

floor but it will be taken down. I think that is a fair consideration. So we have our own institutional prerogatives. It goes without saying sometimes politics dominates what happens on the Senate floor, but it is our hope that we will be able to avoid killer amendments and will be able to proceed to consider the merits of the bill.

Senator HARKIN and I have discussed this with the distinguished minority leader, Senator DASCHLE, who is sympathetic to our point of view and, without making commitments, has stated he would like to see that proceed. We discussed the issue of time limits, and I have already started to talk to Senators who have amendments where we can consider a time agreement, an hour equally divided or perhaps an hour and a half equally divided, so that we take up issues which have to be debated and have a resolution of them, hopefully omitting the highly politicized matters where there is going to be deadlock and which might require that the bill be taken down.

Our subcommittee has had a good working relationship with the House. We worked through with Congressman PORTER, the subcommittee chairman on the House side, my counterpart, and with Congressman LIVINGSTON, the chairman of the full committee. It is our realistic hope, realistic expectation, that we can work through the process there.

I had a chance to discuss the matter previously with the President—yesterday. It was an event in the White House, where Pennsylvania was a recipient. As is the custom, I received an invitation to attend, and did so, and had a chance to talk for a few moments with the President about this bill, Labor-HHS-Education. The President stated that he thought our Senate bill was a significant improvement over what has come out from the House Appropriations Committee. I pointed out that, while it did not have everything the President had asked for, it was important to focus on the fact that the bill was \$1.9 billion short of what the President had projected on income because we do not have the receipts from the tobacco bill, which was never acted upon, and we did not have the user fees, which had not been authorized.

Senator HARKIN and I, then, earlier this week, took a rather unusual step of convening a meeting of governmental affairs people, also known as lobbyists, who have an interest in this bill, especially those who have increases, as we have significant increases on the National Institutes of Health, Head Start, and the National Labor Relations Board, in order to secure their assistance. Because, if we go to a continuing resolution, then those matters will be funded at last year's level and they will not have the advantages of the additions. So there is some very keen potential interest on their part seeing this bill move. Our request to them was to exercise their best efforts—they have a lot of contacts in

the Senate, the House and the White House—to help us move the bill.

So I speak about this subject at some length, although I think not at excessive length here today, to urge my colleagues to focus on the appropriations process and not to be distracted by what is happening with the Starr report and the collateral problems which our country faces at this moment.

One of our colleagues said last week that when the Starr report hit, those issues were au courant in Washington, that it would suck all the oxygen out of every room in Washington, DC, which is a dramatic characterization, but one which I think is realistic; sucking all the oxygen out of every room in Washington, so that that is the sole focus of attention. From the conversations in the Cloakroom and on the floor, that is a realistic problem.

I do believe we have to maintain a focus on these appropriations bills which are so important, as we look to what is going to happen with the National Institutes of Health in cancer research, Alzheimer's, Parkinson's, et cetera, what happens with education on increases for Head Start, guaranteed student loans, what happens on worker safety. We are going to push very hard to bring forward our bill, hopefully next week, and debate the issues under time agreements to let this body work its will and try to work the matter through the House and then through the White House and then take up the other appropriations bills, so that while we have this grave national problem which we have to consider at the same time, we do not lose focus that September is the critical month for appropriations bills.

I ask all of my colleagues who anticipate amendments for this bill to let us know at an early date so that we can make a decision on what might be accepted, what might be compromised, or what might be subjected to time limits so that notwithstanding the problems which the President faces and which, in turn, the country faces, that we can focus on the appropriations process and complete the people's business during the month of September.

I thank the Chair and yield the floor.

Mr. GREGG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

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

The PRESIDING OFFICER. The pending business is the motion to proceed to the Child Custody Act, which is S. 1645.

Mr. GREGG. I ask unanimous consent to proceed as in morning business for 10 minutes.

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

EMERGENCY SPENDING BILLS

Mr. GREGG. Mr. President, there are three issues which I think we need to be thinking about addressing as we move into the end of this session. The

first is an emergency spending bill which is coming at us and how we pay for that.

Traditionally, emergency spending bills have been paid for outside the budget process. We have worked very hard, however, as a Congress and as a country to get our budget in balance. It has not been an easy task. It has taken us 29 years to get the budget in balance. This year we will have a \$60 billion surplus, and that surplus is projected to continue for a number of years into the future. But that surplus will be quickly frittered away if we add new spending programs that are not paid for, or if we arbitrarily increase the spending of the Federal Government in programs that already exist without looking at our budgeting process.

The emergency supplemental, as well meaning as it is intended to be, represents, in my opinion, and raises the issue of how we are going to maintain our surplus and threatens that surplus.

Since 1993, we have had \$37 billion of spending under emergency bills. That is \$37 billion that has been spent outside the budget process and has essentially added to the deficit, or in the case of this year, reduced the surplus.

This year, the emergency supplemental is being talked about as a rather huge bill. In the past, since 1993, the average of those bills has been somewhere in the vicinity of \$5 billion or \$6 billion. But now we are talking about an emergency supplemental of—I have heard a number as high as \$20 billion. But anything in the range of even \$10 billion or \$15 billion would be a huge number and would significantly reduce the surplus unless it was offset.

The purpose of an emergency supplemental is to address issues which we had not anticipated which need immediate action and to do so promptly. I can agree with all those purposes, but unfortunately, the emergency supplemental process has become a process which has basically been used as a giant loophole through which we have generated new spending and, thus, are putting at risk, in many instances, our surplus as we finally reached it.

Secondly, we have to ask ourselves, From where is this money coming? In the past, we were borrowing it and creating debt, which was bad enough. This time when we fund this emergency supplemental, if it is anywhere near the range of \$15 billion or \$20 billion, that is all basically going to come out of the Social Security trust fund. We will be borrowing from the Social Security trust fund because this year the surplus is essentially generated by the Social Security taxes which exceed the Social Security expenses. That, in and of itself, raises huge public policy issues.

I hope that before we step into this or step off on to this road which leads to this giant loophole in our budgeting process, which generates expenditures outside of our budget caps, that we will think about the process and, hopefully,

take a hard look at offsetting a significant amount of this emergency supplemental.

Much of it was anticipated. We already spent \$1.5 billion emergency for Bosnia. We should have been able to anticipate it and offset it. Clearly, the situation that has occurred in the farming communities is a severe emergency, but almost every year we appear to have an emergency in the farming communities. We should be able to budget and offset it. Disaster events have become, regrettably, all too commonplace. They are severe, and they need to be responded to, but we should be able to anticipate and budget it with some sort of reserve account and be setting it off.

The only event which is truly an emergency which we could not anticipate was the blowing up of the embassies in Africa. I happen to chair the committee that has jurisdiction over that. If I were asked by the appropriating authorities, by the leadership around here to find offsets for the purposes of paying for that, I would be willing to do that, or at least some portion of that. So as to the extent that emergency has occurred, I am willing to go back and see if we can't find some ways to pay the cost of that emergency with some sort of offset, some percentage of it anyway, maybe not the whole amount, but a percentage of it.

I am simply saying in throwing up a word of caution here, before we step on to this emergency spending process without any offsets, let's look at what it will do to the budget in the outyear and what it will do to the Social Security fund and is it proper to do it without offsets. I don't think it is. Some percentage should be offset.

Second, I want to talk about caps. Caps are ways we as Congress discipline ourselves, where we say we will not spend more than this amount in any one year. That is what the emergency issue is about, as I alluded to. The emergency spending designation allows you to exceed the caps, which is an appropriate action in the budget process, but is not necessarily a fiscally sound action.

The caps are in place only for the next 2 years because we do not have in place a budget. We did not reach a budget agreement, and it does not appear we are going to reach a budget agreement this year which would extend the caps over the lifetime of the budget agreement which we reached last year with the President. Last year, we reached the balanced budget agreement, a very important act in the history of this country, which has led to the surplus, in large part, this year and will lead to projected surpluses in the future years. But that budget agreement only had caps for 3 years. It was a 5-year agreement. So we are closing in now on the point when those caps are no longer in existence and we will no longer have any fiscal discipline around here.

I intend, and I hope I will receive the support of my colleagues, to offer an

amendment to whatever the emergency supplemental is to extend the caps for the last 2 years of the budget agreement which we reached with the President. I think that is only reasonable that we do that so that we can be sure that as we move forward in the future that we will have fiscal discipline here and we will stay on the glide path toward maintaining our surplus, which has been so difficult to attain and which is so important to the future of our country. That is the second fiscal point I wanted to make.

The fiscal third point I want to make is about taxes. It is obvious we are running a surplus, and, yes, that surplus is significant and there is a big demand to cut taxes, which is totally reasonable.

What is a surplus? It basically means people are paying more in taxes than we are spending in Government. So whose right is it to get the money back? It is the taxpayers' right to get the money back.

So we should be looking at a tax cut. There are lots of different discussions around here looking at what the tax cut should be. But in looking at this tax cut, we have to look at where the revenue is coming from.

Revenues for this surplus are coming from the Social Security tax. They are not coming from the general revenue tax. They are not coming from the income tax or the corporate tax or a variety of fees that we charge as a society, as a Government. They are coming from the fact that people are paying more into the Social Security trust fund than the Social Security trust fund is paying out today. As a result, we are running a surplus. That is true through about the year 2001 or maybe even the year 2002, that the surplus of this Government as it is projected will be primarily a Social Security trust fund surplus.

So when we are looking at a tax cut around here, I think we ought to look at the people who are paying the taxes. That would only be logical. People who are generating the surplus should get the return of the taxes. And that should be the Social Security taxpayer.

More importantly, there is no more regressive tax that we have on the books than the FICA tax. It is paid across the board. It is paid by everybody. No matter what your earned income is, you pay the FICA tax at the same rate. It is a regressive tax by any stretch of the imagination. No deductions, no exemptions, you pay it. Thus, if we are looking for a place to cut taxes which would benefit the most Americans and be the fairest place to cut taxes, we should be looking at cutting the Social Security tax.

So as we move down the road to the discussion on tax cuts, let us take a hard look at cutting the FICA tax, returning to the American people more of their tax dollars through a FICA tax cut. In doing that, we ought to also be looking at increasing the savings of the American people and trying to make

the Social Security system more solvent in the outyears.

One way to do that is a proposal that I put forth with Senator BREAUX. And a number of other people have talked about it in different machinations—including Senator MOYNIHAN, Senator GRAMS, Senator DOMENICI, Senator KERREY—to take the tax cut and put it into a personal savings account which would be owned by the individual who pays the taxes; and it will be their money, they will have it as an asset, and it will be available for them when they retire. I hope we will consider that as an option also.

So as we move into this tax cut debate, I intend to raise this whole issue. And I believe we should raise this whole issue of where the taxes are coming from and who appropriately should be getting a tax cut.

I ask unanimous consent for another 2 minutes.

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

Mr. GREGG. So three things we need to be concerned about are, first, as we step into this emergency spending water, let us be careful about where the money comes from, let us look at an offset; second, let us get those caps extended so we can have sound fiscal policy throughout the 5 years of the balanced budget agreement we reached with the President; and third is, we look at a tax cut, let us have a tax cut that flows back to the people who are paying the taxes, those folks who are paying Social Security taxes.

Mr. President, I yield the floor.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. I ask unanimous consent that I be permitted to proceed for—I will not say a specific period of time, I simply say that I will yield the floor any time our leader or anybody working on the bankruptcy bill asks me to. I ask unanimous consent that I be allowed to proceed as in morning business.

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

LET US RESERVE JUDGMENT ON IMPEACHMENT

Mr. BUMPERS. Mr. President, I had not intended to discuss the subject of the hour this morning, and I will only do so briefly and, hopefully, not in a controversial way. I heard the Senator from Pennsylvania pleading with people to reserve judgment. And I simply want to echo what he said. These are very traumatic times for this country. And I would say, despite the trauma the country is experiencing over the apparently possible impeachment of the President, we still have a tremendous amount of work to do in the U.S. Congress, and the American people have a right to expect us to do that business before we leave here.

While it is more gratifying, I suppose, from a political standpoint, as