

complete or even significantly impact that final decision process, but it may well be significant in impacting the manner in which we get to that final decision. We can spend our time over the next few days as we debate this continuing resolution, which is simply a preamble to the major issue which is reconciliation, we can spend our time debating the superficial issues of who, where, when, or what names we call each other or we can talk in terms of the substance of the debate which is how do we reform this Government and how do we take this Government which is so completely out of control and bring it under control; how do we give our children an opportunity to have a lifestyle that is better than ours; how do we become a generation which passes more on to children than was passed on to us by our elders.

These are the core issues, the issues of substance which we should be discussing over the next few days, and hopefully we can attend to those issues rather than become involved in the ancillary issues of name calling, political posturing, of Government by polls and Government by reelection.

Mr. President, I yield back such time as I may have.

Mr. PRYOR addressed the Chair.

The PRESIDING OFFICER (Mr. THOMAS). The Senator from Arkansas.

SETTING THE RECORD STRAIGHT

Mr. PRYOR. Mr. President, I was not planning to respond to my good friend from New Hampshire, and I agree with him 100 percent; it is not the time for name calling and politicization of this issue any longer. But I do feel it is time to set the record straight, and I would like to take just a moment of the Senate's time to sort of begin to set the record straight as to what is happening right now with regard to this issue of so-called shutting down the Government.

This is not something that just happened in the last 24 or 36 or 48 hours. This has been going on for several months now. In fact, back on September 22, Speaker GINGRICH boasted:

I don't care what the price is. I don't care if we have no executive offices. I don't care if we have no bonds for 60 days, not this time.

That is a quote in the Washington Post September 22, 1995.

Look at what the Republicans have done. This is a fact. They have completely shut the Democrats out of the budget process. We know it. They know it. It is a fact of life. We have not been a part of this process. We have wanted to be a part of this process, but we have not been included. For example, after proposing the most massive cut in Medicare in the history of America, our Republican friends held only 1 day of hearings on this proposal—1 day. It is the biggest cut in Medicare we have had since 1965.

By comparison, the House held 42 days of hearings on Whitewater, Waco,

and Ruby Ridge. The Senate held 48 days of hearings on these same issues. One day of hearings, 1 day of hearings on this massive Medicare cut.

Mr. President, I do think it is time to set the record straight. I also think it is time to realize that the President is not willing to impose an \$11 a month premium increase on every single Medicare beneficiary as a condition for keeping the Government running.

Look who is being held hostage here. Every Medicare recipient in America is being held hostage, and the price is closing down the Government. And we are going to blame it on the President of the United States.

What is happening is we are only implementing what we call the Gingrich strategy. This is the implementation of a strategy that was conceived long ago but today is manufactured. It is an artificial crisis that has been created. It is a confrontation that has been dreamed up by people who do not care if this Government functions or not. It is a shameful experience. It is an experience about which I think most good-willed people in this body actually shudder when thinking about the Founding Fathers of this country—bringing us to this point of closing down the Government in order to make political hay.

Mr. President, you know and all of us know that this artificial crisis basically revolves around one provision, the Medicare provision in the reconciliation bill, and the continuing resolution. But the truth is that the Medicare provision in this particular continuing resolution is also included in the reconciliation bill.

Why is it we have not straightened that out so far? It is pretty apparent. We have not even appointed the conferees to go to conference on the reconciliation bill, and yet we are about to close down the Government. We do not even have the conferees appointed. There is no one to go to conference with and to solve this issue. That has to be a problem, and it has to be a responsibility of the majority party in the Senate and in the House. The Chair knows this. I know this. My colleagues know this.

I think it is time to set the record straight. Earlier this morning, the Democratic party, Democratic side of the aisle had agreed; we thought we were getting ready, with unanimous consent, by voice vote to go ahead and pass the continuing resolution, let it go down to the President, not hold up this thing any longer, not continue the threat of closing down the Government, and then let the President veto it. Let him do it early in the day.

We wanted that to happen. I hope that can still happen. Right now I do not know exactly what is going on, but I do know this, that this President at this moment is ready, willing, and able to talk to the other side of the aisle, I assume at the White House or anywhere else, and talk to them about the measures necessary to keep this Gov-

ernment functioning as it was intended to function and to stop implementing this grand Gingrich strategy, this contrived artificial crisis which does not have to happen.

Mr. President, I understand my good friend and colleague from North Dakota would like 4 minutes, and I yield my friend 4 minutes at this time.

Mr. DORGAN. Mr. President, I thank the Senator from Arkansas.

The PRESIDING OFFICER. The Senator from North Dakota has 4 minutes.

Mr. DORGAN. Let me take just a minute to follow on these comments.

We are here in the middle of a significant debate about the reconciliation bill and about the continuing resolution, the debt extension, and the public might wonder why. Why are we doing all of this?

A continuing resolution is necessary because virtually none of the appropriations bills have been passed on time. I think one of them reached the President on time. Most of them have not been passed through conference and sent to the President. They are supposed to be done, but they are not done.

Even more important, the law requires that the reconciliation bill be passed by Congress on June 15. It is now November 13. The fact is we are now going to in November and December debate a reconciliation bill for which there have not been conferees appointed 5 months after the law requires this Congress to do its job.

It seems to me it is hard for people who are doing this to claim they are part of some reform party. So I guess the point I would make about this issue of the shutdown is people are wanting to know who is going to share the blame or claim the credit. There is going to be no credit here, no credit in a shutdown.

Yes. I would say it is true there are too many pollsters in the White House. But it is also true, painfully true, there are too many Republican Senators running for President. That colors all of these decisions. And it is also true that Speaker GINGRICH has boasted for months about the train wreck he is apparently going to engineer and apparently we will realize this week.

There will be nothing but blame if this happens. It is not a thoughtful approach and not the right way for us to do public policy. For 200 years representative democracy has rested on the ability to compromise among differing points of view, and that is what ought to happen today and tomorrow. And we ought to solve these problems.

THE 7-YEAR BALANCED BUDGET RECONCILIATION ACT OF 1995

The Senate continued with the consideration of the bill.

MOTION TO INSTRUCT—NURSING HOME STANDARDS

Mr. DORGAN. On the specific amendment offered by the Senator from Arkansas, I came just to offer a word of

encouragement. This is a very important amendment. Those who talk about reform and a new and different future and then say, "By the way, why do we not get rid of Federal standards or national quality standards on nursing homes" do no service to the word change or reform.

I have sat in nursing homes for some good long while, regrettably. Many of us probably have with parents and other loved ones. I also sat recently at a hearing at which we heard from people who led the charge for nursing home reform in 1987 for Federal quality standards. You all know the stories. You have read the stories of the 1950's, 1960's, 1970's about what was going on in some nursing homes in this country. For good reason we adopted national quality standards.

Anyone who wants to retreat once again to experience the stories that we heard in the hearing recently by families who had loved ones in nursing homes, anyone who wants to retreat to that era is not understanding, in my judgment, what that era was all about. We have, I think, done a real service for our country and for senior citizens with the quality standards that came from the 1987 act, and we ought not to retreat on those standards and we ought not repeal those standards.

The first inclination of the Senate and the House was to go ahead and repeal them. Then the Senator from Arkansas raised such a fuss, as did others of us, that they finally said, "Let's not repeal them outright. Let's just say we won't repeal them, but give the States the ability to seek waivers," which is the same thing for a State that wants to get them repealed.

So I am pleased today to add my voice to the amendment offered by the Senator from Arkansas. This makes good sense. Every Member of the House and Senate ought to vote for this. I am all for change. I am all for constructive change that improves things that need improving, but I am not for change that suggests let us turn back the clock to the 1950's here with respect to quality standards in nursing homes.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. PRYOR. Mr. President, if I might inquire, please, of the Chair, what is the time situation for the Democratic side and the Republican side of the aisle remaining on the motion?

The PRESIDING OFFICER. The Senator from Arkansas has 11 minutes 40 seconds. The Senator from Michigan has 4 minutes 15 seconds.

Mr. PRYOR. Mr. President, I thank the Chair.

I suggest the absence of a quorum. I ask unanimous consent that the time used in the quorum call not be charged to either side.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. ABRAHAM. I yield myself such time as I may have remaining. I may use all of it; I may not.

Mr. President, I think it is important for us in this discussion of the nursing home standards to emphasize several points that are part of the Senate-passed reconciliation bill which is going to conference because some allusions have been made that would suggest that there is an interest in that package in backing away from Federal standards that have been created here in the Congress.

I just would say this: I think that part of that attitude or that sentiment is also suggesting that somehow the States and local communities of our country are lacking in the compassion and the concerns that we have here in Washington. I cannot speak for what might have been the conditions in the 1950's or 1960's that were referenced, but I believe that in the 1990's Governors and State legislators have every bit as much concern and compassion about these issues as we do here in Washington.

I also think it is the case that a lot of States had these concerns before we did here in Washington. Proponents of the Federal standards have suggested that what this legislation does, as passed over here, is to eliminate these standards altogether. But the bottom line, Mr. President, is that the Senate bill does include the Federal nursing home standards.

States, however, have complained about the administrative burdens associated with implementing these Federal standards since the very beginning. Obviously, there is inevitably some tug of war that goes on between Federal and State governments over the rules and regulations. We do not in the legislation we passed propose in any sense to back away from the Federal standards that are out there, but we do acknowledge sometimes the implementation of a Washington-knows-best, one-size-fits-all approach does not translate into efficiency in government at the State and local level because of the diversity between the 50 States.

Therefore, what we have done in the bill that passed the Senate is not back away from Federal standards. We have retained them in the legislation. What we have done, however, is include a provision that only allows States with nursing home standards that are equal to or stricter—or stricter—than the Federal standards to seek a waiver from the Secretary of Health and Human Services.

Let me just go over that again, Mr. President. We are not talking about less stringent standards. We are talking about States that have equal or

more strict standards may seek a waiver from the Secretary of HHS to be able to use their standards and to supplant Federal standards with the stricter standards that they may have at the State level.

We are talking here about seeking a waiver, Mr. President. We are not talking about anything that happens automatically. The Secretary of Health and Human Services must reach the conclusion that the State standards are equal to or stricter than the Federal standards before the waiver will be granted. If the Secretary does not believe that the State nursing home standards are equal to or stricter than the Federal standards, no waiver will be granted. That seems to me to be the best way, Mr. President, to preserve the tough standards that I think all of us here at the Federal level want to see maintained across this country.

I just say that the comments of the Senator from North Dakota struck home with me, as I am sure they did with many others, because I would bet virtually every Member of this body has had a loved one at one time or another confined to some type of care facility, a nursing home or other similar care-providing facility. We want those tough standards. But we also recognize, and I think this compromise is the way to achieve it, that sometimes the States can do it better, the States can do it less expensively, and the States can have tougher standards.

Obviously, different States have had different experiences. But my State, I think, is a good example of one which was ahead of the curve on these issues. Michigan was interested in quality nursing homes long before the Federal Government established its standards in 1990. Indeed, the Michigan Nursing Home Reform Act was passed and signed in 1978. And it was a much tougher law than anything that existed at the time.

It still contains some of the strongest penalties in the country for poor performance. In fact, recently an effort to test the standards of our nursing homes found that our State government did its tests. Only one nursing home it went into failed to meet the tough standards Michigan imposed. We are proud of the way we oversee these facilities. I think other States are, too. I think this waiver system is the way to balance Federal concerns with State flexibility.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. ROCKEFELLER. Will the Senator yield?

Mr. ABRAHAM. My time has expired.

The PRESIDING OFFICER. The time of the Senator from Michigan has expired.

Who yields time?

Mr. ROCKEFELLER. Might the Senator from West Virginia ask the Senator from Arkansas a question?

Mr. PRYOR. Mr. President, should the Senator from West Virginia like

some time to ask a question to the Senator from Michigan, I will be glad to yield to him 2 minutes.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROCKEFELLER. Mr. President, I say to the Senator from Michigan, I just came on the floor this moment, but I thought I heard the Senator saying that States, where standards are as strict or stricter than Federal standards, could seek a waiver.

Mr. ABRAHAM. Right.

Mr. ROCKEFELLER. That leads to the question as to States which are not restricted or whose standards are in compilation or regulations are being made, et cetera. I ask this question: It was my impression at one time in the evolution of the majority party's standards for nursing homes that each State was allowed to describe and make its own standards; is that correct?

Mr. ABRAHAM. Mr. President, it is my understanding we are debating today the current focus of the reconciliation debate, which is the bill that passed the Senate. I believe in the perfecting amendment the Finance Committee brought to us, the concerns that were raised about standards being below Federal standards were addressed in such a way that the only waivers that will be permitted are those which would be offered for States that have standards that are equal to or stricter than.

Mr. ROCKEFELLER. I understand that. I am not even talking about the waiver question. I am talking about the matter of States setting standards, whether or not they get to the waiver point. Is it not true that all 50 States would then get to set their own standards, and then at some point along the line, obviously somebody would make a judgment as to whether the waiver was justified or unjustified?

Mr. ABRAHAM. Right now, my understanding is States are free to set their standards today. The issue of whether to comply with their own standards or to be held to a higher or Federal standard is going to be determined by the Secretary of Health and Human Services who would be empowered to decide whether or not those State standards that they might set were equal to or stricter than the Federal standards. If they are not, then they cannot be used.

That is my understanding of the way this would work. I believe right now the legislature of Michigan or the legislature of West Virginia could pass legislation that would have standards of their own choosing. The issue of whether or not those would be preempted by Federal standards, I think, would be determined, under our bill, by the Secretary of HHS who might decide the Michigan standards, as has been the case for many years, are tough standards; tougher, in fact, in many cases than Federal standards.

Mr. ROCKEFELLER. I think before the time runs out, let me just make my

point to the Senator. And that is, I understand the point the Senator is making, but I think there are a large number of States, I believe, which do not come under any kind of Federal standards, whether they are by waiver or not, which are allowed to make their own standards, which is not exactly the same as it is today where States do have to comply with certain Federal standards, witness 1987. And that the Senator makes the assumption that the junior Senator from West Virginia would not make, and that is that the States would make standards for their nursing homes which would be at or above Federal standards. That is something which concerns me greatly, but I was trying to seek information from the Senator.

Mr. ABRAHAM. Just in summary, my impression and understanding of what we attempted to accomplish here was to create a Federal standard that would be a floor rather than a ceiling, and if States wanted to have more strict standards, they would be permitted waivers to do so, but they would not be permitted waivers if they had standards less strict. That is my impression of the legislation.

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. PRYOR. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 8 minutes.

Mr. PRYOR. Mr. President, I do not plan to use 8 minutes, but I would like to, basically, close my proposal that our conferees, when named, be instructed to keep the present standards for nursing homes this Congress adopted by an overwhelming bipartisan support in the great effort of 1987.

I would like to talk about the substance of the difference between our proposal and the proposal as supported, evidently, by our good friend from Michigan and his colleagues on the other side.

First, we are yielding two things in the Roth proposal that we voted for on October 27. We are yielding two things. The Federal Government, notwithstanding the fact that all nursing home residents—most of them, two-thirds—are Medicaid paid for, so there is a Federal involvement, a Federal attachment, but the Federal Government is saying, unless we instruct the conferees, unless we keep the present standards, the U.S. Government is saying in effect, we are giving up any protection or any regulations or any enforcement opportunities, notwithstanding the fact that nursing home residents are not treated fairly; that they are given poor food; that they are not clothed properly, they are not bathed properly. All this can take place, and if a State has a waiver, Mr. President, the Federal Government has given up that opportunity to enforce standards.

The second major concept that I would like to talk about that my friend from Michigan has raised—and I thank my good friend from West Virginia who

has been so strong in the movement behind keeping the strongest and strictest standards—is the concept of a State being able to adopt stronger standards. That is the law today. That is the beauty of the 1987 law.

The Federal Government said, "States, if you want to, you can adopt stronger standards than the Federal Government has." That is what we said to the States. There is a former Governor of a great State, a great Governor of the State of West Virginia. I was the Governor of Arkansas. I may not have been a very great Governor, but I was a Governor. I said, that makes sense. I said that in 1987, that makes sense.

So today we give the States that opportunity to go forward to adopt any stronger standards they would like if they think that Federal standards are not sufficient. But if the States apply to HHS and the Secretary of HHS stamps that piece of paper and says you have a waiver, then the Federal Government is walking away from its powers to enforce, the Federal Government is walking away from its powers to regulate, and we are going to rue the day, because we are going to find ourselves back in the pre-1987 period of time when we saw that many of the nursing home residents were not being cared for, that they were not being protected, that there were too many bedsores, that they were improperly tied up, that they were improperly looked after, basically, Mr. President, and there is no reason—there is no reason—as Time magazine said, there is no reason for us to go back to the dark ages. There is no reason for it. There is no support for it.

I can say, if we had the 2 million nursing home residents out there in our country voting as to whether they would like to have this extra amount of protection by the Federal Government, I think all of us in this body would know what that vote would be. I bet it would be unanimous, of all 2 million residents out there who would be saying, "Thank you for that extra protection because my quality of life is being made better."

Mr. President, this has been an issue for some weeks now that has basically been a very grave concern to many in this body and many in the other body, many organizations. But if I might, I would like to state just a few of the groups who have written in support of keeping the strongest standards:

The American Association of Homes and Services for the Aging; the American Federation of State, County and Municipal Employees; the American Geriatrics Society; the American Health Care Association; the American Medical Directors Association; the Catholic Health Association; the Catholic Social Services Organization; the United Auto Workers, and actually a long list of individual nursing homes across our country that in the past you might have said, "Well, these nursing

homes would like to get by with no regulations." That is not the case.

These regulations, these standards are uniform. They are true in every State. They are the same in every State. If I had a mother living today and she were in a nursing home in California, I could be living in Oregon and I would know exactly what those regulations were, because they are the same all over this country. We need to keep that. We should not obfuscate the nursing home regulations. We should not invite lawsuit after lawsuit to try to find out what these regulations meant. I have a letter from the National Senior Citizens Law Center.

I ask unanimous consent that their analysis of the legislation, as proposed by Senator ROTH, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL SENIOR
CITIZENS LAW CENTER,
Washington, DC, November 1, 1995.

Hon. DAVID PRYOR,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR PRYOR: At the request of Theresa Forster of your staff, I have reviewed the language of the Roth Amendment that addresses nursing home reform. For the reasons stated below, I do not believe that the Roth Amendment reinstates the federal nursing home reform law, as does the Pryor/Cohen Amendment, Number 2983, which was approved by the Senate earlier in the day on October 27. The Roth Amendment fails to provide nursing facility residents with the full protection of the federal law.

1. The waiver language does not make sense, when analyzed. Although there is surface appeal to saying that the protections of federal law will be waived only if the Secretary of the Department of Health and Human Services determines that a state's law is "equivalent to or stricter than the requirements" of federal law, this provision does not make sense when it is analyzed. If a state's law were the same as or stricter than federal law—and therefore the state was doing the same or more than federal law required—why would the state want or need to get a waiver of the federal law? It makes no sense.

Senator Cohen said on the Senate floor on October 27:

"I do not know of any State that has the same or better [standards] than the Federal ones. But assuming States come forward, as they have not in the past, and raise their standards to those at the Federal level. If they can establish that, and if they can satisfy the Secretary of Health and Human Services that they have done that, that does not mean they are free and clear to go forward and then abuse their patients. . . ." [emphasis supplied]

Congressional Record, Oct. 27, 1995, S 16044. As Senator Cohen correctly points out, states could meet the Roth Amendment test only by raising their standards to the level of current federal standards. Therefore, the waiver provision makes no sense.

Moreover, a state can always offer more protection to residents than federal law provides, under state licensing authority, and some states do. For example, some states require more extensive training for nurse aides than federal law currently provides.

2. The Roth Amendment includes no standards for the Secretary to use in considering

states' waiver requests. In reality, under the Roth Amendment, states will seek waivers of the federal law when their laws are different from federal law. However, the Roth Amendment includes no standards for the Secretary to use in analyzing a state's law. Does a state's law have to be equally stringent in each and every aspect of federal law? Or will waivers of parts of the law be allowed?

Current federal law addresses, with respect to standards required of nursing facilities: quality of life, quality assessment and assurance, scope of services and activities under plan of care, resident assessment, provision of services and activities, required training of nurse aides, physician services, clinical records, residents' rights (including free choice, freedom from restraints, privacy, confidentiality, accommodation of needs, grievances, participation in resident and family groups, participation in other activities, examination of survey results, notice of rights and services, rights of incompetent residents, transfer and discharge rights, access and visitation rights, equal access to quality care, admission policy protection of residents' funds), administration and other matters, life safety code, and sanitary and infection control and physical environment. Current federal law also addresses the survey and certification process and enforcement of standards.

Senator Cohen said on the Senate floor on October 27: "The amendment clearly indicates that no such waiver is allowed unless the Secretary approves the waiver, and only if each standards is equal to or more stringent than the Federal Standard." [emphasis supplied]

Congressional Record, Oct. 27, 1995, S 16043. The language of the Roth amendment does not state that each state standard must equal each federal standard.

Moreover, the federal reform law now permits states to use their own laws and systems to enforce nursing home standards if they demonstrate to the satisfaction of the Secretary that their laws are as effective as the remedies specified by the federal law in deterring noncompliance and correcting deficiencies. 42 U.S.C. § 1396r(h)(2)(B)(ii). No state has used the process provided by the reform law to request the right to use its own enforcement system since the new system went into place July 1, 1995.

3. The Roth Amendment offers no process for the Secretary to use in granting state waivers. The Amendment authorizes a 120-day "approval period," (§2137(a)(2)(C)), but does not specify what processes the Secretary must use. For example, there is no provision for notice to the public or for a public hearing on a state's request for a waiver. There is no requirement that the Secretary issue a written determination that a state's law meets the stringency standard and no provision for residents to seek judicial review of the Secretary's decision to grant a waiver.

4. The Roth Amendment does not specify what happens to a state's request for waiver if the Secretary fails to act within the 120 day approval period. If the Secretary does not act to grant or to deny a waiver request within the 120 day approval period, the Amendment does not say whether the waiver request is deemed approved or deemed denied. If the Secretary receives many waiver requests, he/she may need more than 120 days to decide the requests.

5. In reality, many states will argue that their laws are equal to or more stringent than federal law. Despite the language of the amendment, which limits waivers to states whose laws are equivalent to or stricter than federal law, many states will argue that their laws meet the standard, regardless of

the merits. Many states already routinely make this argument.

California argued in the summer of 1990 that its law was as good as federal law when it sought an exemption from the law from the Health care Financing Administration and from Congress. California also argued that complying with federal law would cost billions of dollars more than the existing system. HCFA rejected a waiver because it had no authority to waive the federal law and Congress also refused to exempt California from the requirements of federal law. California nevertheless went forward with its defiance of federal law and announced publicly on October 1, 1990, the effective date of the law, that it would not implement federal law. As a result, a statewide class of residents in California sued the state to compel it to implement the federal law. I was and still am, lead attorney for plaintiffs in that litigation. The federal district court ruled in January 1991 that California's law was not the same as federal law and that it offered residents less protection. Finding that residents faced irreparable harm from California's conduct, the court ordered California to implement the entire law immediately. If the reform law had not been in place, with its lack of provision for waiver of federal standards, California residents would not have been protected.

6. The federal government would lose current authority to enforce standards of care against nursing facilities. Section 2137(a)(2)(D), "No waiver of enforcement," begins, "A state granted a waiver . . . shall be subject to [three categories of penalties]." This provision addresses solely the authority of the Secretary to impose penalties against states that fail to meet state standards for which they received a waiver. This language does not retain authority in the Secretary to impose penalties against nursing facilities that fail to meet standards.

Subsection (iii) of 2137(a)(2)(D) does not appear to make sense. Although its purports to give the Secretary enforcement authority under the reform law, the opening language of the section quoted above restricts this federal enforcement authority to actions against states.

Senator Cohen insisted in his statement on October 27 that "the Federal Government must continue a central role in monitoring and enforcing nursing home standards." Congressional Record, Oct. 27, 1995, S 16043. However, the language of the Roth Amendment does not carry out his intent.

7. The Secretary's penalty against states for noncompliance is considerably weaker than current federal law. Section 2137(b) limits the financial penalty against states to no more than 2% of the federal payment under section 2121(c). Current federal law authorizes the Secretary to withhold all of a state's Medicaid payments if he/she finds that the state plan does not conform to the requirements of the Medicaid law or if a state fails to comply with the law in its administration of the state plan. 42 U.S.C. § 1316(a)(1).

When California announced on October 1, 1990 that it would not implement the nursing home reform law, the Secretary issued a determination that California was not in compliance with federal law. 56 Federal Register 80 (Jan. 2, 1991). All of California's Medicaid money for nursing homes was jeopardized.

A maximum of a 2% penalty is a considerably weaker federal sanction.

At the Senate Aging Committee hearing on October 26, the witnesses made clear that there needs to be a federal set of standards that are uniform for everyone, no matter where they live. Waivers for what are fundamental rights for individuals who live in nursing facilities (as witnesses described the law) would be granted or denied in a highly political situation, not on their merits.

Thank you for your efforts on behalf of nursing home residents. The Pryor/Cohen Amendment, No. 2983, offers better, more comprehensive protection to residents than the Roth Amendment.

Sincerely,

TOBY S. EDELMAN.

Mr. PRYOR. Mr. President, they have analyzed this particular issue, I think, as well as and as objectively and as fairly as they know how. They come down with the bottom line that we do not want to see compromised the safety, health, and the quality of life for the nursing home residents of the United States of America.

Mr. President, I see no other Senator seeking recognition. Therefore, I yield the remainder of my time, 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. PRYOR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. PRYOR. Mr. President, I do not think I have requested the yeas and nays.

Therefore, I request the yeas and nays on my motion.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. PRYOR. Mr. President, I ask unanimous consent to temporarily lay aside the motion to instruct the conferees on the nursing home standards.

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

Mr. ABRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. ABRAHAM. Mr. President, I ask unanimous consent to have printed in the RECORD as part of this debate, since our time has expired, a report.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REASONS WHY THE NURSING HOME REFORM PROVISIONS IN OBRA '87 SHOULD BE REPEALED

1. The cost to the Medicare program for the survey and certification of Nursing Homes (skilled nursing facilities) will be approximately one hundred million dollars for the current fiscal year. Combine the national Medicare cost with the one hundred million dollar cost to the Medicaid program to do surveys of Medicaid nursing facilities and you can project a total national savings of two hundred million dollars to Medicare and Medicaid.

2. The survey, enforcement and certification requirements flowing from OBRA '87 are excessive in scope, difficult to administer and were not pilot tested to demonstrate their applicability. As a result there is gross inconsistency in survey findings and enforcement remedies between individual states and HCFA regions across the country.

For example, for the 1,676 national surveys completed between July 1, 1995 and September 1, 1995, Michigan found only 1.6% (1 of 61) of facilities surveyed to be in "substantial compliance" and not requiring any enforce-

ment remedies. The national percentage of facilities in "substantial compliance" for the same period was 32%. Michigan continues to identify 60% of its facilities as providers of "substandard quality of care" when utilizing the HCFA definition while the national rate is 18%. These unacceptable variations are largely due to vague statutory requirements that have been implemented without adequate evaluation and training.

3. Implementation of the enforcement requirements in OBRA '87 has resulted in inappropriate labelling of some providers as providers of "Substandard Quality of Care" when the infractions cited are easily correctable. In the meantime, these providers are prohibited for the next two years from having state approval of a nurse aide training program operated in or by that facility.

4. Administration of the enforcement processes required by OBRA '87 is incredibly complex and cannot be administered by the states without a significant increase in the budget and the number of personnel dedicated to this task. Individual states should be given the opportunity to design and implement a survey and enforcement program that make sense, are affordable and can be administered by that state.

5. States have existed state licensure and enforcement laws and regulations. They should be given a chance to use this authority. In the past there was a disincentive to do so since Medicare and Medicaid regulations took precedence since they controlled funding to the facility. States would welcome the opportunity to design their own programs—probably incorporating some of the positive elements of OBRA '87 but leaving out those components that have not worked.

Mr. ROCKEFELLER addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

MOTION TO INSTRUCT—MEDICARE

Mr. ROCKEFELLER. Mr. President, I send a motion to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

MOTION TO INSTRUCT BUDGET CONFEREES OF H.R. 2491, OFFERED BY SENATOR ROCKEFELLER

I move to instruct the conferees on the part of the Senate not to agree to any reductions in Medicare beyond the \$89 billion needed to maintain the solvency of the Medicare Trust Fund through the year 2006, and to reduce tax breaks for upper-income taxpayers and corporations by the amount necessary to ensure deficit neutrality.

Mr. ROCKEFELLER. Mr. President, we have come to one of those days, I think, in the Senate and in this Congress which is pretty definitional. I think, based upon some town meetings that I held yesterday in West Virginia in very rural counties, people are really looking at the Congress today to find out what we are made of and whether or not we can govern. I think there is a suspicion that we cannot, but there is a hope that we will. The day that that will be determined will be, I suppose, today and tomorrow, but basically today, up until midnight.

Mr. President, the reason that I have offered this motion, which the clerk just read, is to, in fact, do a favor for every Senator and to give every Senator an additional chance to defend

what is probably the most popular program in this country—and that is Medicare—and to protect that program from robbery that can, in fact, still be stopped. But, at the moment, it is not being stopped and, therefore, 37 million Americans are in jeopardy.

The motion, as the clerk read it, gives very precise instructions to the conferees of this reconciliation bill, who are in fact still trying to figure out what to do. If a Senator, at a later hour, is to vote for this motion, the Senator will be telling the conferees that Medicare—again, probably the most popular program in the country—should only be cut to ensure that Medicare's solvency, the trust fund's solvency, is ensured through 2006.

Now, there is no reason to ensure solvency longer than that period because, in fact, there has to be a longer term solution made, in any event, and that, I hope—and I know the majority leader hopes, and I know the ranking member of the Finance Committee hopes—that will be done by some kind of a commission which will be sort of a binding commission, a Base Closing Commission, wherein hard decisions will be made about the future of Medicare, how it is to be paid for, what it is to offer, et cetera, and that will be remanded back, so to speak, to the Congress, who will vote that up or down, and the President will sign it.

My feeling would be, of course, that the Congress would vote for the bill, as they did the Social Security Commission, because it would be carefully thought through by a group of experts, and that is the longer term solution. But that is for another day.

For the moment, we have to figure out how can we get from here to the year 2006 and keep Medicare solvent. The trustees of the Medicare hospital insurance trust fund have made it very clear in public statements, private statements, writings, official statements, unofficial statements, and in any statement they have ever made about this, that all of the problems of Medicare part A can be solved by means of an \$89 billion cut. Of course, that is \$181 billion less than the excessive and, I think, dangerous, and certainly unnecessary, cut of \$270 million, which was put forward by the two versions of the Republican budgets now passed by the Senate and the House of Representatives.

Mr. President, \$270 billion of Republican cuts get you to the year 2006 for solvency, and \$89 billion of Democratic cuts get you to the year 2006 for solvency.

At some point, one has to ask the logical question: How come if both get you to the same place for solvency, even give or take a year, why is there such a difference? Why is there a \$181 billion difference in what the Democrats are suggesting—this is what the trustees suggested to us—and what the Republicans are suggesting?

This motion is a final chance to go on record for the survival and the solvency of Medicare. I repeat, a final chance. It really is. Every Republican Senator can take advantage in a sense of this 1-day special opportunity. If you want to make it clear that you do not want Medicare to wither on the vine, this is definitely the vote for you.

These are not political words, in fact. The words could not be more clear. They could not be more precise. Mr. President, \$89 billion does the job. Anything else is for some other purpose. Mr. President, \$89 billion in cuts give Medicare solvency for the short and medium term. Anything else above that is for some other purpose.

The trustees of the Medicare trust fund have said in print and in every other way that \$89 billion of savings is precisely the amount needed to ensure Medicare solvency until that magic year of the year 2006. The problem for the Republican budget is that it needs a lot more money than \$89 billion in cuts of Medicare.

I am trying to say this as objectively as I can. It really does need more money. If there were \$89 billion in cuts made out of Medicare, a major function of the Republican budget would fall on its face. I have a very strong suspicion, as do most of my colleagues on this side of the aisle and surely some on the other side of the aisle, that the reason for \$270 billion of cuts in Medicare and the reason, in fact, for \$187 billion or \$182 billion in cuts in Medicaid adding to \$450 billion, to give ample savings or cuts so that the \$245 billion tax break can be paid for.

There are not many places in the Federal Government that you can go for money anymore. You cannot go to the Defense Department. We made about as many cuts as we can make there. You cannot go elsewhere—to the National Endowment for the Arts. You cannot go to AmeriCorps; that is being abolished. You really have to go to Medicare and Medicaid.

If the proposition that people want to have a tax break for certain people and certain corporations, then, obviously, at the exact same moment as 7 years is being used to reduce the budget deficit to zero or purportedly to zero—there is discussion about that—you have to get a very large amount of money from some other source. Of course, that source, the largest of all of those sources, and the most tempting target, is Medicare. That is exactly where the Republicans go.

They do that, as I indicate, to pay for tax breaks that are listed one after another after another, promising special dividends galore for people who are already wealthy, and corporations that want to pay less are willing to make working families pay more.

Now, I do not agree with that philosophy. This is a democratic society, a democratic body. The Republicans control the Senate. The Republicans control the House. They have made their decision. This is what they want to do.

Let it be clear that raiding Medicare is not reform. The last time I spoke on this subject, I had a Webster's dictionary and I looked up "reform" in that dictionary. Once again, I refer to that because the record of definition of "reform" is "to put or change into an improved form or condition." That is how Webster defines reform: to put or change into an improved form or condition.

Cutting \$270 billion, \$181 billion in excess of what is necessary, is certainly not putting or changing Medicare into an improved form or condition. Not only that, it is making decisions about Medicare which should not be made now, which should be made in the context of the longer term, which is the idea of the commission.

Often Republicans say, "Well, Democrats are afraid to means test." I do not think that is the case. I think Democrats are not afraid to means test. In this case, this Senator would not be afraid to means test. I would be very much afraid to means test in the absence of any other consideration of what is going on in Medicare. I want to look at means testing in the broad spectrum of a larger commission, which is what I think that President Clinton would do, perhaps within a year or, if he is reelected, within 2 years. Then call together 30 experts, as he did for the Greenspan commission, and sit down and discuss Medicare behind closed doors, with the public involved through consumers and seniors, experts, actuaries, and everybody else.

When you want to, as Webster says, "to put or change into an improved form or condition," you want to make sure you are doing the right thing with something that means so much to senior citizens and to some disabled, as does Medicare.

So, \$270 billion is not going to put Medicare into better form. It will put it into far worse form, a much worse condition. I think that is axiomatic. The numbers would simply say that. We do not have to wait and see. I do not want to wait and see right now what that means.

The reconciliation bill lays out how to get \$270 billion out of Medicare in various cold print. The majority party has said premiums and deductibles for seniors shall be doubled. Nothing hidden. The seniors I was with yesterday, their premiums will be doubled. Their deductibles will be doubled. Hospitals will get less. Rural hospitals—I was in a county yesterday in which one of the rural hospitals had just closed, gone bankrupt. I am trying to figure out a way to save it. In the meantime, their costs, were they open, would go up, which makes it, of course, more difficult to open. Doctors will get less from Medicare.

What is interesting is that some doctors have told us for the record that they are just not going to take older Americans as patients any longer. They are not going to accept them as patients. There will be a little sign on

their shingle which says Dr. So and So, "Medicare patients, not accepted." They have said that to us, Mr. President. I do not create that.

If all the cutbacks and price increases for seniors could not generate \$270 billion, then there is some automatic chain saw which no longer exists in the Senate budget which does in some other draconian form exist in the House budget, some automatic chain saw will keep on cutting Medicare.

The Senate had a very infamous section to it called "BELT," to whip out, to rip-off, so to speak, and then to take Medicare and cut it blindly. In other words, if Medicare grew faster—everybody knew Medicare definitely was going to grow faster. They set in this BELT program a very low growth possibility so obviously Medicare would fail the test, BELT would be put into effect, and then a whole series of cuts would then be put into effect in a whole series of services so they could no longer be offered to Medicare patients.

I think the minority embarrassed the majority in this body to take that out. I am glad. I congratulate the majority party for doing that because I think it was wise to do. But that has not happened in the House, where it is very hard to embarrass the majority party. The minority party is not very good at it over there. They do not have the numbers to do it.

In any event, as far as we know, it stays there, a BELT-like instrument, which is a meat ax, and that will just make the problem of seniors and paying for Medicare much, much, much, much worse. We offer this motion to instruct conferees to give Senators another chance to fix this budget—again; to get the priorities straight—again. Balancing the budget does not mean, I do not think, by definition, destroying Medicare, hurting Medicare, spending huge sums on new tax breaks and increasing the debt over the next 7 years. It means protecting Medicare's solvency with the \$89 billion. It means limiting tax relief to what we can afford.

Notice I am not saying abolish tax relief altogether, but simply limiting it to what we can truly afford. And then limiting it to those who can use it the best, who either need it the most or can use it the most productively, in terms of jobs, in terms of giving people a better opportunity, a life. Of course, it means using some common fiscal sense. That is the kind of budget we should be working together to pass in this body.

I urge every Senator to vote for this motion. I am not sure that every Senator will, but I urge every Senator to do that. It is a bonus vote. Yes, it is our final—and yes it is a desperate—act, to try to convince Senators on the Republican side to protect Medicare and not sacrifice Medicare at this very early stage on the alter of budget deficit reduction for the purpose of a tax break.

Let us remember why Americans of all ages feel so strongly about Medicare. It is one of the country's proudest achievements. It enables every American to count on dignity and decency when they retire and get older. It tells families fortunate enough to have parents and grandparents who grow old that they will not have to make the terrible choice between buying a house or sending a child to college and paying the health bill of a mother, father, grandmother or grandfather, as they get into their seventies and eighties or beyond that.

The Members of this body on both sides of the aisle should always have courage to change course when the signs are obvious that it is time to go down a different road. We are at, now, such a time. This motion is a genuine effort to give Senators a chance to do just that. I do not know of any other way to appeal to the conscience of the majority in the Senate than by this motion to instruct the conferees. We have exhausted every other opportunity. We cannot vote on bills anymore. All we can do is to make a motion to instruct the conferees to consider what it is we have been trying to say. There is nothing else left to us, so we do what we possibly can to protect seniors.

The plan to use Medicare to pay for other agendas is just not working. The public is not buying it. It is going over like a lead balloon out there on Main Street and in the coffee shops and living rooms and senior centers where cutting \$270 billion from Medicare is understood very clearly.

Again, I was at two town meetings yesterday in my State, in relatively rural counties. The people understand, there, the seniors understand, there, very well, exactly what has happened. They did not need to get a lecture from me on it. They understood it. That message has really gotten through. It is really hurting.

If I were a member of the majority party in this body I would hear that message loud and clear. I would be somewhat afraid of that message. But most important, I would respect that message because it is a message which is coming directly from people who are affected by it and they do understand it. They understand it very clearly. The American people are really paying attention to this part of our debate over priorities.

A lot of the rest may go by, but this part they are paying close attention to. They are tuned in and they are turned off and they are angry and they are scared. Not by the minority, but by the fact that their premiums and deductibles will get doubled; that they may be turned away by hospitals or doctors; that hospitals will lose money. Hospitals will not turn them away—but they are scared of the idea of \$270 billion in Medicare cuts. And they have every reason to be scared about that, because the \$270 billion in cuts are not

needed, they are not called for. They have another agenda.

Before Medicare was enacted, just under half of America's elderly had no health insurance—over half had no health insurance, in fact, whatsoever. Can you imagine that? To be 80 years old and have no health insurance? What would that mean to a lady or a man, perhaps living by themselves, to have no health insurance? Today, 97 percent of America's seniors do have health insurance, thanks to Medicare. And that includes 330,115 older and disabled citizens in my State of West Virginia. I happen to care about them. I want to see the right thing done by them. The right thing can still be done by them, for them, by us.

Nationwide, these are Americans whose average income is \$17,750, which is not very much money. Not so in West Virginia. In West Virginia the average income for seniors is \$10,700 a year, of which already one-fifth is being spent on health care. So think about what an \$11 premium increase per month would mean? In other words, if you start out with \$10,700 and then already 21 percent is being spent for health care, so that is more than \$2,000. And then you have to add on another \$1,000 just for the premium. You come very quickly to the point where these folks, who are real people—you know they are real people, they come out in the cold to meetings in West Virginia and other States, and meet with us. They are afraid. I did not tell them to be afraid. They are afraid. They arrive at the meetings afraid. That is why they came to the meeting, because they are afraid and they want to know is there going to be a change in this policy?

They want to stay healthy. They want to stay alive. They do not even get prescription drugs, do they, under Medicare? They do not even get prescription drug coverage; or home care, which is what we all want. They cannot get that under Medicare. But certain things they can get and they really do want them.

If I could be very blunt about it, Medicare, I think, is on the short list of America's all-time great accomplishments as a Nation. I think it belongs on the list that includes winning the American revolution, breaking off with the British, in other words, and starting the world's greatest democracy; establishing Social Security; stopping Hitler and ending the Asia part of the Second World War; sending a man to the Moon. I put Medicare in a league with those. We had hundreds of thousands of soldiers killed in the Second World War. We have hundreds of thousands of seniors who live, dependent, upon Medicare in West Virginia, and 37 million across the country each and every year, except that the number gets larger.

Medicare should not be treated like the bank standing there on the corner to be robbed so the money can be just handed out to the most wealthy, even

though some of the intentions might be good. Before the conferees finish their work, this motion is a chance to give up on an idea that is making Americans mad. And it is not just senior Americans.

At town meetings I have gone to over recent months—and the one I was at yesterday—it is not just the seniors that are mad. It is all of those folks that turn out in those rural counties that are mad. They are angry that this is happening—happening in a sense without their knowledge. The knowledge has gotten through because of the press after its usual preoccupation with trying to figure out not the substance of the issue but who wins and who loses. Are the Republicans up? Are the Democrats down? What is Clinton going to do? What is he not going to do in the offer to the President today? That is what it always is. That is what these people have to get. It is political warfare. It has nothing to do with their lives. That is for the most part what the media out there covers. So it is hard for them to get the point, but they are informed on this issue.

So, again, before the conferees finish their work, this motion is a chance to give up on the idea that is making Americans so mad and is forcing the budget process to remain divided and contentious—in some ways is forcing a constitutional crisis. I will get to that in a moment. The Senators on this side have absolutely no choice, Mr. President—no choice.

We have exhausted our remedies. There is nothing more we can do. We are in the minority trying to fight for Medicare. But we have exhausted our remedies except for something called a motion to instruct conferees, which probably will not pass, but I hope it does. I hope it does because it is in the interest of everybody in this body and certainly in the interest of senior Americans.

The President has absolutely no choice but to promise the veto pen. We were elected to stand for what we think this country stands for. That includes the idea of health, income security through Medicare, through Medicaid, and through Social Security—all of these things—when you have finally finished your working years and you reach your later years.

I know the people of West Virginia expect me to keep fighting for Medicare. They told me that yesterday. Go back there and fight. Go back there and fight. That was their instruction. They understand that balancing the budget does not mean using Medicare as some kind of a fund for giveaways. It means using Medicare for Medicare.

The Senate can agree on a budget that will eliminate the deficit, but only when we first agree that Medicare should still be standing the day that vital goal is reached.

Mr. President, I voted for a balanced budget in 7 years. It was not the one that prevailed. It was another one. But

it balances the budget in 7 years. I am for that.

So I do not offer this as some kind of an evasive mechanism. I offer it with the deepest sincerity, with a real sense of fear for what is going to happen to our seniors, and potentially to our country.

So I urge my colleagues to vote for this motion to protect Medicare and the millions of seniors who should hear from us that their security is not being traded away.

Let me also just make a comment at this point. If I might ask how much time is remaining to this Senator?

The PRESIDING OFFICER (Mr. SMITH). The Senator has 11 minutes remaining.

Mr. ROCKEFELLER. Mr. President, let me also comment on the issue that fills the morning headlines and the news stories—as well it should—that relates directly to Medicare and the 37 million senior citizens who count on Medicare. We all know too well that some are not acting as if it is not going to happen. But, you know, it is right on the threshold. We are right on the brink.

The Federal Government may shut down within 24 hours. That may be a thought that pleases a lot of people, but if you are trying to land an airplane and you are trying to make sure that you can get a passport to come back from Europe to this country, or whatever, this is a very, very grave subject. This has not happened, I think, since perhaps in the year 1990. And there is some thought that, if this happens, this time it will last longer. The last time it cost the American taxpayers \$1.7 billion. Heavens only know what it will cost this time. But here we are.

Is the Government going to shut down in 24 hours? Beyond that, the United States' fiscal integrity is on the line as it has never been on the line before.

When Robert Rubin talks, it is interesting. He is not just sort of talking like the Secretary of the Treasury, so to speak. He is scared. He is afraid of what is going to happen.

Why are we in peril? Why is our integrity in peril? Because our debt ceiling limit may not be extended in time. Why? Because the party, to be quite honest about it, Mr. President, that sought control of this Congress, that asked for the votes to be able to control this Congress—and has those votes and does control this Congress easily—needed to be the majority party. You are. I would say to the Presiding Officer, you all are in charge. And the majority party now refuses to take care of one of the most basic responsibilities involved in Government.

The Republican leaders are actually refusing to allow two basic measures—the continuing resolution and the debt ceiling extension—to travel from Congress to the President without a bunch of unnecessary, inappropriate, frankly some just silly baggage loaded onto

these two monumental bills because of what can happen.

It would be one thing if the majority would claim that they have completed their own promised work on the budget and a series of appropriations bills. But they have not. They are still negotiating the reconciliation bill in some room somewhere to figure out amongst themselves just exactly how they plan to cut Medicare by \$270 billion. That is going on right now. And then to dole most of that money out through tax breaks.

The Republican majority still needs to finish their own work on the budget, and we are 24 hours from shutting down the Government. Shutting down the Government is like shutting down the people, in certain respects—not in all respects, but shutting down the work of the people and what the people need to have done.

So, for some reason, even though any teacher would give the Republicans an “incomplete” today on their promise to produce a 7-year budget plan, we find the majority party playing with fire and endangering the country in ways that can be and have to be avoided.

Take the continuing resolution. That is the basic piece of legislation to keep the Federal Government operating so national parks stay open, passports get approved, checks go out. The list goes on and on and on. Of all possible pieces of baggage that the majority party could attach to this bill, never, ever, ever, never, ever, did I think that they would take a premium increase in Medicare, a premium increase for Medicare beneficiaries and make it as their top priority—to say to the President of the United States, “You take this premium increase, Mr. President, or we will shut down the Government.” Take this premium increase on 37 million seniors in this country or we will shut down the Government.

We used to do that kind of stuff at camp except we did not run the Government. But that is the kind of stuff we used to do at camp, I say to my friend from Arkansas. The Republican leaders are actually demanding that the President swallow an increase in Medicare premiums in order to keep the Government running. The Government is meant to be serious stuff. The premium increase or whatever is going to happen, that comes in the commission stage later on. That should not be the issue now. The issue now should be to make Medicare solvent. I say to the President, do not swallow this ridiculous demand and do not give in to it. Do not do that to our country. Do not do that to your office. Do not humble your office in that manner, by agreeing to this Republican demand to hurt seniors as a tradeoff to keep the Government running.

More than three-quarters of all Americans on Medicare have yearly incomes of less than \$25,000 a year, and as I have said, in my home State of West Virginia—and I daresay in the home

State of the Senator from Arkansas it is not much more than what it is in West Virginia—the average annual income for Medicare beneficiaries is \$10,700 a year—not \$25,000, not \$17,000, \$10,700 a year, and \$2,000 plus already of that goes to health care. So that leaves them \$8,000 for the rest of the year for everything else. And now we are going to add \$150 or whatever of new premiums—and that is just part of doubling Medicare copays and deductibles as is contemplated in the rest of the majority party's budget plan.

The specific Medicare premium increase that the Republican leaders are demanding would cost our seniors an extra \$11 a month. That means their premium would go from \$42.50 to \$53.50 a month. Maybe the upper-income Americans in this body and some others of the upper-income Americans who are counting on a tax cut in the Republican budget bill will not notice the \$11 increase in their premium insurance, but I guarantee you every last senior that I saw yesterday in town meetings—that I have seen during the course of these years—will feel it and will have to make choices as a result of it. An extra \$11 a month in cost just might mean skipping a couple more meals at the end of the month.

Just talk, you say. No, it is not. It just is not. That is how fine the margin is for them. Or not being able to pick up one's heart medicine or coming up short when it is time to pay for the heating bill.

That is why the President cannot in this Senator's judgment and will not in this Senator's judgment and should not even consider the idea of being pushed by Republicans to raise Medicare premiums even before they have finished their budget.

Today is the day that the Republicans should give up trying to use Medicare and 37 million seniors and disabled Americans as pawns. This is that day. It is a ploy that is not working. It is a ploy which is not good. I think most Republicans probably recognize that at this point.

Mr. President, I close simply by saying that what I am doing is begging my colleagues to walk away from this Medicare premium change at this point. Do not make the President veto it because of something like that. Let us try to do this properly and rationally.

I thank the Presiding Officer and yield my remaining time to the Senator from Arkansas.

The PRESIDING OFFICER. All time remaining under the control of the Senator from West Virginia has expired.

Mr. PRYOR. Mr. President, I ask unanimous consent that I may be allowed 2 additional minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. PRYOR. Mr. President, I thank the Chair.

I thank my colleague from West Virginia. His statement was eloquent. It

was delivered with compassion and force as always, and I applaud him for his commitment to this cause.

The Senator from West Virginia has brought up a most telling point which brings us to the brink of the so-called closing down of the Government, which does not have to happen. The Medicare issue that is today in the reconciliation bill is also the issue—that is, threatening to bring down the Government—that the Republicans have put into the concurrent resolution. It is the same issue. It should not be debated in the continuing resolution. It should be debated in the reconciliation bill, as my colleague and friend from West Virginia knows, but there is a reason why there is no debate going on between the conferees of the House and Senate, Republicans and Democrats on reconciliation. We do not have any conferees. There is no one to confer with. And as a result we find the Government is about to close down. We hope not. It is not necessary. It is manufactured, this crisis.

In behalf of the Democratic leader, I would like for the RECORD to indicate that no Democratic Senator would require nor request a vote on sending the continuing resolution in its current form to the President. We understood and hoped this morning that there would be presented the continuing resolution to the Senate. We were not. No Democratic Senator voted for the continuing resolution which passed on Thursday, and we see no reason to delay the continuing resolution going to the President for his disposition.

I ask for 30 additional seconds, Mr. President.

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

Mr. PRYOR. Nor do we attempt to slow down this process. We want to see this process go forward. We want to prevent this Government closing down. It does not have to. It is our understanding on the Democratic side of the aisle that Republicans may now seek to amend the continuing resolution further and we are now waiting word as to what that amendment might be.

Mr. President, I thank the Chair. I thank the distinguished manager. I yield the floor.

The PRESIDING OFFICER. All time of the Senator has expired. The Senator from Michigan.

Mr. ABRAHAM. Mr. President, I yield myself such time as I may require.

Let me today respond in part at least to some of the issues that were raised by our colleague from West Virginia in presenting his motion to instruct conferees. What I would like to begin with is a discussion of the numbers themselves.

The Senator from West Virginia and others on the Democratic side of the aisle have contended in recent weeks that if we only reduced the growth of Medicare spending by \$89 billion, somehow this alone would be enough to make the Medicare Program solvent,

to preserve and protect and strengthen it.

That is simply not the case. The \$89 billion number which has floated around here for some time is a number which at least many of us consider to be a number in great dispute. Once again, it is a number that comes not from the Congressional Budget Office, the office that I would assume Members of Congress would look to for accurate information, but, rather, comes from the Office of Management and Budget.

We have talked on numerous occasions here on the floor of how, when the President was first elected, he came to Congress and said, "It's time to end the games of rosy scenarios and administration politicking by using executive branch numbers. Let's all use the same numbers. Let's all use the CBO." But now when the crisis hits, when the crunch time comes, we are back using OMB numbers. And \$89 billion simply will not get the job done.

In fact, it is interesting to note, Mr. President, that the President himself in his proposals to bring the budget into balance has suggested a number in the range of \$127 billion as the amount of dollars that need to be reduced in Medicare spending over the next few years in order to bring the budget into balance. That \$127 billion is also an OMB number. If it was calculated by the CBO, using the assumptions we have made here, it would be much higher. In fact, I think it would be closer to \$190 billion, using CBO kinds of assumptions, to get the job done.

But the \$89 billion proposed by this motion really only covers part of Medicare. That is the second thing that needs to be put into perspective. That covers part A of the trust fund. Let us look at that trust fund. Part A of the trust fund will go into deficit this year for the first time in its history. We have heard a lot of talk during the debate about the Medicare Program, from the beginning when the trustees' report was released, that, in fact, the trustees' report should not be taken too seriously. After all, for years and years the trustees have prophesied that at some date in the future Medicare part A would go bankrupt.

Now we are hearing a different story. Now maybe there is a need to adjust it. I say that \$89 billion is not enough. There is a very serious need because part A, for the first time, in 1996 will run a deficit. And at this point there is no foreseeable stage in the future when it will not run on an annual basis deficits that will grow larger and larger and larger.

That is because the structure of the program, the way it is currently set up, absolutely guarantees that the deficits in part A will continue to grow. It will grow faster, faster, and even faster in about 15 years as people in the so-called baby-boom generation reach an age when they become consumers of entitlements rather than people providing revenue to these trust funds.

Reductions of \$89 billion in spending in Medicare represents business as usual, represents the approach that has been taken for too long here in the Congress of the United States, the kind of piecemeal, one-step-at-a-time approach to Medicare that has caused the program to continue to run at growth rates that are far greater than what the private sector sees in health care provider increases.

It is time to end that approach and play by the real numbers and time to play by the CBO numbers. The \$89 billion is a stopgap solution; we need a longer solution. We need not only a solution for part A, we need to solve the problems of part B, because part B is growing too fast as well. That is what we have attempted to do in this budget reconciliation package.

Mr. President, the allusions that have been made suggest that the changes we are talking about are ones that are simply designed to cause people hardship and difficulty. That is not the case. Let me just review for the Congress today some of the changes that are incorporated in our reconciliation package.

First, as was alluded to by the Senator from West Virginia, we intend to means test beneficiaries so that upper income citizens are not on the same level as those in greater need and, in fact, do pay their fair share. It is suggested that before we move in that direction, we should have a long-term study and commission or some other form of assessing whether or not to move toward the pay-your-fair-share approach. I think we should put the commissions out of commission. I think this is an approach that is needed now. We do not need to delay in making that decision.

Second, what we have tried to do in our plan is try to provide those people who are in the Medicare Program with the right to choose a program that is best for them.

The Senator from West Virginia made a comment or two that I was struck by. He talked about how Medicare does not provide for pharmaceuticals. It does not provide, as you also know, Mr. President, for things like new eyeglasses. That is because we have a one-size-fits-all Medicare plan. If you are a senior citizen in this country, you do not have a choice, you are in Medicare and you only get one approach. If you are not, if you are in the younger age category, you have a lot of choices.

What we want to do and one of the ways we intend to bring down the growth of Medicare is by giving our seniors the right to choose different options. I know seniors who say, "What I would like is a system where I do not have to pay for pharmaceuticals, where we have a break on drugs like a lot of private health care plans have." We want to give seniors that right. We do not want to take away their choices. We want to expand them.

I know seniors who say, "I would like to have a situation where I can get my eyeglasses changed and not have to be hit in the pocketbook by the excessive costs of new eyeglass prescriptions." We want to give them that choice, not diminish their choice; expand it.

Finally, what we want to do is eliminate the waste and the fraud and the mismanagement in the Medicare Program. One of the ways we intend to reduce the growth of Medicare is by enforcing tough standards to deal with fraud and abuse. Indeed, Mr. President, this Senator offered an amendment which was adopted to provide the beneficiaries of Medicare with an opportunity to obtain rewards for ferreting out the waste and fraud and bringing it to the attention of Federal officials or finding ways to make the program run more efficiently.

There are a lot of ways we can address these problems. Every way does not include, as was suggested earlier, simply more hardship for people. We are trying to be innovative and broaden the choices for people. And what we are trying to do is offer a long-term solution to this problem, because it is not going to get better, Mr. President, it is going to get worse.

If you are in Medicare now or if you are approaching Medicare age, we are facing insolvency in the Medicare system. And the motion to instruct, if it were to be implemented, would not offset that potential insolvency because, Mr. President, in just a few years, as the entitlement commission indicated just last summer, we are talking about a day in this country, if we do not slow the rate of growth of these programs, when entitlement spending and spending on the interest on the national debt will together consume all of the revenues of Government. That would mean no national security, no law enforcement, no spending on education, training, highways, or anything else unless we started borrowing money at a level that this country's economy could not sustain, which means we have to address these problems now, early in the process, not much later on. That is what the Republican plan intends to do.

Finally, I would like to just address another point or two with regard to the Medicare issue. Today, it is being suggested that the lines are clearly drawn, that there is a side that cares about seniors and a side that does not. The majority party cares about seniors of this country. It was not the majority party that increased the tax on the earnings of Social Security beneficiaries. In fact, every Member of the majority party voted against those tax hikes in 1993. It was the other side who imposed those higher taxes.

It was not the majority party that just last week wanted to give the President the ability to tap into the Social Security trust funds to deal with our debt limit. We want to protect those Social Security trust funds. And that is why our short-term debt ceiling

bill would keep those trust funds sacred.

Finally, it was not the majority party that introduced a balanced budget plan that would dramatically change the CPI without any consideration of those issues. It was the balanced budget plan offered on the other side.

Mr. President, we see a lot of polls. We see polls that were alluded to by the Senator from West Virginia that say, "Gee, these plans may or may not be popular today." But, Mr. President, every day the polls change. If there is a new TV ad attacking a plan, that will change the polls. If there is a story in the newspaper or on the news, that will change the polls. We did not come here, Mr. President, to change our philosophies, to change our objectives, to change what we were sent here to do based on the intermittent polls conducted by various pollsters whether for the media or on a partisan basis.

We came here to fulfill promises that were made. And those promises, just so I can bring them back to the foreground, which underlie what we are trying to do across the board with this budget, were to, first, end the red ink in Washington, 25 years of deficit spending. That is what our budget does. It brings the budget into balance. And what does that mean? It means lower interest rates. It means the Federal Government finally operating the way we have to operate in our families and many State and local governments have to operate. That is by spending no more than you take in.

Second, we have an obligation and a promise and a commitment to preserve, protect, and strengthen Medicare, not through next year's election but into the future. And that is what our plan accomplishes.

Finally, we have a commitment, a promise, to let people keep more of what they earn. We heard a lot of talk about this tax cut already. I do not want to get into great detail about it here again today. The motion to instruct suggests that somehow we would offset any budget impact of this reduction in the change in the rate of growth of Medicare by reducing so-called tax breaks for upper income taxpayers and corporations.

Mr. President, the tax cuts that are part of this reconciliation package, just to go over them one more time, fall to families, fall to small businesses in great degree. Over \$140 billion of the \$245 billion—actually a \$225 billion net tax cut—is the family tax credit, and 83 percent of that, under the current version, goes to families who make less than \$100,000 a year and over 70 percent to families making less than \$75,000 a year.

Another major part of that tax cut is the spousal IRA; another part is ending the marriage penalty; another part is to allow family farmers and small business people to pass on their assets to their children without facing huge Federal taxes at the time somebody passes away.

The only way we are going to offset the change that would be suggested in this motion through tax changes would be to hit families and undermine the tax cuts which we have developed for them. That is not the way, I think, we should do business, Mr. President.

So, for all of these reasons, we stand strong, I think, in support of the original reconciliation package of the past.

At this time, I yield such time as we may have remaining to the Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming has 7½ minutes remaining.

The Senator from Wyoming is recognized.

Mr. THOMAS. Thank you, Mr. President.

Mr. President, I, of course as all of us, have listened with great interest this morning. Medicare is an item in which all of us have a great interest.

I would like, as the Senator from West Virginia indicated, to say to the town meeting, Let's take the easy way out. I would like to say, We don't really need to make the tough decisions. We can put it off again, as we have in the past. I guess it would be easier to fix it through the next election rather than through the next generation.

I do not think that is why we are here. Many of us just came here, and we came here with a dedication to make some fundamental changes. We came here with some dedication to not continue as we have over the last 30 years and just fix it so it is easy, just fix it so we can get by until the next crisis, but rather really look at making some fundamental changes.

I think there is a concept we all have to consider, and that is, when you look at the way things are and you are not happy with them, then you have to make some change. You cannot expect to get different results by continuing to do the same thing, which is what has gone on here for too long.

We are seeking to make some changes. We are seeking to make a philosophical difference, a fundamental difference in direction, and I understand there are changes. I happen to believe, and I think the majority party believes, we ought to have less Government, it ought to be less costly, we ought to balance the budget, we ought to have fundamental reform in welfare, we need to strengthen and maintain Medicare, Medicaid, we need to have tax reduction—we believe in that.

I understand there are those who believe more Government is better, and that is a legitimate view. I do not share it.

I am a little concerned, frankly, in the area of public policy where we transfer decisions to people, but they have to be based on facts. I heard yesterday on the TV how we are raising the Medicare premium. It is just not a fact. We now pay 31.5 percent. That is what we will continue to pay. It has been that way since 1990. It was raised by a Democratic Congress in the Budget Reconciliation Act. That is a fact.

We are not raising it. It is continuing on where it was as a percentage of the cost of that premium.

A balanced budget, how long has it been? Almost everyone who will get up and object to what is happening has been here for these years when we have not balanced the budget. Now, I know there are various ways to do it, but we do need to change. We talked about the taxes—not accurate. We talked about great educational cuts, less than one-tenth of 1 percent.

So, Mr. President, we need to talk about facts if we are going to have a participatory Government. The President has not participated in this dialog and still does not.

So, of course, we are talking about a popular program and all of us want to maintain it. That is really the issue: How do you best do it.

Why is it attached? Why is this portion attached? Let me tell you why. Because in part A, which it deals with, part A is withheld from Social Security and you cannot change the computers as quickly. If you waited until after the first of the year to do this, then it would be May again before you could change the computers back to 31.5 percent. There is a logical reason for it being there. The rest of Medicare is not there. This one is there because it is a mechanical process that has to be accommodated.

I, too, come from a rural State. Let me tell you some of the things in Medicare that are going to be useful to rural States. The Senator from West Virginia talked about hospitals that have been closed. We just had one close. It had a utilization of 4 percent. You cannot operate that way.

Under the current law, the Federal Government cannot reimburse for hospitals that are not full hospitals. We have a proposition in here to redefine hospitals so that a community like that can have an emergency room, it can have a stabilizing facility so that you could be there and be reimbursed by the Federal Government.

We have Medicare bonus payments so physicians come to these rural areas. We have telemedicine grants, rural emergency access, hospitals which I just spoke about. We do something to equalize HMO and Medicare. In Florida, they get \$650 a month for Medicare. In Wyoming and South Dakota, it is \$150. That is not fairness, that is not equity.

These are the kind of changes, if we want to have a strong Medicare Program, that have to be made over time. We cannot take the easy way out. We cannot just patch it up and see if it can go forward. We have to make some changes, and that is what it is all about.

Only that portion that has to do with this maintaining the 31.5-percent level is in this proposition that we are talking about, and it is in there for a particular reason, a mechanical reason, so that it can continue to be.

So, Mr. President, I suggest to you we need to reach down, we need to take

a look at the kind of results we want, we need to take a look at the fact that under the proposal that is being talked about here, there is only stability for about 6 years, when we are talking about going on to 2009 when the baby boomers come in. You need to do something before that. We do not need to go to another committee. We have been through this time and time and time again. We have spent all 2 years on this matter—everyone in this body.

So we know what decisions have to be made. They are tough. Of course, they are tough. Decisions are not easy. We are here to be trustees for people to make decisions to make things work. We are not here to pass it off. We are not here to be easy. We are not here to be able to get on TV and make things sound great. We are here to deal with the facts. We are here to deal with change. We are here to deal with maintaining Medicare so that we have a program for the elderly, and if we want to do that, then we have to make a fundamental change.

Mr. President, I yield the floor.

Mr. GRAHAM. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. The Chair indicates to the Senator only 10 seconds is remaining.

Mr. THOMAS. My time has expired.

The PRESIDING OFFICER. All time has expired on the motion.

Mr. GRAHAM. Mr. President, has all time expired on the motion to instruct that was offered by the Senator from West Virginia?

The PRESIDING OFFICER. The Senator is correct.

Mr. GRAHAM. Mr. President, I believe under the previous order, it is now in order to offer a third motion to instruct conferees.

The PRESIDING OFFICER. The Senator is correct. There are two motions pending, the motion to instruct regarding Social Security and the motion to instruct regarding health care.

MOTION TO INSTRUCT—SOCIAL SECURITY

Mr. GRAHAM. Mr. President, I send a motion to the desk.

The PRESIDING OFFICER. The clerk will report the motion.

The legislative clerk read as follows:

The Senator from Florida [Mr. GRAHAM] moves to instruct conferees on H.R. 2491, the Balanced Budget Reconciliation Act of 1995—

(1) to honor section 13301 of the Budget Enforcement Act of 1990,

(2) not to include in the conference report any language that violates this section, and thus

(3) not to include the \$12 billion in Social Security cuts that were included as an offset for on-budget spending in the Finance Committee's amendment.

Mr. GRAHAM. Mr. President, I control 20 minutes. The Senator from South Carolina controls 20 minutes. I defer to the Senator from South Carolina.

Mr. HOLLINGS. I thank my distinguished colleague from Florida.

Mr. President, the reason we make this motion is not simply to obey the law, but to understand and appreciate

the reasons that we overwhelmingly passed this law back in 1990.

Let me ask unanimous consent at this point to have section 13301 of the Budget Act printed in the RECORD at this time.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Subtitle C—Social Security

SEC. 13301. OFF-BUDGET STATUS OF OASDI TRUST FUNDS.

(a) EXCLUSION OF SOCIAL SECURITY FROM ALL BUDGETS.—Notwithstanding any other provision of law, the receipts and disbursements of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund shall not be counted as new budget, authority, outlays, and receipts, or deficit or surplus for purposes of—

(1) the budget of the United States Government as submitted by the President,

(2) the congressional budget, or

(3) the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) EXCLUSION OF SOCIAL SECURITY FROM CONGRESSIONAL BUDGET.—Section 301(a) of the Congressional Budget Act of 1974 is amended by adding at the end the following: "The concurrent resolution shall not include the outlays and revenue totals of the old age, survivors, and disability insurance program established under title II of the Social Security Act or the related provisions of the Internal Revenue Code of 1986 in the surplus or deficit totals required by this subsection or in any other surplus or deficit totals required by this title."

Mr. HOLLINGS. Mr. President, this section essentially says, "thou shall not use Social Security trust funds in computing the deficit or the debt."

We passed this provision back in 1990 after the Budget Committee had fully considered the particular problem. What we had been doing was obscuring the true size of the deficit, not by reducing it, but by moving it. In other words, we would take the surplus in the trust funds for Social Security and count them as revenues so that, when balanced against the expenditure column, it looked like we had reduced the deficit.

The truth of the matter is that we were only moving the deficit—from what we owned the financial markets to what we owned the Social Security trust fund. That is why my colleagues on the Budget Committee voted overwhelmingly to take the Social Security trust fund off budget by a vote of 20-1 on July 10, 1990.

I ask unanimous consent to have the record of this vote printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HOLLINGS MOTION TO REPORT THE SOCIAL SECURITY PRESERVATION ACT

The Committee agreed to the Hollings motion to report the Social Security Preservation Act by a vote of 20 yeas to 1 nay:

Yeas: Mr. Sasser, Mr. Hollings, Mr. Johnston, Mr. Riegle, Mr. Exon, Mr. Lautenberg, Mr. Simon, Mr. Sanford, Mr. Wirth, Mr. Fowler, Mr. Conrad, Mr. Dodd, Mr. Robb, Mr. Domenici, Mr. Boschwitz, Mr. Symms, Mr. Grassley, Mr. Kasten, Mr. Nickles, Mr. Bond.

Nays: Mr. Gramm.

Mr. HOLLINGS. Senator DOMENICI, myself, and the rest of the Senate Budget Committee save the Senator from Texas, Senator GRAMM, voted that trust funds of Social Security not be used in calculating the annual deficits or surpluses. Soon thereafter, on October 18, 1990, we had a vote in the U.S. Senate and passed the same legislation by a vote of 98-2.

I ask unanimous consent that that vote be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

VOTE ON HOLLINGS-HEINZ, ET AL., AMENDMENT WHICH EXCLUDES THE SOCIAL SECURITY TRUST FUNDS FROM THE BUDGET DEFICIT CALCULATION, BEGINNING IN FISCAL YEAR 1991

Yeas (98)—Democrats: Adams, Akaka, Baucus, Bentsen, Biden, Bingaman, Boren, Bradley, Breaux, Bryan, Bumpers, Burdick, Byrd, Conrad, Cranston, Daschle, DeConcini, Dixon, Dodd, Exon, Ford, Fowler, Glenn, Gore, Graham, Harkin, Heflin, Hollings, Inouye, Johnston, Kennedy, Kerrey, Kerry, Kohl, Lautenberg, Leahy, Levin, Lieberman, Metzenbaum, Mikulski, Mitchell, Moynihan, Nunn, Pell, Pryor, Reid, Riegle, Robb, Rockefeller, Sanford, Sarbanes, Sasser, Shelby, Simon, Wirth.

Republicans: Bond, Boschwitz, Burns, Chafee, Coats, Cochran, Cohen, D'Amato, Danforth, Dole, Domenici, Durenberger, Garn, Gorton, Gramm, Grassley, Hatch, Hatfield, Heinz, Helms, Humphrey, Jeffords, Kassebaum, Kasten, Lott, Lugar, Mack, McCain, McClure, McConnell, Murkowski, Nickles, Packwood, Pressler, Roth, Rudman, Simpson, Specter, Stevens, Symms, Thurmond, Warner, Wilson.

Nays (2)—Republicans: Armstrong, Wallop.

Mr. HOLLINGS. Mr. President, at that particular time, so there will be no misunderstanding, the present leader of the budget in the U.S. Senate, the chairman of our committee, Senator DOMENICI of New Mexico, said:

I support taking Social Security out of the budget deficit calculation. I support the Heinz-Hollings-Moynihan amendment.

Thereafter, the Senator did have some misgivings, and I want to quote him:

The issues involved with taking Social Security, including interest, out of the budget deficit, are not as simple or painless as they seem, or as the sponsors of this measure have suggested. If we take interest off budget, then we have to come up with more deficit reduction, and that means only one of two things—more taxes or more spending cuts.

Now, Mr. President, we get right to the meat of the coconut. The real fiscal cancer in the Federal Government today is the amount that we have to pay annually in interest costs on the national debt. The estimate for this fiscal year is \$348 billion. We could adopt the GOP budget in the next 10 minutes, and we still would not have not cut spending. Why? Because spending for our interest costs on the national debt are up to a billion dollars a day.

It gets worse and worse and worse every day, and it will be next to impossible to attack this problem if we do not act now. We are 7 years and two

Presidential elections from the time when Medicare will go into the red. We are 25 years away from the time when Social Security surpluses will be exhausted. Yet we constantly hear the rhetoric about the looming crisis in Social Security and the need to "protect, preserve, and strengthen" Medicare—all because we do not want to talk about the fiscal crisis that we are in this very minute. Why do we avoid this reality? Because if we were to talk about it, we might be forced to do something about it.

In order to do something about it, you have to have a balanced approach that includes spending cuts as well as revenue increases. Our budget history for the last 15 years highlights this reality. When Howard Baker was the majority leader, he and I joined in trying to pass a budget freeze from 1981 to 1985. We said, "Take this year's budget for next year." That would have saved billions of dollars, but alas, that road was not travelled.

Having not succeeded there, I started working with Senator GRAMM of Texas and Senator Rudman of New Hampshire and said, under Gramm-Rudman-Hollings, that we would have truth in budgeting. We would not only have the freeze, but additional cuts across the board as well. We were on course with automatic \$37-billion-a-year cuts, in an orderly fashion, to give us a balanced budget by 1990.

In 1986, we expanded our field of vision saying, wait a minute, it is not just the Appropriations Committee appropriating and spending more; that Finance Committee should be responsible as well in cracking down on unnecessary tax breaks. As a result, we had tax reform which purported to end corporate welfare.

By 1987, we met in the Budget Committee and considered other freezes, cuts, loophole closings. I remember telling Dick Darman, Director of OMB for President Bush, "Look, unless we grab a hold of this now with some kind of taxes, as well as the cuts and freezes and loophole closings, we are going to be in desperate circumstances. We are going to run up to about \$400 billion deficits, the debt growing all along, and interest costs growing all along."

As a result, eight of us in the Budget Committee voted in a bipartisan fashion to increase taxes. You cannot find that type of candor anymore around this Capitol, around the White House or anywhere else in this city. But, you are not going to get on top of this cancer unless you have that kind of surgery. Because, unless revenues are part of the solution increase taxes will continue to rise.

So let me be clear, Mr. President, those who say they are against taxes and want to cut spending, and even taxes, are totally off base with respect to fiscal responsibility. They know it, you know it, and the blooming press knows it, but they will not print it because they have joined in the pollster conspiracy. When the question is

asked: Are you for taxes? The answer invariably is: Oh, I am against taxes. So we all jump on the bandwagon. A public servant who comes out for paying a bill is portrayed as some fellow for wasteful spending. You cannot get any more wasteful than a billion dollars a day in interest costs for nothing. It was only \$75 billion when Reagan took over. It is now \$348 billion. That is an increase of \$273 billion for absolutely nothing.

So my point is, let us quit obscuring the size of the deficit. Let us quit moving the deficit from the general fund over to the Social Security.

My colleague from Florida will talk specifically about the \$12 billion they borrowed from the trust fund when they had to pick up votes on the other side of the aisle with the Roth amendment. In offsetting their amendment, they used \$12 billion that under the law should not be used for additional spending but should be credited to the Social Security Trust fund. It is the height of what we call smoke and mirrors. People sincerely get on the floor and claim, "We are not using smoke and mirrors." False. That is exactly what you are doing when you use the surpluses in the Social Security trust fund to claim that you are balanced and when you backload all of the tough choices.

Indeed, 50 percent of the proposed cuts under the GOP plan do not come until after the Presidential election in the year 2000.

This year, to be specific, we are trying to cut \$45 billion in spending under the Republican budget. In the year 2002, Mr. President, we will have to slash \$347 billion. We cannot get the \$45 billion this year, much less the \$347 billion necessary in year 7. That is why 10 of the 13 appropriations bill are not over to the President—because Republicans cannot agree on what to cut.

We have friends on both sides of the aisle who think we ought to do more in education, more in technology, in legal services, and right down the list.

Mr. President, we should look at what we have been doing. We have been long on sweeping promises to the American people and slow on results. In 1981 under President Reagan, the first concurrent budget resolution for the fiscal year 1982 predicted a deficit by fiscal year 1984 of zero. No deficit, a balanced budget.

I ask unanimous consent to have that page printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXCERPT FROM FIRST CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1982

(4) the amount of the deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is as follows:

Fiscal year 1982: \$48,800,000,000;

Fiscal year 1983: \$21,400,000,000;

Fiscal year 1984: \$0;

(b) the appropriate level of the public debt is as follows:

Fiscal year 1982: \$1,091,200,000,000;
 Fiscal year 1983: \$1,154,300,000,000;
 Fiscal year 1984: \$1,197,600,000,000;

and the amount by which the temporary statutory limit on such debt should be accordingly increased is as follows:

Fiscal year 1982: \$91,400,000,000;
 Fiscal year 1983: \$63,100,000,000;
 Fiscal year 1984: \$43,300,000,000.

(b) Based on allocations of the appropriate levels of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of the preceding subsection of this resolution, the Congress hereby determines and declares pursuant to section 301(a) of the Congressional Budget Act of 1974 that, for the fiscal years beginning on October 1, 1981, October 1, 1982, and October 1, 1983, the appropriate level

Mr. HOLLINGS. Then in 1985—we need not put that in; everyone knows that Gramm-Rudman-Hollings was a 5-year path to a balanced budget.

They talk about fiscal responsibility. I will show them the TV where I got the Good Government Award for ending deficits for all time from President Ronald Wilson Reagan.

By 1990, we got together—and please, my gracious, put this in the RECORD, please. I ask unanimous consent that the concurrent resolution on the budget for the year 1991 be printed at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXCERPT FROM CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1991

(3) The appropriate levels of total budget outlays are as follows:

Fiscal year 1991: \$1,002,300,000,000;
 Fiscal year 1992: \$1,024,800,000,000;
 Fiscal year 1993: \$1,049,900,000,000;
 Fiscal year 1994: \$1,059,900,000,000;
 Fiscal year 1995: \$1,080,900,000,000.

(4)(A) The amounts of the deficits are as follows:

Fiscal year 1991: \$143,700,000,000;
 Fiscal year 1992: \$100,900,000,000;
 Fiscal year 1993: \$62,000,000,000;
 Fiscal year 1994: \$14,700,000,000.

(B) The amount of the surplus is as follows:
 Fiscal year 1995: \$20,500,000,000.

(5) The appropriate levels of the public debt are as follows:

Fiscal year 1991: \$3,369,600,000,000;
 Fiscal year 1992: \$3,540,900,000,000;
 Fiscal year 1993: \$3,676,700,000,000;
 Fiscal year 1994: \$3,766,900,000,000;
 Fiscal year 1995: \$3,827,600,000,000.

Mr. HOLLINGS. The record I read—and everybody should fall down dead from shock—"The amount of surplus is as follows: Fiscal year 1995, \$20.5 billion." That was at the end of September, a month before last. We are supposed to have a \$20.5 billion surplus. Instead we have a \$283.3 billion deficit.

Here we go again, balanced budget promised in 1981. Balanced budget promised in 1985. Surplus promised in 1990. Now they come, with a 7-year promise that gets by two Presidential elections, and relies on completely unrealistic cuts.

Mr. President, I ask unanimous consent to have printed in the RECORD the particular chart entitled "Here We Go Again" that gives the true facts.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

"HERE WE GO AGAIN"

(By Senator Ernest F. Hollings)

Starting in 1995 with:

(a) A deficit of \$283.3 billion for 1995:

1995:	(In billions)
Outlays	\$1,530
Trust funds	121.9
Unified deficit	161.4
Real deficit	-283.3
Gross interest	336.0

(b) And a debt of \$4,927 billion.

How do you balance the budget by:

(a) Increasing spending over revenues \$1,801 billion over seven years?

GOP "SOLID", "NO SMOKE AND MIRRORS" BUDGET PLAN

Year	CBO outlays	CBO revenues (billions)	Cumulative deficits (billions)
1996	\$1,583	\$1,355	-\$228
1997	1,624	1,419	-205
1998	1,663	1,478	-185
1999	1,718	1,549	-169
2000	1,779	1,622	-157
2001	1,819	1,701	-118
2002	1,874	1,884	+10
Total	12,060	11,008	-1,052

(b) And increasing the national debt from \$4,927.0 billion to \$6,728.0 billion?

DEBT

[*off CBO's April baseline]

	National debt (billions)	Interest costs (billions)
1995	\$4,927.0	\$336.0
1996	5,261.7	369.9
1997	5,551.4	381.6
1998	5,821.6	390.9
1999	6,081.1	404.0
2000	6,331.3	416.1
2001	6,575.9	426.8
2002	6,728.0	436.0
Increase 1995-2002	1,801.0	100.0

[*off CBO's August baseline]

	1996 (billions)	2002 (billions)
Debt includes:		
(1) Owed to the Trust Funds	\$1,361.8	\$2,355.7
(2) Owed to Government Accounts	81.9	(1)
(3) Owed to Additional Borrowing	3,794.3	4,372.7
[Note: No "unified" debt; just total debt] ..	5,238.0	6,728.4

¹Included above.

(c) And increasing mandatory spending for interest costs by \$100 billion?

How? You don't.

(a) 1996 budget: Kasich conference report, p. 3: -\$108 billion deficit.

(b) October 20, 1995, CBO letter from June O'Neill: -\$105 billion deficit.

You just fabricate a "paper balance" by "smoke and mirrors" and borrowing more:

SMOKE AND MIRRORS

(a) Picking up \$19 billion by cutting the Consumer Price Index (CPI) by .2%—thereby reducing Social Security benefits and increasing taxes by increasing "bracket creep".

(b) With impossible spending cuts: \$270 billion in Medicare, \$182 billion in Medicaid, \$83 billion in Welfare.

(c) "Backloading" the plan: Promising a cut of \$347 billion in fiscal year 2002 when a cut of \$45 billion this year will never materialize.

	Billions	Billions
2002 CBO baseline budget	\$1,874	\$1,884
This assumes:		
(1) Discretionary freeze plus discretionary cuts (in 2002)	-121	-121
(2) Entitlement cuts and interest savings (in 2002)	-226	-226
[1996 cuts, \$45 B]	Spending reductions (in 2002)	-347

	Billions	Billions
Using Social Security trust fund		-115
Total reductions (in 2002)		-462
+Increased borrowing from tax cut		-93
Grand total		-555

(d) By increasing revenues by decreasing revenues (tax cut)—\$245 billion.

(e) By borrowing and increasing the debt (1995-2002): Includes \$636 billion "embezzlement" of the Social Security trust fund—\$1,801 billion.

THE REAL PROBLEM

Not Medicare—in surplus \$147 billion—paid for.

Not Social Security—in surplus \$481 billion—paid for.

But interest costs on the National debt—are now at almost \$1 billion a day and are growing faster than any possible spending cuts.

And both the Republican Congress and Democratic White House as well as the media are afraid to tell the American people the truth: "A tax increase is necessary."

Solution: Spending cuts, spending freezes, tax loophole closings, withholding new programs (Americorps) and a 5 percent value added tax allocated to the deficit and the debt.

"HERE WE GO AGAIN"

[Promised balanced budgets]

President Reagan.	1981 budget	\$0	(by FY 1984)
President Reagan.	1985 GRH budget	0	(by FY 1991)
President Bush ..	1990 budget	+20.5 billion	(by FY 1995)

Mr. HOLLINGS. The unrealistic cuts are completely unrealistic. We cut Medicare and Medicaid under President Reagan. We cut Medicare and Medicaid under President Bush. We cut \$57 billion under President Clinton from Medicare. At that time when we could not get a single Republican vote in either the House or Senate, we cut Medicare.

Now, after all of those cuts, Republicans are arguing to reduce Medicare by another \$270 billion just to give everyone a tax cut and reap the political benefit in next year's elections?

It is a disgrace. They ought to be ashamed of themselves. You cannot generate that amount of savings. It will not happen. Nor will you save the over \$80 billion banked on from welfare reform. You cannot set up a jobs program, a training program, a day care center program and everything else to put those on welfare to work without spending more money. Ask your Governor, because I can assure you, you will be hearing from him or her in the coming months. It is totally unrealistic.

As a final trick, the GOP plan borrows \$636 billion from Social Security over the next 7 years in order to obscure the size of the deficit and say the job is done.

Added to the over \$484 billion that we already owe Social Security, we will owe the Social Security trust fund \$1 trillion in the year 2002. It is sordid

gamesmanship, Mr. President. Sordid gamesmanship.

With this one instruction, Mr. President, we can hopefully sober them up. Maybe the media that is supposed to keep us honest can help out a bit. I think it was Jefferson who said, if it is between the free Government and the free press, I choose the latter.

Why? You can get a free Government, but you will not hold it along unless you have free media. I hope that still holds true for the press in Washington, DC. This media crowd is fast asleep. There one exception that I have found in a recent USA Today article entitled "The Balanced Budget Myth."

I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the USA Today, Nov. 6, 1995]

THE BALANCED-BUDGET MYTH

Each day, the debate over balancing the budget produces another dire warning. The cuts are too deep! say the Democrats. Taxes must fall! say the Republicans.

But after they compromise and begin arguing over who won a few weeks from now, one truth will remain: Both sides will be lying, because neither is talking about a truly balanced budget at all.

The non-partisan Congressional Budget Office underscored that point recently. It pointed out that come 2002, when the budget will be "balanced" under Republican plans, the government will still be borrowing more than \$100 billion a year. This is done by writing IOUs from the Treasury to Social Security and other trust funds that Congress declares "off-budget."

The bill for this little game won't come due in the political life of President Clinton or much of today's Congress. But the public will pay it soon enough.

To understand, look ahead to 2005. That's just 10 years away, about the time it takes for an 11-year-old child to go from grade school through college.

That year a critical balance tips. Increased costs for Social Security will begin to deplete Congress' cushion. Because the Social Security trust fund is a fiction filled with nothing but government promises to pay, Congress will gradually lose its fudge factor.

By 2013, when the trust fund peaks, taxpayers will feel a hard bite. They'll have to start doing what the trust fund was supposed to do—pay for the retirement of 75 million baby boomers. The budget will plummet into a sea of red ink, with \$760 billion a year deficits by 2030. By then the government will have to double the current 12.4% employer-employee payroll tax to cover Social Security obligations.

That's unaffordable. Yet, neither President Clinton nor leaders of either party in Congress acknowledge reform is needed to avert economic catastrophe. To do so would require Republicans to get off their tax-cut bandwagon and democrats to accept deeper spending cuts. Both prefer the myths that a budget borrowing from Social Security is balanced and a trust fund filled with IOUs to be paid by today's 11-year-olds has value.

Those are frauds only fundamental reform can fix.

The leaders of Clinton's commission on entitlements—Sen. Robert Kerrey, D-Neb., and former Sen. John Danforth, R-Mo.—last year recommended raising the retirement age to 70 and converting a portion of the current payroll tax into a mandated personal retire-

ment account. The Concord Coalition, a deficit watchdog, has called for cutting benefits to upper-income retirees. Other proposals include taxing all income for Social Security and subjecting all benefits to normal income taxation.

Which measures are best? Only a thorough debate of the various measures can decide. But first political leaders must give up their convenient budget myths and face the fact—a Social Security train wreck is coming, and sooner than they think.

Mr. HOLLINGS. "Both sides will be lying," it says. "After the compromise," and again arguing over who won a few weeks from now, "one truth will remain. Both sides will be lying because neither is talking about a truly balanced budget."

Once again, Mr. President, we have lied to the American people. In this context, I just hope the media will wake up and start reporting it. The real deficit had to be reported by Chairman KASICH in the conference report. He reported \$108 billion deficit.

June O'Neill, in a letter on October 20—and I ask unanimous consent to have the letter printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, DC, October 20, 1995.

Hon. KENT CONRAD,
U.S. Senate, Washington, DC.

DEAR SENATOR: Pursuant to Section 205(a) of the budget resolution for fiscal year 1996 (H. Con. Res. 67), the Congressional Budget Office provided the Chairman of the Senate Budget Committee on October 18 with a projection of the budget deficits or surpluses that would result from enactment of the reconciliation legislation submitted to the Budget Committee. As specified in section 205(a), CBO provided projections (using the economic and technical assumptions underlying the budget resolution and assuming the level of discretionary spending specified in that resolution) of the deficit or surplus of the total budget—that is, the deficit or surplus resulting from all budgetary transactions of the federal government, including Social Security and Postal Service spending and receipts that are designated as off-budget transactions. As stated in the letter to Chairman Dominici, CBO projected that there will be a total-budget surplus of \$10 billion in 2002. Excluding an estimated off-budget surplus of \$115 billion in 2002 from the calculation, CBO would project an on-budget deficit of \$105 billion in 2002. (The letter you received yesterday incorrectly stated these two figures.)

If you wish further details of this projection, we will be pleased to provide them. The staff contact is Jim Horney, who can be reached at 226-2880.

Sincerely,

JUNE E. O'NEILL.

Mr. HOLLINGS. The Director of the CBO, estimates a projected budget deficit of \$105 billion in 2002.

We had to write and insist that she follow section 13301 of the Budget Act. Two days before, she had said "Why, heavens above, we have a \$10 billion surplus." Two days later, obeying the law, she found \$105 billion deficit.

No wonder in the New York Times Adam Clymer wrote the article here

about 10 days ago that 81 percent of the American people do not believe the budget will be balanced. God bless them for their common sense.

I yield the floor. I reserve the remainder of my time.

The PRESIDING OFFICER (Mr. HATCH). Who yields time?

Mr. GRAHAM. Mr. President, I believe under the previous order I have 20 minutes?

The PRESIDING OFFICER. The Senator from Florida has 20 minutes remaining.

Mr. GRAHAM. Mr. President, I wish to commend my colleague from South Carolina, who has been toiling in these vineyards with the goal of achieving a balanced budget for many years and has given us the background, the historical context in which a very serious event occurred on October 27. Let me recall for the Senate what happened that night.

You may remember we had been in session for many hours that day. That was the day in which we cast some 40 individual votes. We had been waiting to receive the final amendment that would encapsulate a number of revisions to the Finance Committee's section of the reconciliation bill. After having requested for the better part of 36 hours the legislative language of those revisions and the impact which they would have, finally, at approximately 6:25 in the evening, we received version 1 and, at 9:45, received version 2 of what came to be known as the Roth amendment.

So, just prior to the Senate's final vote on the reconciliation legislation, Senator ROTH submitted an amendment which adds the following components. It modified certain Medicare provisions, it changed nursing home standards, and, the most significant provision from an economic standpoint, it reallocated the Medicaid funding formula.

Those modifications had a total cost of approximately \$13 billion. The motion which I have offered goes to the budget offset, which was offered in the amendment of Senator ROTH, as the basis of paying for the modifications in his amendment.

The amendment of Senator ROTH directed that all outlay programs within the jurisdiction of the Finance Committee use a cost-of-living adjustment rate of 2.6 percent rather than the 3.1 percent cost of living, which had been estimated several months earlier in the budget resolution.

Let me quote the language of the amendment by Senator ROTH as it relates to the methods of paying for the additional spending in his amendment.

"Notwithstanding any other provision of law"—I say to my colleague, Senator HOLLINGS:

Notwithstanding any other provision of law, in the case of any program within the jurisdiction of the Committee on Finance of the U.S. Senate which is adjusted for any increase in the Consumer Price Index for all urban wage earners and clerical workers

[CPI-W] for the United States city average for all items, any such adjustment which takes effect during the fiscal year 1996 shall be equal to 2.6 percent.

That amendment raised several questions. One of those questions is just exactly what programs is this provision intended to affect. Application of the 2.6 percent rate would impact a number of outlay programs, including railroad retirement benefits and supplemental Social Security income.

But, by far, the lion's share of the impact would be on one program. Mr. President, you guessed it, that program is Social Security. Approximately \$12 of every \$13 affected by this amendment, or \$12 billion of the \$13 billion in savings, comes from one program: Social Security.

Some have stated this is not a raid on the Social Security trust fund; instead, it merely recognizes the economic reality that the cost-of-living adjustment will be 2.6 percent rather than the 3.1 percent upon which the budget was predicated when we passed the original budget resolution last spring. As a result of this lower actual cost of living, the Federal Government will pay out less in numerous outlay programs, including Social Security.

At first that seems to be a plausible argument. But like so many things, the devil is in the details. And here is what the devil says. The devil says that there is no real money being saved by legislating at this lower rate. That is why the Congressional Budget Office stated that the Congressional Budget Office and the Office of Management and Budget do not score savings for a cost of living that would have happened anyway under current law.

Mr. President, I ask unanimous consent that immediately after my remarks, a memorandum from Mr. Paul Van de Water, Assistant Director of the Congressional Budget Office in the Budget Analysis Division, be printed in the RECORD.

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

(See exhibit 1.)

Mr. GRAHAM. What Mr. Van de Water said is that the policy of the Congressional Budget Office and the Office of Management and Budget is not to score savings when the law would have incorporated those savings in any event.

The reason the Congressional Budget Office historically does not score an updated cost-of-living assumption alone, out of the context of all of the other economic factors which influence the ultimate Federal deficit or surplus—the size of the deficit, the size of the surplus—is that to do so would create a very dangerous temptation.

What would that temptation be? The temptation would be for a Member of Congress to look at all the factors such as are listed on this chart that go into arriving at an overall assessment of the Federal Government's fiscal condition. Suppose, for instance, if you focused on the issue of inflation and be-

cause of the change in inflation rates between the time that the original budget resolution was passed until the time that the debate was taking place—in this case, on the 27th of October—if the movement of inflation had been such that it had increased revenues or had suppressed outlays, then we might say, let us change the inflation adjustment factor and take the benefit that would give us in terms of additional expenditures because of higher revenues or additional moneys being available because of we have repressed our expenditures.

But what if the other had occurred? Suppose, in fact, inflation had increased and therefore had caused us to have to spend more money on things like the national debt and had reduced our revenues because higher inflation had resulted in less economic activity? Which Senator would come forward then to offer an amendment to say, "Let us come up with some additional spending cuts, let us find a source of taxation in order to counterbalance what has happened in the area of inflation"?

The fact is, there would be very, very few who would do so. So, instead, by being able to pick and choose which factors happen to benefit the position that one wished to advocate, you would do exactly as the Senator from South Carolina has suggested we have been doing for the better part of the last two decades, and that is creating the smoke, looking into the fraudulent mirror that gives us the false sense we are making progress in reducing the deficit but actually contributes to higher and higher deficits, higher and higher national debt.

So, how does the Congressional Budget Office deal with this issue? The Congressional Budget Office says they will only revise the baseline if they take into account all factors, not just cherry picking those that happen to have a beneficial effect. Let me quote, again, from the letter from Mr. Van de Water.

At the request of the budget committees, CBO [the Congressional Budget Office] has from time to time, updated the baseline to reflect recent economic and technical developments. In such circumstances, however, we insist on incorporating all relevant new information, not just selected items such as COLA's [cost-of-living adjustments].

Did the Roth amendment take into account all economic changes and technical developments during the 8 months since the economic baseline had been established? You see all the factors that primarily influenced that economic baseline.

Does the amendment take into account the fact that interest rates have actually been higher than assumed in the baseline, which results in higher outlays? No.

Does the amendment take into account the fact that the Federal Government be required to make an additional \$20 billion in payments resulting from adverse court decisions in the banking area? No.

No, the Roth amendment only takes into account a portion of the inflation factor—namely, cost of living. Furthermore, the amendment only takes into account the cost of living as it relates to outlays rather than both outlays and revenues. And, moreover, it relates only to certain outlays, those within the Finance Committee's jurisdiction.

Mr. President, this is the most compelling detail in the devil's brew. If we had followed the Congressional Budget Office precedent and taken into account all factors, we would not have had a \$13 billion savings to use to finance these new spending items in the Roth amendment. No. In fact, we would not have had any savings at all. The economic reality is that the baseline assumptions were too optimistic.

Let me quote again from Mr. Van de Water's memo.

In this instance, if we were to include all of the information in our August baseline, plus the actual 1996 cost of living, our estimate of the year 2002 deficit would have been higher, not lower.

It would have been a higher deficit, Mr. President, not a lower deficit.

An economic update would show a higher deficit, and we count the update as saving money. I call it a raid on the Federal accounts. And since the Roth legislative language calls for the money to come from \$12 out of every \$13 from the Social Security payments, Mr. Senator from South Carolina, I call it a raid on the Social Security trust fund.

Some may argue that this macroanalysis proves too much and that the Roth amendment deals only with Finance Committee programs. Let us look narrowly and see if there has been a raid, looking only at Finance Committee programs.

The Roth amendment takes into account only outlays impacted by a lower 2.6 cost of living. The Social Security fund will spend fewer dollars to meet its obligations to the Social Security beneficiaries at a 2.6 cost-of-living adjustment. It would have had a 3.1-percent cost-of-living adjustment. True, but there are other ramifications to that lower cost of living. For example, many workers' salaries are tied to the same consumer price index that is the basis of our cost of living. If those salaries rise by only 2.6 percent rather than 3.1 percent, what happens to the payroll taxes withheld from their checks? They will be lower than the economic baseline projected, and, as a result, less money will flow into the Social Security trust fund.

Does the Roth amendment take these lower revenues into account? Mr. President, sadly, no. It only takes credit for lower outlays and does not recognize the effect of lower receipts into the Social Security trust fund.

Just what would be the impact of an updated economic assumption on the Social Security trust fund? Outlays are reduced by \$18 billion—\$12 billion by the COLA reduction and \$6 billion from

EXHIBIT 1
MEMORANDUM

To: Sue Nelson.

From: Paul Van de Water, Assistant Director of CBO in the Budget Analysis Division.
Subject: Taking account of the actual COLA.

The budget resolution baseline assumes a 3.1-percent cost-of-living adjustment for Social Security and other federal programs in January 1996. The actual COLA will be 2.6 percent. Two clear precedents apply in this situation.

CBO and OMB do not score savings for legislating a COLA that would happen anyway under current law. This rule was applied to veterans compensation in 1991 and to Food Stamps in 1992.

At the request of the Budget Committees, CBO has from time to time updated the baseline to reflect recent economic and technical developments. In such circumstances, however, we insist on incorporating all relevant new information, not just selected items, such as COLAs. In this instance, if we were to include all the information in our August baseline plus the actual 1996 COLA, our estimate of the 2002 deficit using the discretionary spending amounts specified in the budget resolution would be higher, not lower.

Mr. GRAHAM. Mr. President, could the President inform us as to how much time remains on this motion to instruct?

The PRESIDING OFFICER. The Senator from Florida has 2 minutes and 12 seconds, and the Senator from Michigan has 20 minutes.

Mr. GRAHAM. We will reserve our time, Mr. President.

Mr. ABRAHAM. Mr. President, I note the absence of a quorum and seek unanimous consent that the time not be charged to either side.

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

The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. ABRAHAM. Mr. President, I yield at this time such time as he may need to the Senator from Idaho.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, I thank my colleague from Michigan for yielding.

I have listened with a tremendous amount of interest to the debate over this motion to instruct conferees. I guess the thing that frustrates me most in the midst of all of this, in the midst of a Presidential veto this morning, is that by the unwillingness of this administration to act we are clearly putting a variety of trust funds in jeopardy at this moment that budget reconciliation has in every way sought to assure.

During our debate on the balanced budget amendment, we heard the other side literally go on for days that the reason we were balancing the budget was a variety of things, and that we were going to do it on the back of the Social Security trust funds. It was the

only way Republicans could figure out a way to balance the budget. I think what is their greatest frustration today is that we have offered a truly legitimate balanced budget and the trust funds are secure, and in fact the trust funds are safe.

When the Senator from Florida suggests in his motion not to include the \$12 billion in Social Security cuts that are included as an offset in relation to CPI adjustment, I find it interesting that he would phrase it that way when in fact but just a few days ago he voted for a Simon-Conrad budget that did the same thing. So we have really reduced the debate in this Chamber to politics, plain and simple raw politics: Do you want to maintain the stability programs like Social Security and balance the budget in doing so, or do you really want to progress down the same old path of spend and spend and promise well more than this Government could possibly provide or the taxpayers would be willing to pay for.

That is what we have reduced ourselves to in the final hours of a critical debate on a very conclusive process that honors the commitment that a variety of us made to the American people some months ago, that we would work in every way for a balanced budget by downsizing all of the areas of Government, except Social Security would remain sound and stable and off the table.

We have done all of those things, but because that is what the American people want and because there are many who are very fearful that they lose control of the phenomenal power they have exercised for decades in the ability to promise and spend and promise and spend and literally make our citizenry the victims of a government instead of the beneficiaries of a government, we have finally arrived at this debate.

What we are offering is very straightforward in protecting these systems and assuring their stability out into the future. Everyone knows that the only real saving grace of Social Security or any of these kinds of programs that extend benefits to citizens in our society either based on a commitment long term in an actuarial sense like Social Security or even that of qualifying under certain criteria for need, the only way you can offer those is if you have a balanced budget. The only way you can guarantee 30 years out that the beneficiaries of Social Security are going to get their Social Security checks is if there is no massive debt in this country that is pulling \$400 billion or \$500 billion a year out of general fund moneys to pay interest on debt. It is a self-fulfilling prophecy. We know that. The American people know it. That is why for the last many months we have struggled on key and important budget issues from both sides of the aisle trying to strike the compromise and split the difference and

other changes. But, Mr. President, revenues are down by \$62 billion as a result of economic changes such as the lower amount of payroll taxes coming into the Social Security trust fund.

Thus, the net effect to the Social Security trust fund of the \$18 billion of lower outlays but the \$62 billion in lower revenue to the Social Security trust fund is a decrease of \$44 billion in the status of the Social Security trust fund over the 7 years from that which had originally been estimated under the budget resolution.

So, Mr. President, we are diverting \$12 billion from the Social Security trust fund in order to finance additional spending while the trust fund will actually have \$44 billion less than originally projected. That, Mr. President, is a raid on the Social Security trust fund.

I find it quite ironic that Congress would be so concerned about the Social Security trust fund that we would attach a rider to the debt ceiling extension legislation which would preclude the Secretary of the Treasury from using Social Security and other trust funds as a form of cash management during this period in which we are about to reach our legal spending level.

Why would we be so concerned that we would put the ability of the Federal Government to meet its financial obligations at risk but then we would so freely raid the very same trust fund to pay for additional spending, additional spending unrelated to Social Security obligations? We cannot have it both ways.

We cannot say, on the one hand, that we want to be the great defenders of the Social Security trust fund, but, on the other hand, raid the Social Security trust fund. We cannot say, on the one hand, that these COLA modifications merely reflect reality and that it would have happened anyway, and then it is not real savings but just funny money and cannot be used to offset real spending. If it is a real cut, on the other hand, then it constitutes a diversion of funds and a raid on the Social Security trust fund. You cannot have it both ways, Mr. President.

Either conclusion—either that it is phony money to support real spending or that it is a raid on the Social Security trust fund, real money to support real spending—either one of those conclusions justifies jettisoning the Roth amendment as the basis of paying for an additional \$12 billion in new spending unrelated to Social Security obligations.

Therefore, I urge my colleagues to adopt the motion offered by the Senator from South Carolina and myself to instruct the conferees not to include the \$12 billion in Social Security cuts contained in the Roth Finance Committee amendment.

Thank you, Mr. President.

I reserve the remainder of my time.

yet continually march ourselves toward a balanced budget by the year 2002.

So when I look at instructions like this, these are like reverter clauses—revert to the old ways, revert backward, revert to deficit spending, revert to trust fund instability, revert to debt, revert to borrowing back money from future generations and not being willing to pay for it. But what the American people said is, do not revert at all. They instructed us last November. We had our instructions as conferees in a massive referendum across this country that was one of the most politically realigning referendums in the history of our country. They said to us as conferees: Balance the budget, stabilize the programs, reduce the unnecessary spending, reprioritize the programs of Government. If it is 30 years old, it is not working, and its intent has never been met, review it and get rid of it, but honor Social Security and in so doing make sure it is strong. That is exactly what we have done in all instances here.

Every Senator on this floor serves as a member of the board of directors of Social Security. We have the absolute responsibility by our pledge, and that is to uphold the Constitution, and our commitment to the American citizens that we will honor programs of this nature by providing for their stability, and we must manage them accordingly.

For this Senate to vote to follow the instructions of this motion to the conferees would not be to strengthen or stabilize, it would be to perpetuate the past. And the past, by all estimation, is wrong and has brought about the kind of instability, the kind of doubt in the minds of the American people that beg for change. And we have offered that in the budget reconciliation process that we are currently under that will spell not only significant change, but tremendous stability.

Mr. ABRAHAM. I thank my colleague from Michigan for yielding. I yield back the remainder of my time.

Mr. ABRAHAM. Mr. President, can I inquire as to how much time we have remaining at this point?

The PRESIDING OFFICER. The Senator from Michigan has 12 minutes 41 seconds. The Senator from Florida has 2 minutes 12 seconds.

Mr. ABRAHAM. Mr. President, I yield myself such time as I may need just to enter a few additional comments into the RECORD that I would like to make after the fine address by the Senator from Idaho.

Mr. President, the Senator from Florida, in explaining his motion, at the conclusion of his remarks, commented on the issues that pertain to the short-term debt bill which we voted on here last Thursday night and expressed puzzlement that in that short-term debt bill the Republican Members here who supported it included a provision that would limit the ability of the President to raid those Social Security trust funds that are in fact the subject

of his motion today. He said he is puzzled because of the Roth amendment, which his motion specifically addresses, to change the number that is employed for calculation of Consumer Price Index changes.

I guess I have sort of the reverse puzzlement. I am puzzled that people who, on the one hand, argue that they are concerned about the Social Security and other trust funds' integrity were willing to vote against the short-term debt limit issue, a bill that we passed last Thursday night, because if this is the issue that they hold as so vital and important, I would think they would have joined us in calling for those various trust funds to be off limits and to prevent the President from having the ability to raid those trust funds.

During the debate on the debt limit, the Democrats supported an amendment offered, I believe, by the Senator from New York, which would have given the administration the authority to raid Federal workers' retirement trust funds, the elderly's trust funds, Social Security benefits, and the pensions of our country's veterans. The amendment would have essentially stricken all language pertaining to all of those trust funds from the short-term debt bill.

Now, I understand that on final passage people might have found some of the provisions, in addition to those trust fund provisions, objectionable. But I was amazed that no effort was made at the time of consideration of the Moynihan amendment to limit that amendment to the areas that did not pertain to these trust funds, but rather to include them.

In short, the Democrats had the opportunity to make the strong statement, which this motion to instruct suggests they wish to make, regarding the integrity of these trust funds by either voting against that Moynihan amendment, as we did on our side, or by offering a smaller version of the Moynihan amendment that would have only focused on those aspects of the short-term debt bill that were unrelated to the trust funds. And yet that did not happen.

The President, of course, has said he needs the extension of the debt limit. He has now vetoed that extension. The administration now says that they can raid the \$1.3 trillion in pension funds of Federal workers and the Social Security trust fund in order to keep the Government from defaulting. This does not seem to me, Mr. President, consistent with the concerns that are certainly embodied in this motion and that the Senator from Florida has spoken about many times here to us, the concern that relates to the integrity of these trust funds.

And I find that far more puzzling—far more puzzling—than the issues that were raised by the Senator from Florida with regard to the Republican position regarding the Moynihan amendment. One of the reasons this Senator voted against the Moynihan amend-

ment was because it would have provided that kind of basically unlimited credit card option to the President and to his economic advisers to tap into those trust funds in order to address these issues pertaining to the payment of U.S. obligations.

I would like to now turn briefly to address some of the issues that were raised by the Senator from South Carolina with reference to the various ways by which the budget deficit is calculated. The fact is that ever since the Budget Act of 1974, every budget has calculated the budget on a unified basis. Now, I am not at great odds with the Senator from South Carolina in the concerns that have been expressed that we need to go further, that we are not going far enough in terms of reducing the growth of Federal spending. On those points I am in agreement. In fact, I was sort of, I have to say, surprised and pleased to hear his concerns as expressed today because we have had numerous opportunities before the Senate over the last few months to vote to tighten the belt further, and all too infrequently have we heard support for those gestures on the other side of the aisle.

But the fact is, Mr. President, both the Office of Management and Budget and the Congressional Budget Office use the unified budget to calculate the deficit. When the Democrats were in charge here in Congress, they calculated the deficit including the Social Security trust funds. Both budgets submitted by President Clinton this year included the Social Security surplus in their calculations. And, indeed, some of the changes in the level of the deficit that have been pointed to, with pride, by the President are, in fact, changes that were in large part obtained because of these Social Security trust fund surpluses that the President uses in his calculations.

In short, Mr. President, I guess I would be more sympathetic to the case that is being made if the same fervor had been used here on the floor to criticize the President's budget when it came down here as is now being employed to criticize our budget. The fact is that there seems to be a certain priority here. When the Republicans come forth using the same unified budget that has been used every year since 1974, suddenly the issue of using the trust funds is of great concern. When the President comes forward using those same surpluses, the issue seems to not be on the front burner. I guess I have to draw a conclusion from that discrepancy that this is more of a partisan attack than it is one of a substantive sort.

Let me talk about the broader question that was raised by the Senator from South Carolina, at least as it pertains to the deficits, because he makes the point that in the 7-year period we are talking about, at the end of that period of time, according to the unified budget, we will have eliminated the

Federal deficit, but because of the Social Security surplus' effects, there will still be that deficit to contend with.

I have good news for the Senator from South Carolina. The good news is that not only is the Republican budget which we have been voting on here in recent months the only budget that achieves balance using the Social Security trust funds in the year 2002 according to CBO scoring, but the Republicans are also the only people here who have a budget that achieves balance without using the Social Security trust funds. And that will be achieved in the year 2005.

Indeed, Mr. President, according to the Senate Budget Committee, the surplus from our balanced budget plan will exceed the surplus in the Social Security trust fund in the year 2005. In other words, we are not only on the way to achieving balance in the year 2002 under the unified budget, but the plan which we have been fighting for here in the Senate, the plan that is responsive to citizens across this country who have said it is time to put the Federal fiscal house in order will achieve balance even if you do not use a unified budget by the year 2005.

In other words, it continues the job that we were sent here to do, to bring about the kind of fiscal integrity in Washington that every family in my State of Michigan from Sanilac County in the thumb all the way over to St. Joseph, MI, and Berrien County in southwest Michigan has to do in their own home, that is, to bring about balance.

We will achieve that in the year 2005 under anybody's calculus. That is what is critical, because nobody else, Mr. President, even comes close to achieving this balance. According to the CBO, the President's so-called balanced budget would still have a \$200 billion deficit in the year 2002.

And that \$200 billion or so deficit will continue as far as the eye can see.

So, Mr. President, I guess what I will just say in closing, one last point just to follow up on the concerns that have been expressed relative to the CPI, is that there was another balanced budget proposal brought before the Senate which Senator CRAIG alluded to. It was brought by Senators SIMON and CONRAD during our reconciliation debate. It was brought and supported, I believe, exclusively by folks on the other side of the political aisle.

In that budget, they brought about balance by very substantially tapping into the Social Security trust funds by making a very substantial adjustment in the CPI, not an adjustment based on this year's actual inflation numbers, as was the case with the Roth amendment, but by simply on an across-the-board basis, adjusting at an adequate level to bring about a balanced budget. In short, they used the Social Security changes, a reduction, in fact, Mr. President, of some \$41.1 billion in Social Se-

curity payments, to bring their budget into balance.

In total, they reduced Federal outlays from the various trust funds, and so on, including Social Security, by over \$73 billion over 7 years, all of it because of changes in the Consumer Price Index in order to make their budget stand the challenge of reaching balance.

Mr. President, I will say, \$73 billion is considerably more than \$13 billion, and it was not achieved based on an actual number, but rather on a number that was needed to reach balance. So if there is a plan before the Senate that should be critically analyzed and, I believe, scrutinized very closely for having addressed the Social Security trust fund numbers improperly by making changes in the CPI that were very substantial, it was that amendment offered on the other side.

I suggest if there are concerns about the CPI that they should be directed at those who proposed that approach, not the approach that was used on our side where the real inflation number was employed.

In summary, Mr. President, the fact is that we came here to balance the budget. The Republican plan will put us in balance in the year 2002 using the unified-budget approach that has been used by Presidents and Congresses since the 1974 Budget Act. The Republican plan will put us into balance, regardless of whether you use a unified budget, by the year 2005. It is the only plan in town that will accomplish those objectives. It is the only plan in town that will begin to bring down the interest rates that people pay across this country for student loans, new cars, new homes and various other things they need for their families. It is the only plan that will restore fiscal integrity to the Government of the United States, and that is why we feel so strongly that it is the right plan for America.

I yield back whatever time remains.

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, to close the motion to instruct, I want to say how much I admire the Senator from Michigan. In the several opportunities I have had to discuss with him issues from foreign policy to issues of our national fiscal future, he always approaches the question with a learned background and with thoughtful analysis. I think that is in the tradition of the U.S. Senate and, frankly, that is what the American people would like to have us do: To have a reasoned dialog. We may disagree, but at least we will be disagreeing on a set of facts that are reasonable and we will be expressing the basis of our disagreement in a manner that the American people can understand and evaluate. I commend him for his contribution to the Senate level of discussion.

Mr. President, the debate on the motion to instruct is not the debate on

whether you are for or against the balanced budget amendment or whether you are for or against the goal of a balanced budget at an early date. I share those goals. I voted for the balanced budget amendment. I voted for a provision in the balanced budget amendment that would define what constitutes balance as not including the use of the Social Security surpluses to that end, and I have voted for a plan, along with over 75 percent of my Democratic colleagues, that would have achieved that objective and would have done so before the year 2005.

What I think is significant about the direction of this motion is that it goes to an unusual use of the Social Security trust fund. It is not like the kind of cash management uses of the trust fund that have been used under both Republican and Democratic Secretaries of Treasury in time of need where, in every instance, the Social Security trust fund has been fully reimbursed after the moment of crisis has passed. It is not like efforts that have resulted in a reduction in the outlays of Social Security where the money stayed in the Social Security trust fund and, therefore, contributed to a larger surplus and greater long-term solvency.

What is unusual about this Roth amendment is it first cuts Social Security outlays by \$12 billion and then shifts them and uses those outlays to support different spending, spending unrelated to Social Security.

I will ask to have printed in the RECORD the statement of the chairman of the Budget Committee when he was asked if this is what, in fact, is intended, and his response was: "I want to say that the dollar numbers being referred to"—that is the \$12 billion being removed from the Social Security trust fund—"are actual. That is all I want to say."

That is the quotation from the chairman of the Budget Committee.

I ask unanimous consent that that portion of the CONGRESSIONAL RECORD of October 27 be printed in the RECORD immediately after my remarks.

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

(See exhibit 1.)

Mr. GRAHAM. Mr. President, I just ask this question in closing. Here is what the motion says. Who wishes to disagree with these propositions: That we will honor section 13301 of the Budget Enforcement Act of 1990 which states that thou shalt not commingle the trust fund of Social Security with general Federal spending. Who disagrees with that proposition that we should honor that commitment made in 1990?

Who disagrees with the proposition that we should not include in any conference report any language that violates section 13301 of the Budget Enforcement Act? Who disagrees that we should not include any language that violates that principle of sanctity of the Social Security trust fund?

And who disagrees with the proposition, therefore, that we should not include \$12 billion in Social Security cuts that were included as an offset for on-budget spending in the Finance Committee amendment?

That is what we are being asked to vote on: To honor, to not include and, therefore, to not violate our trust.

This is a motion that ought to be adopted unanimously by voice vote. I cannot believe that Members of the Senate are going to vote against a motion that effectively says we will dishonor our commitment to maintain the integrity of the Social Security trust fund, that we will include language that is contrary to the spirit and intent and very language that we committed ourselves to in 1990 and, therefore, that we should consummate that disavowal by raiding the Social Security trust fund of \$12 billion to support spending unrelated to Social Security obligations.

Those are the questions: To honor, to violate, to include, to maintain our sense of honor and responsibility to the Social Security trust fund.

I urge, Mr. President, my colleagues' adoption of this motion to instruct our conferees and that our conferees follow our admonition as they proceed in the conference committee on the reconciliation legislation.

Thank you, Mr. President.

EXHIBIT 1

Mr. GRAHAM. Mr. President, I am directing my attention to section 7482 of the legislation, which begins on page 45 and states:

"Cost-of-Living Adjustments During Fiscal Year 1996.

"Notwithstanding any other provision of law, in the case of any program within the jurisdiction of the Committee on Finance of the United States Senate which is adjusted for any increase in the consumer price index for all urban wage earners and clerical workers (CPI-W) for the United States city average of all items, any such adjustment which takes effect during fiscal year 1996 shall be equal to 2.6 percent."

It is to that section, Mr. President, that I direct the point of order. I raise the point of order under section 310(d) of the Congressional Budget Act of 1974 against the pending amendment because it counts \$12 billion in cuts to Social Security which is off budget to offset spending in the amendment.

The PRESIDING OFFICER. Does the Senator from New Mexico wish to be heard on this point of order?

Mr. DOMENICI. I want to say the dollar numbers being referred to are actual. That is all I want to say.

The PRESIDING OFFICER. Who yields time? The Senator from Michigan has 34 seconds remaining.

Mr. ABRAHAM. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Under the previous order, one more motion to instruct the conferees is in order.

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

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

UNANIMOUS-CONSENT AGREEMENT

Mr. ABRAHAM. Mr. President, notwithstanding the previous order, I ask unanimous consent that Senator KENNEDY be recognized at 4:30 p.m. today to make a motion to instruct conferees with respect to the reconciliation bill, and that the House message on H.R. 2491 be laid aside until that time.

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

MORNING BUSINESS

Mr. ABRAHAM. Mr. President, I ask unanimous consent that there now be a period for the transaction of morning business until 3 p.m. today, during which Senators may speak for up to 10 minutes each.

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

THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, the impression will not go away: The \$4.9 trillion Federal debt stands today as a sort of grotesque parallel to television's energizer bunny that appears and appears and appears in precisely the same way that the Federal debt keeps going up and up and up.

Politicians like to talk a good game—and talk is the operative word—about reducing the Federal deficit and bringing the Federal debt under control. But watch how they vote. Control, Mr. President. As of the close of business, Thursday, November 9, the total Federal debt stood at exactly \$4,983,863,012,854.62 or \$18,918.83 per man, woman, child on a per capita basis. *Res ipsa loquitur*.

Some control.

POSITION ON VOTES

Mr. AKAKA. Mr. President, had I been present for votes on Thursday, November 9, 1995, I would have voted the following way:

Senate vote 564 on House Joint Resolution 115, the continuing resolution, I would have voted "no."

Senate vote 565 on House Joint Resolution 115, the continuing resolution, I would have voted "no."

Senate vote 566 on House Joint Resolution 115, the continuing resolution, I would have voted "no."

Senate vote 567 on House Joint Resolution 115, the continuing resolution, final passage, I would have voted "no."

Senate vote 568 on H.R. 2586, the temporary debt limit increase, I would have voted "no."

Senate vote 569 on H.R. 2586, the temporary debt limit increase, final passage, I would have voted "no."

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

The PRESIDING OFFICER (Mr. GORTON). Without objection, it is so ordered.

Mr. COATS. Mr. President, are we in morning business?

The PRESIDING OFFICER. The Senate is in morning business.

BUDGET STANDOFF

Mr. COATS. Mr. President, over the weekend, both in reading various newspaper accounts and watching the television accounts of the so-called standoff between the Congress and the President over the question of the continuing resolution, funds to keep the Government moving forward, the debt limit, and the budget battle that is currently underway in this Congress, I was particularly taken by an article in Saturday's Washington Post written by Ann Devroy titled, "For Clinton, the Battle Is To Stand Firm."

What was interesting is that apparently the President's advisers and pollsters have determined that, as Ann Devroy says, "President Clinton's reputation for vacillation has made his political need to display strength of character now a silent partner in the nonnegotiation drama" that is currently taking place here in Washington.

It goes on to say that the President's closest adviser is exulting that polling has shown that the President is beginning to make progress on what he stands for.

The article goes on to say that various sources that Ann Devroy has talked to say—and she quotes—"We were told that what people in their focus groups cite as what they disliked most about Clinton is he is weak, vacillating, opportunist, flip-flops constantly."

"Pollsters of both parties have"—again, quoting from the article—"Pollsters of both parties have throughout the Clinton presidency identified as a significant problem for the president the perception that he has no core beliefs."

So what we have seen here now in the past couple of weeks, particularly over this past weekend, and, undoubtedly, we will see this week, is an attempt by the President, on the advice of his counselors, on the advice of his pollsters, and on the advice of those conducting his focus groups, to shore up his character, to define something of what the President believes in and, therefore, "Stand firm, do not negotiate with the Congress to find a break to the impasse that currently exists between the executive branch and the congressional branch."

That is what is guiding the decision-making process in the White House and the President's statements.

So, all the President's protestations about the Congress trying to shut down the Government, denying opportunities