standing up saying we do not care, well, somebody is going to pay it. Do you know who is going to? The next generation, with a lost standard of living, because too much of the income has to come back up here and pay for our profanity.

That is not right. That is a big event for adult leaders. It is just as big an event as the event that is closing upon us on whether we increase the debt limit, to let us borrow more or not.

I do not think the Secretary or the President should read anything more into my statement than what I have said. It is pretty clear that I am not running off in some kind of trepidation because we are being told about this need to extend the debt limit. For those who wonder about that debt limit extension, let me suggest—none of which I advocate—but there are a number of ways the Secretary of the Treasury can pay some bills out there after that debt limit is extended, without extending it. They know it. The Secretary knows it.

There are at least four. A couple of them have serious political ramifications. A couple of them they could use. It may be they do not want to do that, even when push comes to shove. But we do not want to abandon our balanced budget. And I am repeating, the kind of balanced budget we are talking about involves no optimistic economic assumptions, no smoke and mirrors. It is entitlement reform that is consistent with what is happening to the budget under current entitlement programs which, run unabated, have no relationship to what we can afford, just merrily run along, causing the debt to increase at \$428 million a day.

I yield the floor and 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. HOLLINGS. 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 BUDGET AND SPENDING

Mr. HOLLINGS. Mr. President, while we are trying to arrange a vote here on this important amendment, I would just revisit what our distinguished chairman of the Budget Committee was talking about: the budget and spending.

Mr. President, the present budget for the fiscal year is \$1.518 trillion, in other words, one trillion five hundred eighteen billion dollars. The budget under consideration, of which this State, Justice, Commerce appropriation is a part thereof, is \$1.602 trillion. So, one trillion six hundred two billion dollars means spending is going up \$84 billion.

Which reminds me of my distinguished chairman of the subcommittee, the Senator from Texas, always talking about those in the wagon who are going to have to get outside the wagon and start pulling it. The funny thing, like Pogo, "We have met the enemy," we have met those in the wagon, "and it is us." We have been spending literally hundreds of billions more than we are taking in each year. While the budget itself increases some \$84 billion, interest costs increase \$348 billion, or \$1 billion a day, as has just been referred to by the distinguished chairman of the Budget Committee.