driving around looking for a mail drop. They will be sleeping. Why? Because their plan does not add up.

Mr. CONRAD. Maybe they ought to have to file for an extension.

Mr. DORGAN. Maybe we should ask before the 12 o'clock postmark is necessary, maybe at least they ought to file for an extension today.

Mr. CONRAD. If I could just add, I think one of the things that gets lost is why balancing the budget has so much merit. If we balance the budget and the economists are correct that that would reduce interest rates by 1 percent, that would mean on a typical mortgage, a savings of $900 a year. Over 5 years it would be over $4,500 in savings for a homeowner. On a car loan, that would be savings of $400, and approximately $1,000 a year in savings to the typical North Dakota farmer because of interest savings.

I think we have to keep our eye on the ball here. The first and most important step we can take is to balance this budget. That will reduce interest expenses on nonfinancial sector debt by $145 billion. That will provide enormous lift to this economy. That is really the single best thing we could do for the country.

I yield the floor.

Mr. DORGAN. Mr. President, how much time is remaining?

The PRESIDING OFFICER. The time controlled by the minority will expire at 11:30, so you have 2 or 3 minutes. You can extend that by unanimous-consent request.

Mr. DORGAN. I had asked unanimous consent at 10:45 when we began to begin the hour allotted to the majority leader, and that was my intention in the unanimous-consent request.

The PRESIDING OFFICER. The Senator is correct. The Chair apologizes.

Mr. DORGAN. I yield the remaining time to the Senator from South Carolina, Senator HOLLINGS.

TRUTH IN BUDGETING

Mr. HOLLINGS. Mr. President, I rise this morning to discuss truth in budgeting. Let me emphasize ''truth in budgeting.'' We do not appreciate, Mr. President, the reality. The reality is that we are giving billions and billions more in Government than we are willing to pay for.

In fact, Mr. President, from the year 1945 when President Truman was in office until 1980, when President Reagan came in, the deficits were an average of $20 billion. Whereas for the last 16 years, the average has been $277 billion. So for the last 16 years everybody is running around and pointing fingers as to the blame, while we have been giving $277 billion more in Government than we are willing to pay for.

Now, a couple of years ago, my distinguished colleagues on the other side of the aisle kept saying, ''If you want to change the Congress you have to change the Congressman. If you want to change the Senate, you have to change the Senator,'' and the American people said ''fine, that is what we will do.'' But instead of getting change, instead of getting a proposed budget where we pay up here for the Government we are giving, we get into this big folderol about leadership and everything else.

Under the Constitution, the Congress legislates, the President executes. It is our responsibility to legislate. In fact, the concurrent resolution for a budget is not even signed by the President. Yet, this weekend I had to listen to the distinguished chairman of the Budget Committee on the House side, Mr. KASICH, say, ''If the President could only show leadership and step up to the plate.'' They have all the jargon and litany—''if he can only show some responsibility,'' and ''if he only had the courage.'' Well, he has put up a budget. He maintains that his budget is balanced by the year 2002. There is a serious question about that, obviously. But at least he put up a budget. Now, from January to June, we are still hearing the chairmen of the Budget Committees on both sides of the Capitol asking for leadership and courage and everything else, when that is what they asked the American people for and received. We have a Republican Congress; where is the Republican budget? It is just totally out of whole cloth around here; we can't get the truth about where we are.

Now, going right to the point about their being derelict as to their responsibility. All of us have been derelict as to the reality of the deficit. All you need do is the simple arithmetic to find out how much the debt increases each year and to determine your deficit, not this unified Mickey Mouse thing which uses borrowed funds. The unified deficit is the one that was used all of last year during the campaign, and it was used the day before yesterday on the Sunday morning talk shows. David Broder used it in his column, and all the responsible writers use it. The number they use is $107 billion. Totally false. Totally false.

To get the actual deficit, you just subtract the increase from one year to the next, and you can find that the actual deficit was $261 billion. How do they get to the $107 billion? Well, Mr. President, they borrow $154 billion. You borrow $154 billion from Social Security, from Medicare, from the civil service retirement, from military retirement, and you go right on down the list until you get to $107 billion. Why not borrow that $107 billion and say the budget is balanced?

What kind of gamesmanship are we playing? When are we going to get the truth out of the free press in America and quit quoting a silly figure that doesn't reflect the reality. The reality, Mr. President, is when that deficit grows to $261 billion this year, and you add that amount to the debt and the existing interest costs, this conduct, along with Mr. Greenspan's, causes your interest costs to go through the roof. In fact, right now, interest costs are estimated at $360 billion for 1997. That was the CBO figure before the increase in interest rates. So the figure is now around $1 billion a day—$365 billion, or even more.

Mr. President, today is April 15. Today, everyone is required to pay their income tax. I just got this table from CBO which says the total amount paid in individual income tax is estimated to be $676 billion. We are already 6½ months into our fiscal year. Therefore, when I say a billion dollars a day in interest costs, what I am saying is that the people of America worked from October of last year up until today, income tax day, April 15, for what? To pay for the wasteful interest costs in Government, and this charade that continues. Half of our Nation's income taxes go to pay for interest costs on the national debt. Even if we get a little bit of savings from the CPI, a little bit from Medicare, we are still way off. I will be joining with the Blue Dogs; we are working out the figures right now for a budget freeze—no increase in taxes, no cut in taxes, no back-end loading. And even then, without the borrowings, it is going to take you 5 more years, until 2007 rather than 2002, for a true balanced budget.

The American people should understand that we are playing a game up here to buy the vote, so we can all get reelected again next year. We have been doing that for the past 16 years with this silly Reaganomics and the litany of growth, growth. One fellow, Stevie Forbes, wrote ''hope, growth, and opportunity.'' You turn on all the programs, and the discussions are all about inheritance taxes and the capital gains tax. ''Just do away with the IRS and the income tax,'' they say. We are talking out of whole cloth. We act like that is reality. We cannot afford tax cuts. Look at the figures. The domestic budget is $266 billion. The defense budget is $267 billion. Look on page 36 of your budget book. Entitlement spending is $859 billion. That comes, Mr. President, to $1.382 trillion. Then you add interest costs of $360 billion, and that is $1.742 trillion. To get down to CBO's projected revenues of $1.632 trillion, we have to cut $110 billion.

Now, that's the job that we have at hand—not capital gains, not inheritance taxes, not getting rid of the IRS and income taxes. Yes, taxes are too much. Why are they too much? Because of the interest costs on the national debt. If you go back to 1980, it was $74.8 billion. We have literally added just about $300 billion in interest costs on the national debt that must be paid up first. It is just like taxes. You might call them an increase in taxes each day of $1 billion. We are running around here cutting taxes while we are increasing their taxes $1 billion a day. But if you had that $300 billion, Mr. President, we could balance the budget, we could get improve technology, we could pave the highways, repair the bridges, give more student loans, and

we could have double the research at NIH. We could do all these things. Taxes are too high. But why are they high? For the silly charade. There is no better word for this off-Broadway show that goes on out here, without the reality, without the truth in budgeting. These people act as if we have the luxury of cutting taxes because they are too high.

You have to cut the interest costs on the debt. You have to start paying for the Government we have. They have been meeting since January to decide how can we get both sides to go along with a fraud; one grand fraud is what this is. You know it, and I know it. We will get my budget realities chart up here later on, and I will be glad to give people copies of it.

There is no question in my mind that this fraud has to be exposed because these interest costs, which are really taxes, are eating us alive. By cutting taxes, we are really saying ''let's increase the deficit, the debt, and interest costs.'' If the people don't understand that, every one of these writers should tell you that. It is not complicated at all. All you have to do is go from year to year. And we are still going to borrow from the Social Security, which is illegal. We passed a law of the Budget Act, section 13301, that said thou shalt not use Social Security trust funds in order to lower the deficit or in reporting it. Yet they violate it.

They are running around wanting to know who slept in the Lincoln bedroom or who flew on the Air Force One plane. Come on, when are we going to get to work on the real problem? That is why the American people have no confidence in this institution up here. We don't tell the truth. I remember my friend, Bill Proxmire, who got up here every day on a certain treaty. Finally, after about 6 or 7 years, he got some attention. I don't know whether people would give me that much time, but I am going to have to start taking time every morning hour to show the reality of what we are doing. No, you can't balance the budget and pay for the Government this next year, but you can put us on a truth course. If you saw that chart my distinguished colleague Mr. CONRAD had, you will find that the deficit went way down in 1985 and 1986. In 1985 and 1986 was during Gramm–Rudman-Hollings, and this was when we really cut the deficit.

I appreciate the indulgence of the Chair. I yield the floor.

The PRESIDING OFFICER. We are now into the time reserved by the Senator from Wyoming.

The Senator from Kansas [Mr. BROWNBACK] is recognized.

Mr. BROWNBACK. Mr. President, I ask for 5 minutes of the time reserved by the Senator from Wyoming to speak on the issue of taxes.

The PRESIDING OFFICER. The Senator has that right.

TAX DAY 1997

Mr. BROWNBACK. Mr. President, I appreciate very much the opportunity to be able to address the American people on a very difficult day. I would like to recognize a couple of things that have been said by previous speakers, to start off with.

I congratulate the President on the reduction of the overall deficit that has taken place during the past 4 years, because the deficit has gone down. But what I also want to point out to the American people is there are a couple of ways of doing this. In the first 2 years of President Clinton's time in office, with a Democratic Congress, they did it by raising taxes. In the second 2 years, with a Republican Congress, we lowered the deficit by cutting spending. Now, you can go either way on this; you can raise taxes or cut spending. I happen to believe that, in the long term, when you raise taxes, you are going to cut your revenues and it is going to make things worse. The point of it is, on tax day, we should be talking about the level of taxes; they are too high in this country. The way to reduce the deficit is by cutting spending. That is not the way it was done in the first 2 years—by raising taxes.

The second thing I would like to respond to that has been raised by the other side of the aisle is capital gains taxes. That certainly needs to be cut, along with some others, and along with a $500 per child tax credit for working and struggling families.

I find it interesting that, as we look forward to working with the issue of Washington, DC, the District of Columbia, and rejuvenating the District of Columbia, a metro area that has great difficulties in this country, one that we have had a lot of problems with which are well known to this Nation—do you know what the other side of the aisle is proposing to rejuvenate Washington, DC? What ELEANOR HOLMES NORTON, along with Jack Kemp, is supporting to rejuvenate Washington, DC? They are proposing a zero capital gains tax rate on real property. Both the left and the progrowth ring on the right in this Congress are proposing zero capital gains for Washington, DC. Why would they do that? If this is such a bad thing to do, why are we doing it to Washington, DC? Because they know it will stimulate growth, hope, and opportunity. That is being put forth by ELEANOR HOLMES NORTON and Jack Kemp.

These are things that I think people have to realize. When you make those sorts of cuts, it stimulates the growth overall taking place in the economy. Now, the month of April—particularly April 15—I think serves as a powerful reminder of the size and scope of the Federal Government. Even though America will pay its taxes today, Americans will not be freed from taxation. They will not experience tax freedom day until May 9. Last year, it was May 7. This year, it goes up 2 more days, and it won't be until May 9. In other words, on May 9, ladies and gentlemen, you finally start working for yourself instead of the Government. Up until May 9, you are effectively working for the Government, paying your taxes to carry this huge, large Federal Government that is too big.

The issue is not that we should raise taxes to balance the budget; the issue is, we should cut taxes and cut the size, the scope, and the intrusiveness of the Federal Government to liberate the American people.

Today, a family of four must send both parents into the workplace to provide for the same standard of living that was once provided by only one parent. Is that a way to support the family across America, that we have to have both parents going out and working just to support the family? Is that a way to have strong families across the country? I don't think it is.

Unfortunately, even with both parents working, our families are still often unable to get ahead. Living paycheck to paycheck has been the norm for American families for as long as our Federal Government has grown as large as it as, consuming more and more.

Taxes hurt America's families. They punish good investment, they stifle entrepreneurial activity, and they hamper true economic growth. That is why I support a tax limitation amendment and insist that any budget deal must provide for meaningful tax relief.

Balancing the budget and cutting taxes are not mutually exclusive goals, as some would have you believe. In fact, balancing America's budget virtually requires that we cut taxes. In the long run, it will be more difficult to balance the budget if we do not shrink the size of our Federal Government with significant tax cuts. And what we are doing today is happening across this country. We have a good economy that is growing strong. We are having an economy that is producing more revenues coming into the Federal Government. We need that to continue to take place if we are going to be able to balance the budget. You need to have growth taking place in the economy. That is the critical nature of cutting taxes. It continues to stimulate growth so we can have those revenues coming in and balance the budget, and it is not enough to just balance the budget.

As my good colleague from South Carolina has pointed out, we need to start paying the debt down so that interest levels can go down.

The tax limitation amendment is a simple amendment requiring a supermajority in both Houses in order to raise taxes; in other words, more than a majority. You have to have a supermajority. And we should do that so that we don't just shift this Government from being debt financed to being tax financed. We need to be able to, overall, force the Government to be smaller and to live within its means instead of taking more of those means from hard-working American families.