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## Senate

The Senate met at 9 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

### PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious Father, thank You for this time of prayer when our minds and hearts can be enlarged to receive Your Spirit. You are the answer to our deepest need. More than any secondary gift You give, we long for the primary gift of Yourself, offered in profound love and acceptance. We have learned that when we abide in Your presence and are receptive to Your guidance, You inspire our minds with insight and wisdom, our hearts with resiliency and courage, and our bodies with vigor and vitality.

In the quiet of this moment, we commit all our worries to You. We entrust to You our concerns over the people in our lives. Our desire is to give ourselves to the work of this day with freedom and joy. Especially give the Senators strength when they are weary, fresh vision when their wells run dry, and indefatigable hope when others become discouraged. In the name of our Lord. Amen.

### RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able Senator from Pennsylvania is recognized.

### SCHEDULE

Mr. SPECTER. I thank the distinguished President pro tempore.

On behalf of our distinguished majority leader, I have been asked to make the following announcement. This morning the Senate will immediately resume consideration of Senate Concurrent Resolution 20. There are now 10 hours remaining for consideration of the bill. As announced last night, there

will be no rollcall votes this morning prior to 11:00 a.m. However, Members should expect rollcall votes throughout the remainder of today's session as the Senate attempts to complete action on the budget bill.

All Members will be notified of the voting schedule today as it becomes available. Also, the leader has announced that if the Senate completes action on the budget resolution today, there will be no rollcall votes during Friday's session.

Finally, all Senators are reminded that pursuant to a unanimous consent agreement reached yesterday, all first-degree amendments must be offered by 12 noon today.

I thank my colleagues for their attention.

### RESERVATION OF LEADER TIME

The PRESIDING OFFICER (Ms. COLLINS). Under the previous order, leadership time is reserved.

### CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2000

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of S. Con. Res. 20, which the clerk will report.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 20) setting forth the congressional budget for the United States Government for fiscal years 2000 through 2009.

The Senate resumed consideration of the concurrent resolution.

Pending:

Specter/Harkin amendment No. 157, to provide for funding of biomedical research at the National Institutes of Health.

Craig amendment No. 146, to modify the pay-as-you-go requirement of the budget process to require that direct spending increases be offset only with direct spending decreases.

Dodd amendment No. 160, to increase the mandatory spending in the Child Care and

Development Block Grant by \$7.5 billion over five years, the amendment reduces the resolution's tax cut and leaves adequate room in the revenue instructions for targeted tax cuts that help families with the costs of caring for their children, and that such relief would assist all working families with employment related child care expenses, as well as families in which one parent stays home to care for an infant.

Voinovich amendment No. 161, to use on-budget surplus to repay the debt instead of tax cuts.

Reed amendment No. 162, to provide for certain Federal revenues, total new budget authority, and total budget outlays.

Crapo/Grams amendment No. 163, to create a reserve fund to lock in additional non-Social Security surplus in the outyears for tax relief and/or debt reduction.

Graham amendment No. 164, to express the sense of the Senate that funds recovered from any Federal tobacco-related litigation should be set-aside for the purpose of first strengthening the medicare trust fund and second to fund a medicare prescription drug benefit.

Graham amendment No. 165, to express the sense of the Senate that the Congress and the President should offset inappropriate emergency funding from fiscal year 1999 in fiscal year 1999.

Lautenberg amendment No. 166, to express the sense of the Senate on saving Social Security and Medicare, reducing the public debt, and targeting tax relief to middle-income working families.

Lautenberg (for Schumer) amendment No. 167, to express the sense of the Senate that the Community Oriented Policing Services (COPS) Program should be reauthorized in order to provide continued Federal funding for the hiring, deployment, and retention of community law enforcement officers.

Lautenberg (for Feinstein) amendment No. 168, to express the sense of the Senate regarding school construction grants, and reducing school sizes and class sizes.

Lautenberg (for Feinstein) amendment No. 169, to express the sense of the Senate on the social promotion of elementary and secondary school students.

Lautenberg (for Reid) amendment No. 170, to express the sense of the Senate regarding social security "notch babies", those individuals born between the years 1917 and 1926.

Lautenberg (for Boxer) amendment No. 171, to ensure that the President's after school initiative is fully funded for fiscal year 2000.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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Lautenberg (for Murray) amendment No. 172, to fully fund the Class Size Initiative, the amendment reduces the resolution's tax cut by ten billion dollars, leaving adequate room in the revenue reconciliation instructions for targeted tax cuts that help those in need and tax breaks for communities to modernize and rebuild crumbling schools.

Lautenberg (for Murray) amendment No. 173, to express the sense of the Senate on women and Social Security reform.

Lautenberg (for Hollings) amendment No. 174, to continue Federal spending at the current services baseline levels and pay down the Federal debt.

Lautenberg (for Boxer) amendment No. 175, to ensure that the substantial majority of any income tax cuts go to middle and lower income taxpayers.

AMENDMENT NO. 157

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Madam President, parliamentary inquiry. Yesterday evening, the pending amendment which had been offered on behalf of Senator HARKIN and myself, as principal sponsors, on the National Institutes of Health, was debated shortly before 8 p.m., when voting started on four items. I believe the order was that we would resume consideration today with that pending amendment. My inquiry is, is that correct?

The PRESIDING OFFICER. The Senator is correct. The Senator has 5 minutes 20 seconds remaining under his control.

Mr. SPECTER. Parliamentary inquiry, Madam President. That seems not correct to me. I debated this issue for maybe 10 minutes at the most yesterday. Isn't there an hour allotted to each side on each amendment?

The PRESIDING OFFICER. Under the previous order, the amount allocated to the amendment was reduced to a half-hour for each side for all first-degree amendments.

Mr. SPECTER. A half-hour for each side for all first-degree amendments?

The PRESIDING OFFICER. The Senator is correct.

Mr. SPECTER. We did not use 24 minutes yesterday, Madam President.

The PRESIDING OFFICER. The Senator from Pennsylvania spoke from 7:40 to 7:55. The Senator from Iowa spoke from 9:28 to 9:38.

Mr. SPECTER. Madam President, I am advised by my staff that it would be appropriate to ask for some time off the bill. I ask for an additional 15 minutes off the bill.

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

Mr. SPECTER. I thank the Chair.

Madam President, to briefly recapitulate, this amendment seeks to add \$1.4 billion to the allocation for the National Institutes of Health. The NIH is the crown jewel of the Federal Government, having made really phenomenal advances on medical research in its drive to conquer so many of the maladies confronting mankind today.

Last year the budget for NIH was increased by \$2 billion and, in the view of the Members, at least the chairman and the ranking, on the appropriations

subcommittee having jurisdiction over the Department of Health and Human Services, \$2 billion are absolutely necessary by way of increase of the existing budget for NIH, which now is \$15.6 billion. There have been really remarkable advances in so many lines, with the research on stem cells having been completed, posing the opportunity for curing so many of the very, very serious ailments.

Testimony was given before the appropriations subcommittee that with diseases like Parkinson's, the cure may be in the range of 5 to 10 years. Great strides have been made on Alzheimer's, on cancer, and so many very other serious matters. We have an offset to cover the \$1.4 billion by changing the rules on deductibility from the tobacco settlement.

Madam President, after consulting with the managers on the second slot, which had been reserved, it is my intention to offer a sense-of-the-Senate resolution on behalf of Senator THURMOND, Senator HATCH, Senator SESSIONS, Senator ASHCROFT, Senator SCHUMER, and myself which would increase the funding to the Department of Justice on the prosecution of gun cases from \$5 to \$50 million. We have seen examples, in Richmond, VA, in Philadelphia, PA, and in Boston, MA, where gun cases have been handled with great success. This follows the passage in 1984 of the armed career criminal bill which provided that any career criminal, someone with three or four major convictions, found in possession of a firearm, would receive a sentence up to life imprisonment.

In 1988, there was an experiment with a program called Trigger Lock in the Eastern District of Pennsylvania which produced extraordinary results, again, focusing on guns. It was a national model. More recently, in Richmond, VA, there has been experience with prosecutions as to guns and also a special program again in the Eastern District of Pennsylvania, coordinated with New Jersey across the river, with \$1.5 million going to the Eastern District of Pennsylvania and \$800,000 to New Jersey—again, very remarkable results.

In this year's budget, the Department of Justice has allocated only \$5 million to this important function. An important hearing was held on Monday of this week, presided over jointly by Senator THURMOND and Senator SESSIONS, on two Judiciary Committee subcommittees. And there the evidence was very forceful about the effectiveness of this gun program.

Madam President, I am not going to offer this amendment at this time, but I did want to utilize just a few moments, as I have, this morning to explain the purpose of the amendment. It will be offered in due course.

How much time remains, Madam President?

The PRESIDING OFFICER. The Senator has used 4 and a half minutes.

Mr. SPECTER. Madam President, I wonder if I might make an inquiry of

the distinguished chairman of the Budget Committee, if I might have the attention of Senator DOMENICI.

The second slot was reserved, Mr. Chairman, and has been used for a sense of the Senate on guns, as I have just explained. I wonder if it would be acceptable to the managers if the amendment was sent to the desk and offered at this time, or would it be preferable to wait until a later point to make the submission for the Record?

Mr. DOMENICI. I say to the Senator, if you are asking me, it would be preferable to wait, if you would.

Mr. SPECTER. I will be glad to accommodate the chairman's schedule.

Mr. DOMENICI. I thank the Senator. Mr. SPECTER. I thank the Chair, and I also thank the Chair for the additional time. And I yield back the remainder of my time.

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

AMENDMENT NO. 176

(Purpose: To express the sense of the Senate regarding the modernization and improvement of the medicare program)

Mr. ROTH. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the previous amendments will be set aside. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Delaware [Mr. ROTH] for himself, Mr. BREAUX, Mr. FRIST, Mr. KERREY, Mr. GRAMM, Mr. DOMENICI, Mr. NICKLES, Mr. GRASSLEY and Mr. HATCH, proposes an amendment numbered 176.

Mr. ROTH. Madam President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

At the end of title III, insert the following:  
**SEC. \_\_\_\_ SENSE OF THE SENATE REGARDING THE MODERNIZATION AND IMPROVEMENT OF THE MEDICARE PROGRAM.**

(a) FINDINGS.—The Senate finds the following:

(1) The health insurance coverage provided under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) is an integral part of the financial security for retired and disabled individuals, as such coverage protects those individuals against the financially ruinous costs of a major illness.

(2) Expenditures under the medicare program for hospital, physician, and other essential health care services that are provided to nearly 39,000,000 retired and disabled individuals will be \$232,000,000,000 in fiscal year 2000.

(3) During the nearly 35 years since the medicare program was established, the Nation's health care delivery and financing system has undergone major transformations. However, the medicare program has not kept pace with such transformations.

(4) Former Congressional Budget Office Director Robert Reischauer has described the medicare program as it exists today as failing on the following 4 key dimensions (known as the "Four I's"):

- (A) The program is inefficient.
- (B) The program is inequitable.

(C) The program is inadequate.

(D) The program is insolvent.

(5) The President's budget framework does not devote 15 percent of the budget surpluses to the medicare program. The federal budget process does not provide a mechanism for setting aside current surpluses for future obligations. As a result, the notion of saving 15 percent of the surplus for the medicare program cannot practically be carried out.

(6) The President's budget framework would transfer to the Federal Hospital Insurance Trust Fund more than \$900,000,000,000 over 15 years in new IOUs that must be redeemed later by raising taxes on American workers, cutting benefits, or borrowing more from the public, and these new IOUs would increase the gross debt of the Federal Government by the amounts transferred.

(7) The Congressional Budget Office has stated that the transfers described in paragraph (6), which are strictly intragovernmental, have no effect on the unified budget surpluses or the on-budget surpluses and therefore have no effect on the debt held by the public.

(8) The President's budget framework does not provide access to, or financing for, prescription drugs.

(9) The Comptroller General of the United States has stated that the President's medicare proposal does not constitute reform of the program and "is likely to create a public misperception that something meaningful is being done to reform the Medicare program".

(10) The Balanced Budget Act of 1997 enacted changes to the medicare program which strengthen and extend the solvency of that program.

(11) The Congressional Budget Office has stated that without the changes made to the medicare program by the Balanced Budget Act of 1997, the depletion of the Federal Hospital Insurance Trust Fund would now be imminent.

(12) The President's budget proposes to cut medicare program spending by \$19,400,000,000 over 10 years, primarily through reductions in payments to providers under that program.

(13) While the recommendations by Senator John Breaux and Representative William Thomas received the bipartisan support of a majority of members on the National Bipartisan Commission on the Future of Medicare, all of the President's appointees to that commission opposed the bipartisan reform plan.

(14) The Breaux-Thomas recommendations provide for new prescription drug coverage for the neediest beneficiaries within a plan that substantially improves the solvency of the medicare program without transferring new IOUs to the Federal Hospital Insurance Trust Fund that must be redeemed later by raising taxes, cutting benefits, or borrowing more from the public.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the provisions contained in this budget resolution assume the following:

(1) This resolution does not adopt the President's proposals to reduce medicare program spending by \$19,400,000,000 over 10 years, nor does this resolution adopt the President's proposal to spend \$10,000,000,000 of medicare program funds on unrelated programs.

(2) Congress will not transfer to the Federal Hospital Insurance Trust Fund new IOUs that must be redeemed later by raising taxes on American workers, cutting benefits, or borrowing more from the public.

(3) Congress should work in a bipartisan fashion to extend the solvency of the medicare program and to ensure that benefits

under that program will be available to beneficiaries in the future.

(4) The American public will be well and fairly served in this undertaking if the medicare program reform proposals are considered within a framework that is based on the following 5 key principles offered in testimony to the Senate Committee on Finance by the Comptroller General of the United States:

(A) Affordability.

(B) Equity.

(C) Adequacy.

(D) Feasibility.

(E) Public acceptance.

(5) The recommendations by Senator Breaux and Congressman Thomas provide for new prescription drug coverage for the neediest beneficiaries within a plan that substantially improves the solvency of the medicare program without transferring to the Federal Hospital Insurance Trust Fund new IOUs that must be redeemed later by raising taxes, cutting benefits, or borrowing more from the public.

(6) Congress should move expeditiously to consider the bipartisan recommendations of the Chairmen of the National Bipartisan Commission on the Future of Medicare.

(7) Congress should continue to work with the President as he develops and presents his plan to fix the problems of the medicare program.

Mr. ROTH. Madam President, this amendment is sponsored by myself, Mr. BREAUX, Mr. FRIST, Mr. KERREY, Mr. GRAMM, Mr. DOMENICI, Mr. NICKLES, Mr. GRASSLEY, and Mr. HATCH.

Madam President, one of the most important bipartisan efforts we will undertake in the months ahead will be to address the challenges confronting the Medicare program—a program whose reach and importance in the lives of Americans cannot be overstated. In years past we have looked at the demographics, studied the statistics, and struggled with a sense of vulnerability concerning Medicare and its future.

Our population is aging. Health care costs seem to be growing exponentially. New and necessary technologies are becoming more expensive. And the financial base of the Medicare program provided by working Americans is shrinking in proportion to the number of seniors who depend on it. In less than 10 years, the population of Medicare beneficiaries will begin growing at a rate unseen in the program's history.

In the past, the Medicare population has grown by about 1 percent a year. Beginning very soon, that growth rate will begin to double. In just 10 years, the Medicare program will be required to serve a population that is 20 percent larger than it is today—that is, 46 million seniors—and at that point the baby-boom generation will have only just begun to retire.

Concerning the growth in the cost of health care services, Gene Steuerle of the Urban Institute recently testified before the Finance Committee that an average couple retiring now receives about \$250,000 in lifetime Medicare benefits. Once the baby-boom generation is in full retirement, that amount will double. As a result, we will need to dedicate a larger and larger portion of

the Nation's budget to pay for Medicare. Medicare is expected to consume an expanding share of the Nation's economy.

In 1998, Medicare spending was an estimated 2.6 percent of the gross domestic product. It is projected to grow to \$518 billion—or 3.5 percent of GDP—in 2010. By 2030, Medicare is forecasted to grow to \$2.2 trillion, representing 5.9 percent of the GDP.

It is good news that people are living longer, that they are spending almost a decade more in retirement than they were when the Medicare program began. These are demographics we have worked long and hard to bring to pass and we should celebrate them.

However, these were, and continue to be, serious challenges to the Medicare trust fund. The balance in the Part A Hospital Insurance Trust Fund is declining. The end-of-year balance began to drop in 1995, when payments from the trust fund began to exceed income to the trust fund. The Balanced Budget Act of 1997 helped to delay the bankruptcy of the trust fund for a few years, but it will still occur in our lifetimes if something is not done now.

As I said, each of these represents a serious concern, Madam President. But as of late, there appears to be a growing sense of optimism that we can take the favorable economic conditions our Nation is enjoying and, with bipartisan leadership, we can find long-term solutions to these pressing challenges.

Not only is there consensus on both sides of the aisle that something must be done, but there is growing confidence that something can be done. An important component of the answer, we have come to see, rests in the potential of a strong economy and with the willingness of the American people.

Toward meeting the challenges confronting Medicare, we must be guided by five specific criteria:

First, our efforts, if they are to succeed, must have bipartisan support, and they will require leadership from the White House. President Clinton must articulate his strategy for securing and strengthening the Medicare program.

Second, we must assure that the measures we adopt do not undermine the economic growth our Nation needs to continue providing jobs, opportunity, and security for Americans now and in the future.

Third, we must see that our policies are fair, that those who are being called upon to strengthen the system in the short term have the confidence of knowing that the system will be there for them in the long run.

Fourth, reform measures must be holistic in nature, taking into account the challenges we have to preserve and strengthen Social Security and to coordinate other programs that can serve the same constituency benefited by the Medicare and Social Security programs.

Fifth, our reform efforts must find acceptance with the American people.

They must take what has been a good program and make it better—make it better by making it financially sound and easily accessible to those who depend on it.

I am hopeful that the President will provide the genuine leadership required to address the future of Medicare. I encourage him and his administration to come work with us on the Finance Committee. We look forward to working with them. Certainly there are few issues as important as this one.

It demands our immediate attention, and the best effort we have to offer. Our work must go beyond the few items he included in his budget. It must take into account the long-term needs of the program, a careful analysis of benefit expansion, such as pharmaceutical drugs, and other concerns.

We must look at how we can best serve the Medicare program in a way that the reforms we offer will positively affect Medicaid. Too often lost in the debate over Medicare reform is the direct impact that Medicare changes will have on Medicaid. These two programs are most obviously linked through the 5.4 million low-income elderly and disabled individuals who are eligible for both. For this dually eligible population, Medicaid essentially serves as a source of wraparound benefits, providing among other important services nursing home care and prescription drugs.

In addition, nearly 600,000 low-income Medicare beneficiaries receive Medicaid financial support to meet Medicare's cost-sharing requirements.

Together, these six million individuals represent 16 percent of the Medicare population, but they consume 30 percent of all Medicare spending and 35 percent of all Medicaid spending. Medicare reform proposals that would impact these low-income populations must be very carefully undertaken to avoid simply shifting costs or responsibilities from one program to the other.

As we face the challenges of reforming the Medicare program, we must explore opportunities to substantially improve the health care experiences of these dually eligible populations. Currently, efforts to coordinate the services covered by the two programs are stymied by barriers to integration.

These barriers include the need for complicated waivers, arbitrary restrictions on mingling Medicare and Medicaid dollars, and difficulties in coordinating program oversight. A reform process undertaken by this Senate presents an opportunity to better meet the needs of a very vulnerable population.

Immediately after passage of this budget, I will begin, as chairman of the committee that has jurisdiction over the Medicare and Medicaid programs, the process of developing a bipartisan, consensus proposal for real Medicare reform. In developing this plan, the Finance Committee will conduct a series of hearings to take testimony from

Medicare consumers, trustees, providers, and other experts who are intricately involved with this program and who are in a position to make worthy recommendations on how to proceed with improving the Medicare program.

We will indeed carefully study the recommendations of the bipartisan Commission on the Future of Medicare led by Senator BREAUX. Senator BREAUX and the other members of the bipartisan Commission on the Future of Medicare worked very hard and committed a great deal of time during the past year to try to find a solution to the impending Medicare crisis. They deserve our appreciation for their efforts. The discussions that they had has certainly furthered the Medicare debate and will be invaluable to us as we proceed with this important work. In addition to these measures, the committee will also take into consideration the many concerns and proposals of Senators—on both sides of the aisle—for improving this program which is so important for all of those we represent and are here to serve.

Our effort to lay a solid foundation for the future of Medicare will be a major undertaking. I believe that the budget resolution we are considering now provides the necessary framework. The budget committee has set aside on-budget surplus funds of up to \$133 billion that—if needed—can be used for Medicare reform, including prescription drug benefits. Once we have achieved a bipartisan agreement on a comprehensive Medicare plan, we may indeed find it necessary to revisit this budgetary framework—and I expect that we would be able to obtain the necessary votes to proceed with such adjustments.

I strongly urge my colleagues to set aside attempts to legislate Medicare reform in the budget resolution. This is not the time or place for such a complex undertaking. Instead, I urge that we work together over the next few months on a Medicare reform plan. Such a plan should provide the nation's current and future seniors the assurance of health care that is comprehensive in benefits, superior in quality and financially sustainable. This is important to them. It is important to the future. And it is something that can and will be done.

I yield the floor.

Mr. DOMENICI. Madam President, how much time has the Senator used?

The PRESIDING OFFICER. The Senator has used 15 minutes.

Mr. DOMENICI. Senator ROTH is in control of 15 more minutes, so if the Senator desires to yield time.

Mr. ROTH. I yield to the Senator from New Jersey.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Madam President, I want to ask a couple of questions, if I may, because I'm struck by a paragraph on page 5, beginning with line 8:

This resolution does not adopt the President's proposal to reduce Medicare spending

by \$19,400,000,000 over 10 years, nor does the resolution adopt the President's proposal to spend \$10,000,000,000 of Medicare program. . .

That is followed by:

Congress will not transfer to the Federal Hospital Insurance Trust Fund new IOUs that must be redeemed later by raising taxes on American workers, cutting benefits, or borrowing more from the public.

Would that preclude any use of surpluses if there were additional surpluses that arose?

How can you attribute a tax increase, or more borrowing, directly to this? This is out of the general revenues, and I am curious how the connection is made and whether or not a surplus would be able to be used.

Mr. ROTH. I say to my distinguished colleague that if there are surpluses in the budget, they could be used for Medicare.

Mr. LAUTENBERG. So we are specifically targeting raising taxes. Could this be competitive by using—and this is said with all due respect to the distinguished chairman of the Finance Committee. If tax cuts are put into place, or attempted to be put into place, would the response be, then—and if we prohibit that by virtue of an agreement here and in the House, would that be considered raising taxes if we didn't cut taxes? Would that, in turn, be considered a tax increase?

Mr. ROTH. If I understand your question, no. If we fail to make a tax cut, I don't see that in and of itself being considered a tax increase.

Mr. LAUTENBERG. So that it is possible that there could be a competitive environment where tax cuts are competing with our capacity to continue to fund Medicare. You know, we have a debate about these transfers and whether IOUs are really significant. If we transferred \$1 billion in cash to the Medicare trust fund—the insurance trust fund, and they were to go out into the public marketplace and buy \$1 billion worth of insurance bonds, or what have you, those IOUs would have established their value—that cash, rather, I am sorry, would have established its value.

Why wouldn't an IOU from the Federal Government, which is where so many companies and individuals put their money because it is the full faith and credit of our Nation, thereby guaranteed by strength more there than anywhere else—why wouldn't those IOUs be considered the same as a cash transfer? It is true that they are going to come out of general revenues to be paid for, but it would also ensure that no pressure on the Appropriations Committee could say, all right, we are not going to be able to fund that, and then a later Congress says, OK, we are going to have to cut back on benefits by raising age or raising deductible, raising copays, or what have you. This at least ensures that that money will be there; those funds will be there off into the future; am I correct or not on that?

Mr. ROTH. Well, let me answer you in general, and then I will ask the distinguished chairman of the Budget

Committee. But it is our position that there are adequate funds both to provide reform of the Medicare program, to ensure its solvency in the long term, as well as to provide for a tax cut and, of course, protect and strengthen Social Security. As to the specifics, I yield to my distinguished colleague.

Mr. KENNEDY addressed the Chair.

Mr. LAUTENBERG. Madam President, I yield 4 minutes to Senator KENNEDY.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Madam President, I am interested in asking, is there anything in this proposal of the Senator from Delaware that will provide the additional funding for Medicare, as we are attempting to move forward, to try to bring about the reforms? These two members of the Budget Committee are here. I am interested in understanding, as we are trying, in the final hours of the budget debate, to make sure the budget is going to have the additional 15 percent so that we can put it on a sound financial basis. I am wondering if there is any indication in this proposal that the Senator from Delaware wants to make sure of the financial security of Medicare before tax cuts, before we are going to go ahead with tax cuts. Is there anything in this resolution I have just received—maybe the Senator from North Dakota or the Senator from New Jersey can show me anyplace in here where this resolution says, all right, let's move ahead with the reform of Medicare before we go ahead and provide these major tax cuts. Is there anything in this resolution that the ranking minority member can tell the membership?

That is really what I think has been the heart of the debate of the proposal of the Senator from North Dakota and others—that we are going to put in place a sound, solid solvency for the Medicare system before we go to tax cuts. And now that we have a new resolution, I am just wondering whether this resolution says we are going to defer the tax cuts, we are going to make sure of the financial stability of the Medicare system and move toward perhaps even a consideration of the Breaux proposal as we consider reforms in the future.

Mr. LAUTENBERG. Madam President, I ask the Senator from North Dakota to oblige, or we will refer it to the author of it.

Mr. KENNEDY. Maybe you should ask the author of the proposal. I ask the author of the proposal whether there is any provision in this part that says we are going to defer tax cuts for wealthy individuals, across-the-board tax cuts that are mentioned in the report of the budget—that we are going to defer that until we get Medicare on a sound financial basis? Is there any reference to that in the proposal? Or if we accept this proposal, is it still the position that we are still going to go ahead and have the tax cuts now in the budget?

Mr. ROTH. In answer to my friend and colleague, I say there is no language in the budget resolution that sets these priorities. But as I said earlier, it is my intent, as chairman of the Finance Committee, which has jurisdiction over these matters, to begin hearings and to develop a consensus on Medicare when we return from the Easter recess. This will be a bipartisan effort. There is no way we can get anything done unless we are able to develop, as I said, a bipartisan consensus. It is my intent to move as expeditiously as possible upon our return.

Mr. KENNEDY. Just to clarify it further, then, it is the position of the Senator from Delaware to go ahead and pass a budget resolution that commits us on a course for significant tax cuts prior to the time that we are going to have the hearings in the Finance Committee to develop a bipartisan proposal on Medicare; that is his position? Or are you going to recommend that we defer the tax cuts until we have the kind of hearings the Senator has suggested and really shape a proposal to put Medicare on both a sound fiscal basis and also to deal with some of the inadequacies of Medicare, like the prescription drug issue?

Mr. ROTH. Well, as I indicated, it is the intent of the chairman to proceed expeditiously, upon our return, with hearings and developing a program on Medicare. As far as tax cuts are concerned, I don't intend to begin work on them probably until sometime early fall. But it is my intention to work immediately on Medicare.

Mr. LAUTENBERG. Madam President, the Senator from Massachusetts asked the very question that I was trying to find out about. And that is that it has the appearance of another attempt to limit the development of a solvent Medicare program in deference to the possibility of across-the-board taxes. That is the sense, with all due respect, that I get out of this. I don't know whether the Senator from Massachusetts views it the same way. But it would be good if we could kind of straighten that out before a vote occurs on it.

Mr. KENNEDY. If I could just ask, because I see others on their feet, on page 2 of the proposal, at the bottom, line 22 says, "The President's budget framework does not devote 15-percent budget surpluses to the Medicare Program."

This has been the intention of the Senator from New Jersey and the Senator from North Dakota. It is a goal I support—that we provide at 15 percent. The Senator's resolution says it does not devote the 15 percent. Would the Senator tell us whether he would support the 15-percent allocation? He has it in the resolution, saying that the Federal budget does not devote the 15 percent. Does the Senator want us to devote that 15 percent, or not?

Mr. ROTH. Madam President, let me just point out that as far as the so-called 15 percent is concerned, the

Comptroller General said that the President's proposal does nothing to alter the imbalance between the program's tax receipts and benefits payments. It has been cash deficits since 1992, and remains a cash deficit even with the new Treasury securities. Thus, the President's proposal does provide additional claims on the Treasury, not additional cash to pay benefits.

Let me make it very clear, under this resolution we intend to do three things: To strengthen and preserve Social Security, to reform Medicare, and to provide a major tax cut for the working people of America.

Let me stress that this resolution has been carefully crafted by the chairman and others on the Budget Committee to do exactly that. That is our intent, and we shall follow through on the policies laid down in this resolution.

I think the distinguished Senator from Louisiana may care to comment.

The PRESIDING OFFICER. The Senator from Louisiana.

Who yields time to the Senator?

Mr. ROTH. I yield 10 minutes to the distinguished Senator.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. ROTH. Madam President, before that, may I ask that Senator THOMPSON be added as a cosponsor? I did include Senator GRASSLEY and Senator HATCH.

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

The Senator from Louisiana.

Mr. BREAUX. Madam President, I support the Senator's sense-of-the-Senate resolution. I will start off by saying that sense-of-the-Senate resolutions are pretty senseless, because it really is not making law; it is just an expression of what people think. To that extent, it is very important.

Let me just start off by saying that if the debate on Medicare is whether we want a tax cut or whether we want to reform Medicare, we will never reform Medicare. Medicare has been here since 1965, and it has been a political football every year. Every year that we run out of money with Medicare, we fix it by using the SOS approach—same old, same old. Every year when there was a shortfall, we simply tried to reduce reimbursements to doctors and hospitals and said, "Well, we fixed it because we gave them less money to treat 40 million Americans who need health care in this country."

The President's budget this year again talks about approximately \$20 billion in further cuts to the Medicare program. That is \$20 billion less that is going to be available to provide medical benefits to 40 million seniors. That, I would suggest, is not reform. That, I would suggest, doesn't fix anything. That, I would suggest, just makes the problem greater and not less.

The reason I call into question the concept that a 15-percent transfer of the surplus in the form of IOUs to the

Medicare trust fund is not what it seems to be is that, in fact, it is not.

The GAO came to the Senate Finance Committee and they testified very specifically on this proposal. What they said, in bipartisan, unequivocal economic language that I think everyone can understand, is the following. They said this transfer “. . . has no effect on the current and projected cash-flow deficits that have faced the [Medicare program] since 1992—deficits that taxpayers will continue to finance through higher taxes, lower spending elsewhere or lower pay downs of publicly-held debt than the baseline. Importantly, the President's proposal would not provide any new money to pay for medical services.”

So the concept of saying we are going to fix Medicare by taking 15 percent of the surplus and putting IOUs in the trust fund and that somehow we have fixed the problem is nonsensical. It does not make any sense economically. It is not good policy. It gives us a false sense of security that somehow we have solved Medicare by loading up the trust fund with IOUs. That is not reform. That is not saving the program. That is not giving the program one nickel more in money. It is merely giving the trust fund more IOUs. We are in effect transferring publicly held debt from one account and putting it in another account and saying we fixed the program.

I could not live with that, because I don't think it does anything. It doesn't help the program. It doesn't hurt the program, but it doesn't fix the program.

This resolution says in essence that we are going to have to work in a bipartisan fashion to look at real reform. Our National Bipartisan Commission worked on this for a year. We have a recommendation which will be submitted in the form of legislation. We will have hearings in the Senate Finance Committee. I would like them to report on exactly what we send over there. But if they don't, hopefully it will be something similar. Hopefully, it will be real reform. Hopefully, it will be something that we can quit arguing about—whether we want tax cuts, or whether we want to save Medicare.

The program needs more money. There is no question about that. But it desperately needs reform. The 1965 model runs like a 1965 car, and putting more gas in an old car, it is still an old car. And putting more IOUs in the Medicare trust fund doesn't make it a modern, efficient delivery system for health care in this country.

I think the resolution is a good resolution. It is offered in a bipartisan fashion. It is a sense of the Senate. Big deal. I don't think it will change public policy. But it is so important that it needs a discussion on how we solve this particular issue. It says that Congress should move expeditiously in a bipartisan fashion to reform the program. Yes; we should. It says that Congress should continue to work with the

President as he develops and presents his plan to fix the problem with the Medicare program. Yes; he should.

We are not going to fix it. We are going to be looking for issues to beat each other over the head once again. That is the old way of doing it. That is old politics. And people are sick and tired of it on both sides of the political spectrum outside of Washington. Maybe in Washington we love to play political games. We beat them up, they beat us up, and nothing gets done. We end up arguing about failure: It is their fault we didn't fix it. No; it is your fault we didn't fix it. And absolutely nothing is ever fixed with that kind of a procedure.

How much better would it would be for us to gather and work together and fix it? And we can always argue the political argument about who fixed it: We fixed it. No; they fixed it. But at least we are arguing about success about fixing something instead of trying to argue about whose fault it is that nothing gets done on something as important as Medicare, and trying to figure out which wedge issue we are going to use this week and which wedge issue they are going to use next week. Is it not time that we kind of come together and say, “Look, we have a big problem”?

Today, we spend more money in Medicare than we take in in revenues to pay for it. Today, not in 20 years. Today. If you use all of the revenues in the trust fund, plus the revenues coming in, we are totally insolvent in the year 2008. My fear is that in the year 2007 we are going to still be arguing about whether we want to fix Medicare or whether we want to have a tax cut. That is not the appropriate argument. That is not the discussion we should be engaged in. We can argue whether we need a tax cut, and how we should craft it, and who should benefit from it. That is a separate argument.

We should concentrate now on how to reform Medicare in a bipartisan fashion. I think this sense-of-the-Senate resolution suggests that.

It makes the point that the 15-percent surplus is nothing more than IOUs in the trust fund. It does not add a nickel to the trust fund. That is a correct statement, and that is why I support the resolution.

I yield the floor.

Mr. KENNEDY. Madam President, will the Senator yield?

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Madam President, I yield myself 2 minutes on the bill.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Madam President and fellow Senators, we have before us a historic resolution, a sense-of-the-Senate resolution with historic and brave Senators on it. If we adopt this and follow it, we will save the Medicare program instead of arguing about it. The basic contention here, plain and simple, is that prominent Democrat

Senators are joining with Republicans saying let's quit arguing; let's fix it.

That is the principal thrust of this resolution. I say to Senator BREAUX, Senator KERREY, the chairman of the Finance Committee, and Senator FRIST, you are to be commended and lauded, because I predict on this day we have started down a short path before the year ends of fixing Medicare for the seniors permanently. We do not have to sit around here and argue about IOUs that the President wants to transfer to a trust fund without dedicating any revenue to the trust fund.

How do you fix a trust fund by putting in IOUs when it is all based on revenues coming into the trust fund to pay the bills?

I join Senators—I am the fifth Member—as the Budget chairman, because I believe you are on the way, on the road to real success for our seniors.

I yield the floor.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

AMENDMENT NO. 176, AS MODIFIED

Mr. ROTH. Madam President, I send a modification to the desk. On page 4, line 15, subparagraph 13 will read:

The recommendations by Senator John Breaux and Representative William Thomas received the bipartisan support of a majority of members on the National Bipartisan Commission on the Future of Medicare.

We delete the words with respect to the Presidential appointees.

Just let me say as a followthrough on the statement by the distinguished chairman of the Budget Committee, the Senator stated it exactly correct. We are on the road to real reform. We want to make sure that this Medicare program exists not only for the seniors today but indefinitely in the future. I pledge to the Senator that that is what my committee will do.

The PRESIDING OFFICER. The Senator has the right to modify his amendment.

The amendment (No. 176), as modified, is as follows:

At the end of title III, insert the following:  
**SEC. —. SENSE OF THE SENATE REGARDING THE MODERNIZATION AND IMPROVEMENT OF THE MEDICARE PROGRAM.**

(a) FINDINGS.—The Senate finds the following:

(1) The health insurance coverage provided under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) is an integral part of the financial security for retired and disabled individuals, as such coverage protects those individuals against the financially ruinous costs of a major illness.

(2) Expenditures under the medicare program for hospital, physician, and other essential health care services that are provided to nearly 39,000,000 retired and disabled individuals will be \$232,000,000,000 in fiscal year 2000.

(3) During the nearly 35 years since the medicare program was established, the Nation's health care delivery and financing system has undergone major transformations.

However, the medicare program has not kept pace with such transformations.

(4) Former Congressional Budget Office Director Robert Reischauer has described the medicare program as it exists today as failing on the following 4 key dimensions (known as the "Four I's"):

- (A) The program is inefficient.
- (B) The program is inequitable.
- (C) The program is inadequate.
- (D) The program is insolvent.

(5) The President's budget framework does not devote 15 percent of the budget surpluses to the medicare program. The federal budget process does not provide a mechanism for setting aside current surpluses for future obligations. As a result, the notion of saving 15 percent of the surplus for the medicare program cannot practically be carried out.

(6) The President's budget framework would transfer to the Federal Hospital Insurance Trust Fund more than \$900,000,000,000 over 15 years in new IOUs that must be redeemed later by raising taxes on American workers, cutting benefits, or borrowing more from the public, and these new IOUs would increase the gross debt of the Federal Government by the amounts transferred.

(7) The Congressional Budget Office has stated that the transfers described in paragraph (6), which are strictly intragovernmental, have no effect on the unified budget surpluses or the on-budget surpluses and therefore have no effect on the debt held by the public.

(8) The President's budget framework does not provide access to, or financing for, prescription drugs.

(9) The Comptroller General of the United States has stated that the President's medicare proposal does not constitute reform of the program and "is likely to create a public misperception that something meaningful is being done to reform the Medicare program".

(10) The Balanced Budget Act of 1997 enacted changes to the medicare program which strengthen and extend the solvency of that program.

(11) The Congressional Budget Office has stated that without the changes made to the medicare program by the Balanced Budget Act of 1997, the depletion of the Federal Hospital Insurance Trust Fund would now be imminent.

(12) The President's budget proposes to cut medicare program spending by \$19,400,000,000 over 10 years, primarily through reductions in payments to providers under that program.

(13) The recommendations by Senator John Breaux and Representative William Thomas received the bipartisan support of a majority of members on the National Bipartisan Commission on the Future of Medicare.

(14) The Breaux-Thomas recommendations provide for new prescription drug coverage for the neediest beneficiaries within a plan that substantially improves the solvency of the medicare program without transferring new IOUs to the Federal Hospital Insurance Trust Fund that must be redeemed later by raising taxes, cutting benefits, or borrowing more from the public.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the provisions contained in this budget resolution assume the following:

(1) This resolution does not adopt the President's proposals to reduce medicare program spending by \$19,400,000,000 over 10 years, nor does this resolution adopt the President's proposal to spend \$10,000,000,000 of medicare program funds on unrelated programs.

(2) Congress will not transfer to the Federal Hospital Insurance Trust Fund new IOUs that must be redeemed later by raising taxes

on American workers, cutting benefits, or borrowing more from the public.

(3) Congress should work in a bipartisan fashion to extend the solvency of the medicare program and to ensure that benefits under that program will be available to beneficiaries in the future.

(4) The American public will be well and fairly served in this undertaking if the medicare program reform proposals are considered within a framework that is based on the following 5 key principles offered in testimony to the Senate Committee on Finance by the Comptroller General of the United States:

- (A) Affordability.
- (B) Equity.
- (C) Adequacy.
- (D) Feasibility.
- (E) Public acceptance.

(5) The recommendations by Senator Breaux and Congressman Thomas provide for new prescription drug coverage for the neediest beneficiaries within a plan that substantially improves the solvency of the medicare program without transferring to the Federal Hospital Insurance Trust Fund new IOUs that must be redeemed later by raising taxes, cutting benefits, or borrowing more from the public.

(6) Congress should move expeditiously to consider the bipartisan recommendations of the Chairmen of the National Bipartisan Commission on the Future of Medicare.

(7) Congress should continue to work with the President as he develops and presents his plan to fix the problems of the medicare program.

Mr. ROTH. I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays are ordered.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DOMENICI. Will the Senator yield for a UC?

Mr. CONRAD. I will be happy to yield.

Mr. DOMENICI. Madam President, I ask unanimous consent that I be permitted to seek the yeas and nays on an additional amendment that is pending.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DOMENICI. I ask for the yeas and nays on amendment No. 161, the Voinovich amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays are ordered.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. As a member of the Budget Committee and a member of the Finance Committee and somebody who was worked and voted for Medicare reform in the Finance Committee as part of a group cochaired by Senator BREAUX along with Senator CHAFEE, I believe we must have reform of the Medicare program. There is no question about that. I applaud the efforts of Senator BREAUX. Nobody has worked harder over a longer period of time to try to get the job done.

As a part of the centrist coalition, I voted in the Finance Committee for a series of difficult steps to begin the process of reforming the Medicare program.

I think my record on the question of being willing to cast tough votes to reform Medicare is beyond question. But I must say, as I look at this amendment that has been offered by the distinguished chairman of the Finance Committee, I have real doubts about this. It looks to me to be a political statement as much as it is an interest in reforming Medicare. When I see in the resolution the suggestion that the President's budget framework does not devote 15 percent of the budget surplus to the Medicare program, I do not think that is a true statement. I have read the President's framework, and it says very clearly that of the surpluses over the next 15 years, 15 percent is dedicated to Medicare. He does it by making a transfer to the trust fund.

People get up and quote the Comptroller General all of the time around here, only they leave out something very important that he said. The Comptroller said in his statement before the Finance Committee that the President's proposal "provides a grant of a new set of Treasury securities for the Medicare Hospital Insurance Program which would extend the life of the trust fund from 2008 to 2020."

That is the testimony of the Comptroller General before the Senate Finance Committee. Others have stood in the Chamber and said that he denigrated the proposal. Well, he certainly did raise questions about it in certain ways, but he also made the very clear statement that the President's proposal does extend the solvency of the Medicare trust fund from 2008 to 2020.

Those who stand in this Chamber and tell our colleagues and the American people that the President's proposal does not do anything are not telling the truth. To just be selective in their quotations of the Comptroller General does a disservice to this body and a disservice to anybody else who is listening.

Let's be direct and honest. The President's proposal is to reserve 15 percent of the surpluses over the next 15 years for Medicare. That is a break in policy, without question. It is a change. We should debate the wisdom of that change. But to stand up here and say it makes no difference, that is not factual and it is not honest as far as I am concerned.

Mr. BREAUX. Will the Senator yield for a question?

Mr. CONRAD. I would like to complete the thought and then I will be happy to yield.

As I read this resolution, it is suggesting that it makes no sense to make any transfer from the general fund to the HI trust fund. I do not agree with that. I think that is flat wrong. You can question the policy. You can say, gee, we should not be doing that, but to suggest that in this resolution, to

adopt in this resolution that we are just going to be opposed to a transfer I think is a mistake. That has the cart before the horse.

As I go through this resolution, there are other things that trouble me. I, for one, value the work of the Medicare Commission. I value the work of Senator BREAUX, Mr. THOMAS, and the others who served there, but as I read this resolution it is suggesting that what they came up with in terms of a proposal is what we ought to adopt. I am not prepared to say that because they also proposed a dramatic change in policy. They proposed, instead of what we know now as the Medicare program, a system of vouchers. People would be able to go out in the marketplace and buy insurance, and they would get from the Federal Government, instead of the coverage provided by Medicare, a voucher for a certain amount of money to go out and purchase insurance.

That may be an excellent idea. I do not know. I think we are a long way from making a determination that that is the right course. We have not completed a hearing process in the Finance Committee on that question. As I read this resolution, it is fundamentally endorsing that approach.

Also included in the recommendation of the Commission is an increase in the age of eligibility. That may be necessary, but I do not think we ought to conclude that in the Chamber here today.

So, Madam President, I respect those who bring the amendment before us but I, for one, would not vote for it. I do not think saying, in effect, that we should not make a transfer from the general fund to strengthen Medicare is something we ought to be saying. In fact, I offered an amendment last night that said just the opposite, that we ought to, as part of a reform proposal, put more resources into the Medicare plan. I think it needs more resources.

I also believe it has to be reformed. I think we need both. I am certainly not going to vote for an amendment that suggests that what the President has proposed is wrong. I also think, as I indicated, that some of the statements here are just factually incorrect.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. ROTH. I yield 2 minutes to the distinguished Senator from Louisiana.

Mr. BREAUX. Madam President, I do not necessarily disagree with everything the distinguished Senator from North Dakota has pointed out. It is important for everyone to understand that the suggestion of the administra-

tion of 15 percent of the surplus in the form of IOUs into the Medicare trust fund does not give the trust fund one nickel, one dime, one dollar more money. It only gives the trust fund IOUs in the form of Treasury securities on which, in the future, Medicare can go to the general fund and make a claim. That is all it does.

Basically, that is the same situation as we have today because it is an entitlement program. People are entitled to it. The question I have is, are we going to have no limit on how much of the general fund is going to be used to finance Medicare?

Madam President, 37 percent of the money today comes out of general revenues. It was supposed to start off as a payroll tax and that was how it was to be funded. Are we going to go to 40 percent without any concern? Are we going to go to 50 percent without any concern? How much of the general revenues are going to finance Medicare to the detriment of the national defense or anything else that we have as a nation?

I suggest to use this transfer of IOUs without making formal decisions and having serious debate about it is not good policy because it doesn't help Medicare at all. That is why it is important to understand it does not provide any new money to the Medicare program at all.

We should have that debate. We suggested a way of looking at it, but I think just saying 15 percent of the surplus solves the Medicare problem to the year 2030 is very, very erroneous. It is incorrect. We should not rely on that as a way of saving Medicare.

Mr. KENNEDY addressed the Chair.

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

Mr. CONRAD. Mr. President, I yield such time as the Senator from Massachusetts consumes.

The PRESIDING OFFICER. The distinguished Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I wonder if the Senator from North Dakota will respond to a question? I listened to my friend from Louisiana. He talked about the IOUs. I find it somewhat difficult to understand how the IOUs can be used for a tax cut of some, I guess, \$778 billion but cannot be used for the Medicare trust system.

I have in my hand, from the Office of the Actuary of the Department of Health and Human Services in his submission to the Finance Committee—he is the chief actuary for HHS, and I will make this part of the RECORD—but it says, under this budget proposal, refer-

ring to the President's proposal, it would postpone the exhaustion of the trust fund for an estimated 12 years.

I guess we have Members of the Senate saying these are IOUs and you are not going to really do anything by getting that kind of IOU for the Medicare trust fund. Here we have the chief actuary for HHS saying exactly the opposite, that it will extend it to the year 2020. I fail to follow the logic, where you have the IOUs and they are going to be used by our majority, our Republican friends, for tax breaks for wealthy individuals. I wonder if he can help clarify this dichotomy for me?

I ask unanimous consent the letter dated January 27, 1999, be printed in the RECORD.

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

DEPARTMENT OF HEALTH & HUMAN SERVICES,  
Baltimore, MD, January 27, 1999.

From: Richard S. Foster, Office of the Actuary.

Subject: Estimated year of exhaustion for the HI Trust Fund under a proposal to augment HI financing with general fund transfers.

To: Nancy-Ann Min DeParle, administrator.

This memorandum responds to your request for the estimated year of exhaustion for the Hospital Insurance trust fund under a legislative proposal developed for the President's Fiscal Year 2000 Budget. At this time, we do not know the full specifics of this proposal. It is our understanding that the proposal would create a new transfer of revenues from the general fund of the U.S. Treasury to the HI trust fund for each year from 2000 through 2014. The transfer amount each year would be set equal to a specified percentage of the HI taxable payroll for the year.<sup>1</sup> The applicable percentages would be specified in the legislation and would equal 15 percent of the unified budget surpluses projected for the President's Fiscal Year 2000 Budget, expressed as a percentage of the projected HI taxable payrolls.

Under the proposal, the future transfers from the general fund would depend only the specified percentages of HI taxable payroll and would not be affected if actual future unified budget surpluses differed from the Fiscal Year 2000 Budget projections. We understand that, in contrast to the associated proposal for the Social Security program, there would be no change in current-law investment practices for the HI trust fund. Similarly, the estimates in this memorandum reflect Medicare's current benefit provisions as specified under present law.

We were provided with projected additional HI revenues under this proposal based on the intermediate set of assumptions from the 1998 Trustees Report, as estimated by the Office of Management and Budget and the Social Security Administration's Office of the Chief Actuary. These amounts are listed below (in billions):

CALENDAR YEAR  
[Dollars in billions]

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2000–2004	2000–2009	2000–2014
\$17.6	\$19.6	\$27.2	\$26.0	\$29.5	\$32.6	\$40.0	\$45.4	\$50.0	\$55.7	\$60.9	\$65.9	\$70.2	\$73.7	\$75.5	\$119.9	\$343.8	\$689.9

<sup>1</sup>“HI taxable payroll” is the total amount of all wages, salaries, and net income from self-employment that is subject to the HI payroll tax under the Federal Insurance Contributions Act (FICA) and the Self-Employment Contributions Act (SECA).

Based on the intermediate assumptions and the projected general fund transfers listed above (15% of surplus), we estimate that the assets of the HI trust fund would be depleted in calendar year 2020 under this proposal, as compared to 2008 under present law. Thus, this Budget proposal would postpone the year of exhaustion by an estimated 12 years.

This estimate is subject to change if our understanding of the proposal is incorrect. In addition, it is important to note that the financial operations of the HI trust fund will depend heavily on future economic, demographic, and health cost trends. For this reason, the estimated year of depletion under this proposal is very sensitive to the underlying assumptions. In particular, under adverse conditions such as those assumed by the Trustees in their "high cost" assumptions, asset depletion could occur significantly earlier than the intermediate estimate. Conversely, favorable trends would delay the year of exhaustion. The intermediate assumptions represent a reasonable basis for planning.

The estimated year of exhaustion is only one of a number of measures and tests used to evaluate the financial status of the HI trust fund. If you would like additional information on the estimated impact of this proposal, we would be happy to provide it.

RICHARD S. FOSTER, F.S.A.,  
*Chief Actuary.*

Mr. CONRAD. The Senator from Massachusetts makes an interesting point. We have to be very careful in our use of language around here. When people talk about Government instruments as being IOUs, I suppose in a way that is true. But it probably leaves people with a misimpression. These are Government bonds, U.S. Government bonds. There is no more valued instrument in the world than a U.S. Government bond. I would love to have somebody give me Government bonds worth \$700 billion. The suggestion that that has no value is an absurdity. It is an absurdity. They are backed by the full faith and credit of the U.S. Government. There has never, ever been a default on an obligation of the U.S. Government. So this kind of careless use of language I think misleads people.

Of course they have value. They have exactly the value that is on their face. These are bonds that have \$700 billion worth of value, plus they earn interest. The fact is, this suggestion that it doesn't make any difference if you transfer these instruments, these bonds, to the trust fund is just wrong. They extend the solvency of the Medicare trust fund by 12 years.

Is that the only thing we should do? Certainly not. Senator BREAUX is exactly right. That is not the only thing we should do. Maybe it is not even the first thing we should do. But we have to decide on a budget resolution right now. We do not have the luxury of waiting until the reform plan is passed. We have to make a decision how resources are going to be used around here. What we are suggesting is the resources ought to be used in a certain priority order.

The first priority is using every penny of the Social Security surplus for Social Security. Then we are saying, in the non-Social Security surplus,

the next priority ought to be to strengthen Medicare. We think that is a priority of the American people. Yes, there ought to be reform as well, and then we ought to also have some resources that are available for high-priority domestic needs like education and defense—and, yes, tax relief. But the first priority of the non-Social Security surplus is not tax relief, especially tax cuts that are designed to go to the wealthiest among us.

We had, yesterday, a discussion of what some on the other side want in terms of an across-the-board cut. To those who are earning \$800,000 a year, they would give \$20,000. To those earning less than \$38,000 a year on average, they would give \$99. I think it is a higher priority for the American people to strengthen Social Security and extend its solvency than to go out and give back \$20,000 to somebody who is making almost \$1 million a year. That is a question of priorities. It is the difference between us. The Senator from Massachusetts is right on this question.

Mr. KENNEDY. As I understand it, and the Senator could correct me—maybe this is better directed to the Senator from Louisiana—even with the Commission's recommendation—according to the Commission's own report, that will only extend the solvency of the Medicare system 3 to 4 years, on the one hand, even if we went ahead.

I am not disputing that there may be recommendations filed by the Commission that may be worthwhile. But on the one hand we have the opportunity to extend it 12 years under the transfer. On the other hand, even if we accept the Medicare Commission, it is only 3 or 4 years.

So as I understand the position of the Senator, we ought to have the longer extension, we ought to consider the Breaux commission report, and then move ahead and take what steps we need to take in order to strengthen and improve the program, which would certainly include the prescription drugs.

I thank the Senator from North Dakota for yielding.

The PRESIDING OFFICER. Who yields time? The distinguished Senator from North Dakota is recognized.

Mr. CONRAD. Mr. President, I hope people think very carefully about this amendment as drafted. Because it seems to me, if they vote for it, they are saying they do not want to do anything to extend the solvency of the Medicare trust fund. They are adopting, it seems to me, a view that, at least with respect to the surpluses that are projected over the next 15 years, they do not want to dedicate any of that money to extend the Medicare trust fund solvency, and the fact is the Medicare trust fund is in more immediate danger than is the Social Security trust fund.

We expect insolvency in the Medicare trust fund by 2008. That is why some of us feel strongly that we ought to keep

alive the possibility of transferring some of these surpluses that we now project to strengthen and preserve the Medicare system.

Beyond that, I think we have to ask the question, are we ready to say that the solution we want to adopt is what the National Commission on the Future of Medicare adopted? They couldn't reach agreement in terms of the supermajority that was required of them to make a recommendation. It seems to me we ought to keep our powder dry until we consider all of the options that we might want to adopt to reform Medicare.

Again, I say this with the greatest of respect for Senator BREAUX and Senator KERREY and other Members who served on that Commission, along with Mr. THOMAS and others. I have real concerns about what is included in this amendment. Part of it, I think, is just factually wrong. The suggestion that the President is not reserving 15 percent in his framework for Medicare defies the facts. It defies what is clearly in his plan. I do not think it is wise to adopt something that makes false statements.

Mr. WELLSTONE addressed the Chair.

Mr. CONRAD. How much time would the Senator like?

Mr. WELLSTONE. Could I have 5 minutes?

Mr. CONRAD. Mr. President, I am pleased to yield 5 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 5 minutes.

Mr. WELLSTONE. Mr. President, I thank my colleague from North Dakota. Let me first say that sometimes what happens is, you find out about an amendment and you don't have time to really prepare. I have just a couple of observations, nothing really well rehearsed or well prepared about this amendment.

Let me just say to my good friend from Delaware that not only do I think the amendment doesn't give justice to some of the President's proposals, I want to express some very serious reservations about the work of the Commission. It is out of respect for my colleague from Louisiana, but it is just honest disagreement.

I will say this right away: I have respect for Senators who are willing to stake out a position that they think is the right thing to do. Even if there is lots of opposition, they have the courage to do so. Senator BREAUX is that kind of Senator.

For my own part, there are at least two major concerns that I have and that I think should be laid out in this Senate discussion. One is I really do worry a lot about the effort to, if you will, voucherize Medicare. It worries me that we will create a system where those people who are wealthier and probably healthier can opt out for additional kind of coverage, additional plans and, therefore, I think you get

into the problem of adverse risk selection. I think the very thing that has made Medicare such a stirring success for our country, which is sort of we are all in this together, we all pay into it, I think we do serious damage to that principle. I worry that the Medicare system will end up being a system where really what you had left were those that were the frailest and the sickest of our elderly, and we could not sustain it economically. I think that does serious damage to the universality principle of Medicare.

The second point I want to make is that I think the reliance on managed care is profoundly mistaken. I think the record of managed care in rural American is a not a good one. I think the reason we are going to have a major debate on patients' protection, I say to my colleague from Massachusetts, is that many people feel that what has happened is that with the eight or nine largest insurance companies owning and controlling well over 60 percent of the managed care plans, what you have going on in the country is bottom line medicine, where the bottom line is the only line. It has become increasingly corporatized and bureaucratized and not at all user-friendly.

I think senior citizens will not do well with a system that relies so much on managed care.

Finally, I want to express my major opposition—and before Senators vote on this, I think they should think about this question—to extending the age from 65 to 67. With all due respect, I don't think we should create yet another group of people who have no health insurance coverage or another group of citizens, in this particular case, 65 to 67, who maybe will purchase the coverage, but they won't be able to afford it.

I think that it is a grave mistake to support this amendment that my colleague from Delaware has brought to the floor. Frankly, I think we should be talking about Medicare for all—universal coverage. I certainly think we should be talking about expanding Medicare to include prescription drug coverage for senior citizens. I have introduced a bill with BARNEY FRANK on the House side to do this, and other colleagues have done this. I think, out of respect for my colleague, it is an honest difference of opinion.

I think this amendment, supporting the work of the Commission, goes in the wrong direction. A, it voucherizes Medicare; leads to adverse risk selection; no longer has the principle of universality applying; those people who are sickest and poorest will be left in, and the system will not sustain itself. That is a mistake. B, the reliance on managed care is mistaken. C, in no way, shape, or form, should we extend the age from 65 to 67.

I yield to my colleague from Connecticut.

Mr. DODD. Mr. President, I thank my colleague for yielding. I say to my col-

leagues from Delaware and Louisiana, I have listened to this. I regret to say we are going to be voting on this, because there are a lot of things in this Commission report that I think warrant the support of our colleagues, and things where obviously, as my colleagues from Massachusetts and Minnesota and others have pointed out, there is serious disagreement as well.

My concern is that we are going to have a vote on this resolution, and it kind of hardens positions a lot earlier than we should be. This is very serious work. When you get involved in this kind of a vote, people casting positions on a resolution that has no value in law, it seems to me it is not in the best interest, as we try to grapple with a very serious and complex set of questions.

I am caught in a situation where there are a lot of things the Commission did I like. There are things the Commission did I disagreed with. If forced to vote up or down, I guess I have to vote no, but I don't want my vote "no" to be construed as disagreeing with everything the Commission has done. If I thought the vote really was going to change the Medicare system, that would heighten the value of the vote, I suppose, to some degree. But since it doesn't have any real impact in law, and I am being asked, as a Member, to make a choice on this, I don't think it is really smart or wise for us to be put in that position on something as important and as complex, where there are serious disagreements over how we ought to proceed.

I don't know procedurally what is possible, but this has been an interesting discussion. I suggest that maybe there is some way this could be vitiated and considered an interesting discussion and debate. But let's not ask Members to vote on a resolution that casts us in a position of making choices on a Commission where there will be a lot of legitimate disagreements.

The PRESIDING OFFICER. The time requested by the distinguished Senator has expired.

Mr. DODD. I thank my colleagues for listening.

The PRESIDING OFFICER. Who yields time?

The Senator from Delaware.

Mr. ROTH. Mr. President, I point out to my distinguished colleague from Connecticut that we are not voting up or down the work of the Bipartisan Commission. We very clearly say in this resolution:

Congress should work in a bipartisan fashion to extend the solvency of the Medicare program and to ensure that benefits under this program will be available to beneficiaries in the future.

We go on, on the next page, paragraph 6:

Congress should move expeditiously to consider the bipartisan recommendation of the chairman of the National Bipartisan Commission on the Future of Medicare.

Paragraph 7:

Congress should continue to work with the President as he develops and presents his plan to fix the problems of the Medicare program.

Mr. President, what I am saying is, we ought to forget this debate, trying to argue about surpluses and so forth.

What we want to do is to get on with the job, to work in a bipartisan spirit. I think the Finance Committee is known for working in a bipartisan spirit. I say to the distinguished Senator from North Dakota, when I say that we are going to start work on this after the recess, that is what I mean and that is what we will do. I think the distinguished Senator knows me well enough to know that I am a man of my word.

I ask that we proceed. Let us get the job done.

The PRESIDING OFFICER. Who yields time?

Mr. CONRAD. Mr. President, I have respect for the Senate Finance chairman. When he says he is going to do something, my experience with him is, he does it. That is not at issue here or at question.

But I must tell you, I do not read this as a bipartisan amendment. There may be some Democrats who are on it—and I can understand why they are on it—but I tell you, this does not look, to me, like a real bipartisan message that is being sent with this amendment. It looks, to me, like a lot of bash-the-President's proposal and suggestions that what is at the heart of the President's proposal, to transfer some resources from the general fund to strengthen Medicare, has no merit and that the answer is what the bipartisan reform Commission came up with—which did not achieve the necessary agreement of that Commission to make a recommendation.

Frankly, I do not think this body should be in a position now to decide that is the answer. I do not think a plan to—

Mr. WELLSTONE. Would my colleague yield for a question?

Mr. CONRAD. I am happy to yield to my colleague.

Mr. WELLSTONE. Right here:

(6) Congress should move expeditiously to consider the bipartisan recommendations of the chairmen of the National Bipartisan Commission on the Future of Medicare.

That sounds to me like an endorsement of the Commission's proposal. Am I wrong or right about that?

Mr. CONRAD. It reads that way to me. I read the whole thing in its totality.

Mr. WELLSTONE. People can disagree, but then a vote for this would be an endorsement of any number of the different recommendations. That might be good for some, but I want to make it clear to colleagues, if you move the Medicare age up from 65 to 67, you go forward with the notion of "voucherizing" Medicare, which is very different from Medicare today. To me, this is an up-or-down vote on these recommendations. I could not possibly

vote for this right now. I hope other Senators will seriously consider that.

The PRESIDING OFFICER. Who yields time?

Mr. CONRAD. I just reclaim my time.

Mr. President, I hope colleagues will resist this amendment. I think some of the statements in here are inaccurate. I think it sends a message which is not the message that should be sent at this time. I say that as somebody who is committed to reforming Medicare, as well as one who is committed to putting additional resources into the program.

I yield the floor.

Mr. KOHL. Mr. President, I rise in opposition to the Roth amendment. I recognize, as I know all of my colleagues do, that Medicare is facing very serious financial problems. I agree with the proponents of this amendment that Congress must act carefully and expeditiously, in a bipartisan way, to make the structural reforms necessary to preserve Medicare for both current and future seniors. And I want to commend Senator BREAUX and all of the members of the Bipartisan Commission on the Future of Medicare, for working so hard in this effort and creating a starting point for reform.

However, at this point, that's what the Breaux plan is—a starting point. I do not necessarily agree with every piece of the Breaux plan, but frankly, it is just too early for the Senate to endorse it. The Commission only finished its work last week, and most of us have not had a chance to study the plan in detail. In addition, the Roth amendment dismisses too quickly the President's proposal to devote 15% of the surplus to Medicare. Even with enactment of structural reforms, it is likely that more money will be needed for Medicare, and we shouldn't have to cut other health and education programs to find it. Even more importantly, in order for Medicare reform to be truly successful, it is essential that we all work cooperatively with one another—and with the President. It is unnecessary to pass an amendment that blasts the President's proposal without giving it full consideration.

Mr. President, while I believe we must address Medicare reform, the Budget Resolution is not an appropriate nor meaningful place to do it. The Roth amendment would tie the Senate's hands. It would force us to declare right now that the Breaux plan is the best plan, and that we will not put even a fraction of the surplus into Medicare. I think that would be a mistake. I urge my colleagues to vote against the Roth amendment, and I yield the floor.

Mr. ROBB. Mr. President, through his work on the Medicare Commission, Senator BREAUX has offered some very strong recommendations to deal with our long-term problems in Medicare, and I hope that the Finance Committee will act expeditiously in considering these and other reform elements. While

I share many of the sentiments expressed in this amendment, I don't believe it will bring us closer toward finding common ground on the Medicare question. Realization of comprehensive Medicare reform will require a genuine bipartisan effort from all parties involved, and we ought to be working to keep the political tension surrounding this debate to a minimum. I'm concerned that the wording of the amendment offered by Senator ROTH will further divide us rather than bring us together on this important issue. For this reason, I will oppose it.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The distinguished Senator from New Mexico is recognized.

Mr. DOMENICI. We would like to proceed, if we can, with the Kennedy amendment. I ask the Senator, you are on that same amendment, are not you?

Mr. DODD. Yes.

Mr. DOMENICI. Let me just say, we can leave time for more debate on this. The problem is, we are going to run out of time, and people are not going to get any time on a score of amendments that they think are very, very important, also. From my standpoint, you have control of plenty of the time. If we can get on with the next one, you can reclaim time and use it off the bill if there is somebody who wants to discuss this issue.

Mr. CONRAD. Mr. President, we would be pleased to go to the next amendment and lay this one aside. If someone wants to return to it later, we can provide time to them. But we are ready to move on.

Mr. DOMENICI. Let me ask, in terms of time, we still have how much time on the bill? Something like 8 and a half hours?

The PRESIDING OFFICER. The Senator is correct; approximately 8 and a half hours.

Mr. DOMENICI. How much time?

The PRESIDING OFFICER. Eight hours 29 minutes.

Mr. DOMENICI. Has the time been yielded on the amendment itself?

The PRESIDING OFFICER. The Senator from Delaware has 3 minutes 14 seconds; the distinguished Senator from North Dakota has 5 minutes 13 seconds.

Mr. DOMENICI. I am not going to ask them to yield back their time. I ask unanimous consent that we set this aside temporarily while the Kennedy amendment proceeds.

The PRESIDING OFFICER. Is there objection?

Hearing none, without objection, it is so ordered.

Mr. KENNEDY. If I could ask the floor managers, the Senator from New York would like to have general time for 15 minutes, and then we will move ahead with this amendment. We will try to move it along rapidly and not take all the time.

Mr. DOMENICI. I say to the Senator, we will not take it off yours, but take

it off the bill. We will charge it equally.

How much time, I ask the Senator?

Mr. SCHUMER. Fifteen minutes.

Mr. DOMENICI. Fifteen minutes.

The PRESIDING OFFICER. The distinguished Senator from New York is recognized.

Mr. SCHUMER. I thank my colleagues, the Senators from New Mexico, North Dakota, and Massachusetts, for allowing me to make this address, which is of real importance to the people in my State.

#### PROTECT ME AND RESPECT ME

Mr. SCHUMER. Mr. President, like many New Yorkers, I have spent a great deal of time in the aftermath of the Amaduo Diallo killing reflecting about our city, our police, our country, and our people.

During my career, I think I have been considered a friend of both law enforcement and the minority community. But I have always been troubled by the rift between minorities and the police. And I have always felt that this rift has caused pain and harm to both communities.

There are men, women and children, black and white, alive today because of the work of the New York City Police Department—their fine work. New Yorkers are proud of that fact. Most cops are decent, honorable, and hard-working—and it is wrong to judge all cops by the actions of the bad few.

But what we all must realize is that the momentous drop in crime and the model behavior of many officers does not undo the plain truth that black men and women in New York City who have never broken the law and who should have absolutely no reason to fear law enforcement, are all too often hassled and made to feel like lawbreakers, and that it is different for minorities than for the average white person in the city.

Many whites seem to feel that widespread frisking and patting down is a small price to pay for a steep reduction in crime. But most white people have never been frisked and have no conception of how pervasive the practice is.

But if you talk to black stockbrokers on Wall Street and black lawyers downtown—people who wear a suit and a tie every day—to a person they have a story of being stopped, frisked, and harassed by a police officer.

If you talk to minority co-workers or attend services at African American churches and ask the men and women from the congregation about their interaction with the police—they talk about how they or their law-abiding children were stopped, questioned and searched by the police.

And they will tell you, as they have said to me, that they know this doesn't happen as often to white people. They know that white people are treated differently.

All people, black and white, want very much for their neighborhoods to

be safe and to feel confident that when they send their children or grandchildren to the corner store for a carton of milk they will come home safely. But in addition to these feelings, minorities are humiliated and angered by the indignity of being treated all too often as presumptive criminals.

And if you take the time to listen, the views of minorities about the relationship they want to have with the police can be summed up in five words: "Protect me, and respect me."

This poem was left on the shallow doorway where Amidou Diallo was killed:

When you look at me what do you see;  
Am I innocent until proven guilty;  
Am I your enemy;  
Or were you sent here to protect me.

Protect me and respect me.

Whatever facts emerge from the killing of Amidou Diallo, or for that matter, the killing of a Syracuse man, Johnny Gammage, by the Pittsburgh police—whether it is guilty, not guilty, suspension, or removal—our society must deal with the underlying problem of race and law enforcement.

There has been a great deal of rhetoric and anger in the aftermath of the Diallo shooting, I can understand why. But I wish to take a different approach.

I offer today, what I believe are constructive solutions that transcend any one set of circumstances and will allow both the "protect me and respect me" parts of the equation to coexist and even flourish.

First, for the sake of the city and for the sake of the police force, the NYPD must immediately put in place a system that more quickly gets bad cops off the street.

It was well known among police, for example, that Justin Volpe, one of the cops who tortured Abner Louima was a bad, bad seed with multiple complaints against him. It was well known that officer Francis Livoti was a ticking time bomb for years before he strangled Anthony Baez in 1994.

The force knew it and did nothing about it. That attitude of silence, protecting your own, sweeping problems under the rug has got to end, not only for the sake of future victims, but for the police department itself.

The tens of thousands of good, honest, hardworking officers pay a price when the Volpes are not removed. For that reason, it is in their interest to end any policy of silence.

The mayor, the police chief, police union leaders, community leaders and church leaders should all urge police officers to come forward when there is a bad element on the force. It should be an honorable action, not a shameful action, to come forward.

Second, minority recruitment at the NYPD must improve. The force is more than two-thirds white; the city is nearly three-fifths minority.

When mostly white cops patrol high-density, minority neighborhoods resentment is bound to follow.

The city should at last fully fund the Cadet Corps to recruit qualified, col-

lege educated minority applicants through the City University. The program is on the books, but until this crisis was basically ignored.

Also, the city should take advantage of a program created last year by Reverend Johnny Ray Youngblood and me to recruit and train young minority applicants through the churches and to help them become police officers who will patrol the neighborhood from where they came.

Next, beyond minority recruitment, New York City should look to what works in other places.

Two efforts stand out: Boston's Ten-Point Coalition and the military's Defense Equal Opportunity Management Institute.

Boston had the same problems as New York: a rift between police and the African-American community; several high profile incidents of abuse by certain officers; and clergy that took on the role of police critics.

Their hatred exploded into the open with the stabbing death of Carol Stuart, a pregnant white woman. The husband, Charles Stuart, told police that a black man committed the crime.

The Boston Police hit the streets in full force. They stopped and searched every black male that fit the general description. The neighborhood residents complained about the tactics, but the crime was so horrible no one listened.

They arrested William Bennett, a black man. Carol Stuart's husband, it was learned months later, was the killer. Bennett was innocent.

And Boston was on the verge of a meltdown.

With no place else to go, the police and the clergy agreed to stop fighting and to sit down to develop a plan to stop crime on the one hand, and preserve dignity on the other.

They initiated a five-point contract.

The heart of it was this: The ministers and respected community leaders agreed to help identify those in the neighborhood who were the real troublemakers. They took the responsibility of telling the police who was dealing drugs and committing violent crime.

The flip side is that when ministers and community leaders took responsibility and identified the troublemakers, others were left alone. And because most crime in each neighborhood is caused by just a few people, the use of the standard stop in frisk procedure that the community found so oppressive greatly diminished.

If an officer is abusive or disrespectful, ministers and community leaders have an open line to the police. If the police did not act, or if they refused to address the problem, the ministers and community leaders were free to go to the media.

The plan worked. The crime rate in Boston has dropped even faster than in New York. Serious youth crime is almost non-existent. And the important but difficult relationship between po-

lice and the minority community is vastly improved.

Last month in the Bronx, 100 members of the clergy met in the office of the Bronx Borough President and said they have always wanted to work with the police. They said, "We could be a resource. But they're not using us. The police don't even know us. They don't come and talk to us."

The Boston model will work in New York and we should move quickly to implement it here.

The military—and our prayers are with the American soldiers fighting over Kosovo—has also found a way to confront bigotry while increasing effectiveness.

The Defense Equal Opportunity Management Institute, developed in the early 1970s to confront segregation and racial hostility among soldiers in Vietnam, is one of the reasons that the armed forces is the most integrated institution in America.

The military learned that unless bigotry was ended in the armed forces, America could not have an effective military. So by necessity they developed a program that lasts to this day.

Officers and supervisors take a course to confront their own stereotypes and to identify problems within their unit. They have a simple goal: change people's behavior. The rule is that if you've got a problem with race, it better not show up in your words or actions.

The thrust of the program is this: DEOMI, as it is called, continuously surveys enlisted soldiers and officers about race relations on their base. The results are made known only to the commanding officer and to people at DEOMI. When there is a problem on a base, a mobile team of trainers moves in to solve it.

The model has been so successful that DEOMI has signed contracts to work with police organizations. New York City should sign a contract as soon as possible.

In conclusion, this has been one of the most trying and emotional times in New York in years. We are a city, right now, divided. No good has ever come from divisiveness. No job was ever created. No street made safer. No school made better by pulling ourselves apart.

I worry about two things:

First, is that division in ours, the most diverse city on earth, has the potential to pull us down.

Second, failure to deal with this problem will ultimately weaken our efforts to fight crime and perhaps, forfeit the gains we made in crime reduction. That is unacceptable and unnecessary given that options abound if we choose them.

New York City is undoubtedly a safer place in every neighborhood from the far end of the Bronx to the tip of the Rockaways. But it is not necessarily a better place for every neighborhood.

Dr. Martin Luther King taught us that "we are tied together in the single garment of destiny, caught in an inescapable network of mutuality. And

whatever affects one directly affects all directly.”

The killing of Amdiou Diallo; the killing of Johnny Gammage affects us all directly.

We all love our city. Let’s each side—as hard as it is to do—put aside our frustration and distrust so we can move past confrontation and collaborate constructively on solutions that protect and respect.

I again thank the Chairman and my colleagues for their consideration and I yield the floor.

Mr. CONRAD. Mr. President, I want to commend the Senator from New York on his maiden speech here in the Senate Chamber. The first speech by any member is one of the most important, and I think the Senator from New York chose well when he chose this subject. Obviously, it is a matter of urgent concern in New York, and the Senator has spoken movingly and persuasively about what must be done to respond to the crisis there. I want to thank the Senator from New York for bringing this to the attention of his colleagues and for doing a masterful job of informing us of what is facing the people of New York.

I again thank and commend the Senator on his initial speech here in the Chamber. In my 12 years in the Senate, I believe the Senator from New York is one of the most impressive new members and we are very happy to have him here.

Mr. SCHUMER. I thank the Senator from North Dakota.

**CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2000**

The Senate continued with consideration of the concurrent resolution.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

**AMENDMENT NO. 177**

(Purpose: To reduce tax breaks for the wealthiest taxpayers and reserve the savings for Medicare)

Mr. KENNEDY. Mr. President, through an agreement with the floor managers, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY] proposes an amendment numbered 177.

Mr. KENNEDY. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

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

The amendment is as follows:

Increase the levels of Federal revenues in section 101(1)(A) by the following amounts:

- (1) Fiscal year 2000: \$0.
- (2) Fiscal year 2001: \$3,000,000,000.
- (3) Fiscal year 2002: \$25,000,000,000.
- (4) Fiscal year 2003: \$13,000,000,000.
- (5) Fiscal year 2004: \$18,000,000,000.
- (6) Fiscal year 2005: \$31,000,000,000.

- (7) Fiscal year 2006: \$57,000,000,000.
- (8) Fiscal year 2007: \$58,000,000,000.
- (9) Fiscal year 2008: \$59,000,000,000.
- (10) Fiscal year 2009: \$56,000,000,000.

Change the levels of Federal revenues in section 101(1)(B) by the following amounts:

- (1) Fiscal year 2000: \$0;
- (2) Fiscal year 2001: \$3,000,000,000;
- (3) Fiscal year 2002: \$25,000,000,000;
- (4) Fiscal year 2003: \$13,000,000,000;
- (5) Fiscal year 2004: \$18,000,000,000;
- (6) Fiscal year 2005: \$31,000,000,000;
- (7) Fiscal year 2006: \$57,000,000,000;
- (8) Fiscal year 2007: \$58,000,000,000;
- (9) Fiscal year 2008: \$59,000,000,000; and
- (10) Fiscal year 2009: \$56,000,000,000.

Reduce the levels of total budget authority and outlays in section 101(2) and section 101(3) by the following amounts:

- (1) Fiscal year 2000: \$0;
- (2) Fiscal year 2001: \$0;
- (3) Fiscal year 2002: \$1,000,000,000;
- (4) Fiscal year 2003: \$2,000,000,000;
- (5) Fiscal year 2004: \$3,000,000,000;
- (6) Fiscal year 2005: \$4,000,000,000;
- (7) Fiscal year 2006: \$6,000,000,000;
- (8) Fiscal year 2007: \$10,000,000,000;
- (9) Fiscal year 2008: \$13,000,000,000; and
- (10) Fiscal year 2009: \$17,000,000,000.

Increase the levels of surpluses in section 101(4) by the following amounts:

- (1) Fiscal year 2000: \$0.
- (2) Fiscal year 2001: \$3,000,000,000.
- (3) Fiscal year 2002: \$26,000,000,000.
- (4) Fiscal year 2003: \$15,000,000,000.
- (5) Fiscal year 2004: \$21,000,000,000.
- (6) Fiscal year 2005: \$35,000,000,000.
- (7) Fiscal year 2006: \$63,000,000,000.
- (8) Fiscal year 2007: \$68,000,000,000.
- (9) Fiscal year 2008: \$72,000,000,000.
- (10) Fiscal year 2009: \$73,000,000,000.

Decrease the levels of public debt in section 101(5) by the following amounts:

- (1) Fiscal year 2000: \$0.
- (2) Fiscal year 2001: \$3,000,000,000.
- (3) Fiscal year 2002: \$26,000,000,000.
- (4) Fiscal year 2003: \$15,000,000,000.
- (5) Fiscal year 2004: \$21,000,000,000.
- (6) Fiscal year 2005: \$35,000,000,000.
- (7) Fiscal year 2006: \$63,000,000,000.
- (8) Fiscal year 2007: \$68,000,000,000.
- (9) Fiscal year 2008: \$72,000,000,000.
- (10) Fiscal year 2009: \$73,000,000,000.

Decrease the levels of debt held by the public in section 101(6) by the following amounts:

- (1) Fiscal year 2000: \$0.
- (2) Fiscal year 2001: \$3,000,000,000.
- (3) Fiscal year 2002: \$26,000,000,000.
- (4) Fiscal year 2003: \$15,000,000,000.
- (5) Fiscal year 2004: \$21,000,000,000.
- (6) Fiscal year 2005: \$35,000,000,000.
- (7) Fiscal year 2006: \$63,000,000,000.
- (8) Fiscal year 2007: \$68,000,000,000.
- (9) Fiscal year 2008: \$72,000,000,000.
- (10) Fiscal year 2009: \$73,000,000,000.

Decrease the levels of budget authority and outlays in section 103(18) for function 900, Net Interest, by the following amounts:

- (1) Fiscal year 2000: \$0.
- (2) Fiscal year 2001: \$0.
- (3) Fiscal year 2002: \$1,000,000,000.
- (4) Fiscal year 2003: \$2,000,000,000.
- (5) Fiscal year 2004: \$3,000,000,000.
- (6) Fiscal year 2005: \$4,000,000,000.
- (7) Fiscal year 2006: \$6,000,000,000.
- (8) Fiscal year 2007: \$10,000,000,000.
- (9) Fiscal year 2008: \$13,000,000,000.
- (10) Fiscal year 2009: \$17,000,000,000.

Reduce the levels in section 104(1) by which the Senate Committee on Finance is instructed to reduce revenues by the following amounts:

- (1) \$0 in fiscal year 2000.
- (2) \$59,000,000,000 for the period of fiscal years 2000 through 2004.
- (3) \$320,000,000,000 for the period of fiscal years 2000 through 2009.

On page 46, strike section 204.

**At the end of title III, insert the following:  
SEC. \_\_. SENSE OF THE SENATE ON EXTENDING THE SOLVENCY OF MEDICARE.**

It is the sense of the Senate that the provisions of this resolution assume that the savings from the amendment reducing tax breaks for the wealthiest taxpayers should be reserved to strengthen and extend the solvency of the Medicare program.

Mr. KENNEDY. Mr. President, over these past 2 days, we have had some good debates and discussions about what is in the budget, and also what is not in the budget; and the particular emphasis and thrust of these various debates and discussions have been primarily on the issues of Medicare and Social Security.

The thrust of the amendment that I offer today, on behalf of myself and others, is targeted on the issue of Medicare. It basically gives an opportunity for the Senate of the United States to say we are going to deal with the shortfalls in terms of the financial situations in Medicare prior to the time that we are going to consider a tax cut for wealthy individuals in this country. That will be the real choice for the Members here—whether we are going to say that at least meeting the financial obligations of Medicare comes before the tax breaks for wealthy individuals.

As we have seen over the past 2 days, there is broad agreement that we not only need to provide financial security for the Medicare system, but we are also going to have to deal with the serious kinds of changes in the Medicare system. One of the important changes, I believe, is to put in place an effective prescription drug benefit for the elderly.

In 1965, I remember being on the floor of the Senate when this issue came up. At that time, most health care plans did not include a benefit program for prescription drugs. At that time, we were attempting to follow what was a generally agreed benefit program. We did that. We did not include prescription drugs. Now prescription drugs are part of about 98 percent of all of the private company programs. We want to make sure we have an effective prescription drug benefit, not only because most companies have that benefit, but because of the enormous need our elderly have for getting prescription drugs at reasonable prices, and also because as we have all seen the breakthroughs in the use of prescription drugs in relieving suffering, illness, and sickness.

So it is very simple, Mr. President. We are saying, let’s move toward what has been recommended by the President, what we have referred to in general debate on other Social Security and Medicare issues, that before we are going to expend, over the 10-year budget period, \$778 billion in tax cuts, we will put aside some \$320 billion over the 10-year period in order to meet the financial needs of Social Security. That is basically what this amendment is all about.

The fact is, Mr. President, if you look through the budget recommendation that has come from the Budget Committee, there is not one single penny in this budget resolution, in addition to current services, being put aside for the protection and the continuity of the Medicare system—not one, not a single penny. There will be references out here during the course of the debate that we have put aside \$190 billion, which is a new infusion of resources. That really represents current services. If you didn't do that, you would be having cuts in existing Medicare benefits. That \$190 billion, over the 10-year period, which is referred to by the Budget Committee members, is just the current services program. To say we are going to keep what we are currently providing in the Medicare system, that has been understood and recognized.

Secondly, there is a reference by some on the Budget Committee that, well, we have an additional \$100 billion that can be used at some time for the Medicare system. But as we have seen over the course of the debate, those funds are also being designated, on the one hand, for natural disasters. It has been pointed out by members of the Budget Committee that they average about \$9 billion to \$10 billion a year over a 10-year period. There is the \$100 billion. When our Budget Committee friends are asked how we are going to deal with the issues of natural disasters, the response is that we have the \$100 billion in there to deal with natural disasters. If Budget Committee members are asked how we are going to provide additional funds for Medicare, they say, well, we have a \$100 billion reserve that can be used for Medicare. Then when they are asked, well, where in this program is there a prescription drug benefit, they say, oh, haven't you seen the part of the Budget Act that is going to provide for prescription drugs? This is the most overutilized \$100 billion that we can possibly imagine.

As I pointed out in the RECORD, we will not see any of those funds realized, really, for the first 5 years. There is effectively a deficit in the first year of more than \$6 billion, and effectively zero for the next 4 years is returned. So none of those funds are going to be available to try to deal with Medicare or any of these other issues for at least 5 years. Mr. President, what we are saying is that the money is out there.

The other point that is made and has been recently debated is, you really can't get the 15 percent of the budget surplus earmarked for Medicare because it will be IOUs. I think my friend and colleague from North Dakota addressed that issue in the earlier debate and discussion. I found it interesting that they can use the IOUs for tax breaks, but they cannot use IOUs for Medicare. Clearly, you can use it for Medicare. That is what we are attempting to do.

The vote will be very clear: whether we, on the one hand, are going to set

aside the \$320 billion—over the 10-year period—of the \$778 billion and say we are going to do that first. After we set aside that \$320 billion, there will still be \$458 billion that will be remaining.

There is a difference in this body on whether that money should be used for the Republican tax cuts or whether we ought to use \$273 billion out of that for the President's tax cuts. We can debate that at another time. But there will still be a generous amount of resources available there for tax reduction.

This amendment assures that we put priorities first. That is a very simple and fundamental concept—that is, whether we are going to put tax breaks first or whether we are going to be putting the protection of Medicare first. That is the choice. That is the issue that will be before the Senate. Without this particular amendment, we are not going to provide the needed financial resources in time for the preservation of Medicare.

Now, Mr. President, I think it is important to realize who those funds we are talking about really belong to. The amounts I am talking about—\$320 billion in this amendment, or the GOP tax cut, \$778 billion—those are basically the revenues that have been paid in by hard-working men and women in recent years. They have been paying into the Medicare system as well as into Social Security. That reflects the resources of hard-working men and women that are paid into the Federal Government. The question now is whether those resources that effectively have been paid in by working families, we are asking whether we ought to use those resources to protect the Medicare system, or whether they ought to be used for tax breaks for wealthy individuals. I don't think there is really a question about what the answer would be. This amendment gives the opportunity to do so. That is what we are attempting to do.

Now, Mr. President, let's look at who these people are. The average Medicare recipient's income is \$10,000 a year, is 76 years old, lives alone, has one or more chronic diseases, and is paying 19 percent of their income primarily for prescription drugs.

That is the profile across this Nation of the Medicare recipient. When we talk about Medicare recipients on the higher end of the level, we are talking about individuals who are getting \$25,000. But the overwhelming number of Medicare recipients are below the \$12,000 or \$13,000 level. We now asking in the Senate whether we are going to protect the health care system which they depend on prior to granting the tax break. That is the issue. We couldn't be clearer.

As this chart shows, 80 percent of the Medicare expenditures are used for recipients with annual incomes of \$25,000 or less. These are not individual incomes, these are household incomes. So you have 60 percent with \$15,000 or under, you have 21 percent with \$25,000 or under. Effectively, 80 percent of all

the expenditures are in that area—families, individuals, elderly people, or elderly couples, who have worked hard, paid into the system.

As we have heard, the Medicare system has serious challenges, serious problems. No one denies that. The issue is, given the fact that the system is going to face "financial instability"—to use it lightly—by the year 2008, should we effectively put in place, as the President has, the recommended resources that will stabilize that to the year 2020, and then move ahead and implement the kinds of recommendations? That is the issue. These are hard-working retirees who have devoted their lives to this country, built this country, and they depend upon the Medicare system for their livelihood.

If we do nothing at all, what will the alternatives be? If we are going to try to keep the Medicare system functioning to the year 2020 without this, there will be \$686 billion necessary in benefit cuts or premium hikes for these elderly people. If we do nothing at all, we are going to have to collect that amount in benefit cuts or premium hikes. Those aren't my figures, those are the figures that have been given by the Commission, by the Budget Committee, by the independent actuaries, by the trustees. Those are the choices.

I doubt if there will be a clearer opportunity for us to go on the record on the issue of priorities. The budget items are issues of national priorities, where we as the elected membership of the people feel the priorities ought to be. We are saying to those who are going to support this amendment that we believe the priority ought to be to provide financial security and stability for the Medicare system to the year 2020 before we give tax breaks to wealthy individuals. It is as simple as that.

Mr. President, I yield such time as the Senator from North Dakota might want.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. CONRAD. Mr. President, I thank the Senator from Massachusetts for this amendment, because I think it puts into stark relief what the choices are. Fundamentally, this debate is about what we do with the projected surpluses over the next 15 years. On our side, we believe that the best use of the surpluses is, first and foremost, to protect every dollar of Social Security surplus for Social Security.

Then we turn our attention to Medicare, because we believe Medicare is also critically important to this country's future, and we recognize that it is endangered. We recognize that in 2008 it will be insolvent unless we take action. So we say take, of the surplus over the next 15 years, 15 percent of that surplus—15 percent of that total unified surplus—over the next 15 years. Dedicate that to Medicare. That is some \$700 billion.

That still leaves resources for high-priority domestic needs like education

and health care, defense, and, yes, tax relief. It is much less in the way of resources available for a tax cut plan than in the Republican priority list, because they really only have two priorities. Their priorities are safeguarding Social Security, which we commend them for; but their other priority is a massive tax cut. They don't provide an additional dollar out of the surpluses that we now project over the next 15 years to strengthen Medicare. We think that is a mistake.

We have heard the other side repeatedly saying that putting this transfer of resources to Medicare will require raising taxes, benefit cuts, or increasing gross debt to pay for Medicare in the future. We have heard that said repeatedly on that side of the aisle. I would like to give an alternative view, because I don't think that is right. It sounds right. If one were expecting budget deficits in the future, it would be right. But that is not what we are anticipating.

The fact is, we now project that there will be a surplus for more than a decade even after we dedicate part of the surplus to Medicare and Social Security. That is because by paying down the publicly held debt, the President's plan reduces net interest costs to the Federal Government and increases economic growth. Therefore, even after we start using the surplus to pay for Medicare and for Social Security, there will still be a budget surplus, hence no need for benefit cuts or for premium increases.

Mr. President, that is central to what we are proposing and what we are advocating. We believe it is critically important to put Social Security first, but also to put Medicare first, because it has made a profound difference in the life of this Nation. We now know that without Medicare and Social Security, a significant chunk of our senior population would be below the poverty level. Two programs in the life of this country have lifted senior citizens out of poverty: Social Security and Medicare.

So we believe that is where the priority ought to be: Social Security, and Medicare. After they are taken care of—after they are taken care of; after they are taken care of—then we can deal with other domestic priorities, certainly education and health care. And, yes, defense. And, yes, there would still be resources available for tax relief—not as much as the tax cut plan in the Republican budget resolution, because they don't provide one thin dime out of these projected surpluses to strengthen Medicare. They provide resources for Social Security surpluses to support Social Security. That is in our plan as well. Where we diverge is on the question of whether or not we are going to use some of these surpluses we now project to strengthen Medicare. That is really at the heart of this debate and this discussion.

Mr. FEINGOLD. Mr. President, I rise in support of Senator KENNEDY's

amendment. This amendment will address critical needs and ensure that education investments are a top budget priority in FY 2000.

Mr. President, as we know the problems facing education today are great. We need a strong commitment and partnership between federal, state and local governments to meet the needs of all students. Senator KENNEDY's amendment will strengthen the effort to reduce class size, provide the full 40% federal share of special education program costs and free up resources for other education priorities. Importantly, this amendment is paid for in the budget we are now debating with a simple 20% reduction in the \$778 billion tax cut proposed by the majority.

Unfortunately, Mr. President, some of my colleagues who oppose this amendment are in effect asking school districts to choose between providing smaller class sizes and funding for special education. This is a false choice, Mr. President. Both special education and small class size are important national priorities, both deserve funding and we can responsibly fund these programs without busting the budget. Forcing school districts to choose between these critically important education programs will only dilute the effectiveness of both programs.

Mr. President, funding for smaller class sizes should not be a partisan issue. Last year when we agreed to fund a serious effort to reduce class size there was broad support for the program proclaimed on both sides of the aisle. What has changed Mr. President? Only a few months after praising the class size program, some are now blocking class size funds and have pit one valuable education program against another all to fund a tax cut we cannot yet afford.

Mr. President, there is wide consensus, based on solid research, that investing in smaller class size is the right thing to do. Research shows that smaller classes help teachers provide more personal attention to students and spend less time on discipline, as a result students learn more and get a stronger foundation in the basic skills. My own state of Wisconsin is doing its part to reduce class size. Wisconsin's Student Achievement Guarantee in Education or SAGE class size reduction program, has proven conclusively that smaller classes make a difference in our children's education. Mr. President, SAGE officials in Wisconsin want a partnership with the federal government. Now is the time when school districts in Wisconsin and in other states are making budget decisions, they need to know if Congress will meet its commitment to reduce class size over the next six years to plan effectively.

Again, Mr. President, I support Senator KENNEDY's amendment because I believe Congress should meet both the commitment to help schools reduce class size and increase funding for special education without busting the budget. I hope my colleagues agree

that we should not waste this unique opportunity to responsibly make the needed investments in education today for our children's future.

Mr. WELLSTONE. Mr. President, I ask my colleague from New Mexico—actually, if my colleague wants to respond, I will wait and follow his remarks.

Mr. KENNEDY. Mr. President, how much time remains?

Mr. DOMENICI. I thank the Senator, but I would not do that at this point.

Mr. KENNEDY. How much time remains, Mr. President?

The PRESIDING OFFICER. The Senator from Massachusetts has approximately 8 minutes and 10 seconds remaining.

Mr. KENNEDY. And the other side?

The PRESIDING OFFICER. There are 30 minutes remaining on the majority side.

Mr. WELLSTONE. Mr. President, the other question I want to ask my colleagues before I go on the time, I know the Senator from Indiana has been waiting to speak now. Would that happen after this debate? He has been waiting patiently. I don't want to precede him, but I wish to know what your plan is.

Mr. DOMENICI. I do not choose to speak at this point.

Mr. WELLSTONE. That is not my question.

Mr. DOMENICI. I did not hear the Senator.

Mr. WELLSTONE. My question was, before I get started, I know the Senator from Indiana has been waiting patiently to speak, I think the first time he has had a chance to speak in the Chamber. I wonder if the Senator wants to wait until after this debate and then he can proceed?

Mr. BAYH. If the Senator has a point he wishes to make, please feel free to go ahead.

Mr. DOMENICI. How much time does the Senator want?

Mr. BAYH. No more than 10 minutes—general debate, not on the bill.

Mr. DOMENICI. Mr. President, I ask unanimous consent to put the amendment aside and allow the Senator from Indiana to speak.

The PRESIDING OFFICER. Is there objection?

Mr. WELLSTONE. That is fine.

The PRESIDING OFFICER. The Chair hears none, and it is so ordered.

The Senator from Indiana is recognized for 10 minutes.

Mr. BAYH. I thank the Chair. I express my appreciation to my colleagues here today and find myself in agreement with what my colleagues from North Dakota and Massachusetts have been saying on this amendment.

Mr. President, my statement today is in the nature of general debate.

I rise to give my first public remarks on the floor of the United States Senate.

I rise at this time because as debate on the last budget of the 20th Century begins, we have an historic opportunity

to build a strong financial foundation for the 21st.

The projected budget surpluses give us a once in a generation opportunity we must not squander. We must seize this moment of good fortune and replace the debt and deficit, borrow and spend mentality of the recent past with a more responsible approach. We must get our priorities right: preserve Social Security and Medicare, pay off our debts, target tax cuts to help working families and make investments in education and national defense.

I believe strongly that the first step toward this more prosperous future must be to save Social Security and stabilize Medicare. To achieve this, I wholeheartedly support preserving 100% of Social Security Trust Funds for Social Security and 40% of other surplus funds for Medicare.

Let me address Social Security first. By ending once and for all the irresponsible practice of raiding the Social Security Trust Fund, we will extend the life of Social Security by 17 years to the year 2049. We owe it to our seniors to ensure that their Social Security will be safe, and our younger workers have a right to know that the system will be there for them one day. Using surplus funds to save Social Security first is the fiscally responsible, socially compassionate way to achieve this.

Medicare, quite frankly, presents an even more urgent challenge. Without action, it will be insolvent in only eight years. To prevent this, I support dedicating an additional \$376 billion of the surplus over the next ten years to Medicare. This will more than double its solvency, to 2020.

But let me be very clear. These investments alone are NOT the complete answer to either Social Security's or Medicare's problems. We must be willing to make the difficult decisions needed to save these vital services, not just once, but once and for all.

It won't be easy. None of the solutions is popular. But using the surplus to strengthen both Social Security and Medicare in the near term will make long-term, systemic reforms possible. The American people are much more likely to embrace difficult steps taken gradually than they are the more draconian action that not using the surplus for Medicare would entail. Those who propose nothing for Medicare today, court fiscal disaster tomorrow. We must not let that happen, and under our approach it will not.

Our approach to saving Social Security and stabilizing Medicare has enormous benefits in addition to securing the future for our elderly and keeping commitments to our young. Doing so will also dramatically reduce the national debt.

Paying down the national debt has many virtues. Lower debt will reduce our interest payments. Last year, 15 cents of every tax dollar went for nothing productive. It merely serviced our national debt. Under the approach I favor, interest payments shrink to only

4 cents of every tax dollar in ten years—a savings to taxpayers of \$452 billion dollars. And if we continue this approach, the debt will fall to its lowest level—as a percentage of GDP—since 1917.

With spending under control, a balanced budget, and government no longer borrowing hundreds of billions of dollars, interest rates will fall. This makes it easier for private businesses to invest. New investments mean greater productivity growth, higher wages, and more secure jobs for America's working men and women. The bottom line is clear: a better standard of living for all Americans.

This isn't just my opinion. Last month, I had the opportunity to question the Chairman of the Federal Reserve, Alan Greenspan, about this very subject. He too believes that paying down the national debt is the best way to guarantee a stronger economy and a responsible federal budget.

As one of the principal architects of our current economic good fortune, Alan Greenspan knows that paying down the national debt is preferable at this point in the economic cycle to either spending increases or dramatic tax reductions the nation cannot afford. As the Chairman told me, “. . . all of the arguments that one can make for tax cuts you can make for reduction in debt, they are the same forces. . .” In addition, by paying off our debts now, we preserve the nation's ability to borrow again in the event of a future emergency and hold open the option of more aggressive tax cuts should the economy slow. Simply put: paying down the national debt is the responsible, conservative, economically and fiscally sensible thing to do.

It is the just and morally responsible thing to do as well. It is not right to ask our children and grandchildren to pay our bills. No generation in American history has done so, and we must not become the first.

Our legacy to future generations must be more than an IOU. Paying down the debt will keep faith with America's past and create promise for America's future.

Saving Social Security and Medicare by paying down the national debt is a significant undertaking, but if we act prudently, there is room for our nation's other important priorities, including targeted tax cuts. Throughout my public career, I have been a vigorous advocate for cutting the tax burden on American families. In fact, I believe that when it comes to tax cuts—the more aggressive, the better. As Governor of Indiana, I was proud to be able to give Hoosiers the largest tax cut in our state history.

I strongly support targeted tax cuts here on the Federal level as well—tax cuts that will eliminate the marriage penalty, save family farms and businesses from the ravages of the estate tax, help families meet the expenses of child care or caring for an elderly parent, and create jobs and stimulate in-

vestment by reducing the tax on capital gains.

There must be a balance among our priorities. We can't pursue one to the exclusion of all others. If we give into temptation, and recklessly pursue immediate gratification today, we will surely regret it tomorrow. And therein lies the difference between what we accomplished in Indiana and what some now propose in Washington. Our Hoosier tax cut plan was conservative, fiscally responsible, like the approach I support today. We never threatened to throw fiscal caution to the winds or require massive cuts in vital services for children or law enforcement.

I will be the first to sponsor a tax cut bill—the bigger the better—but not one out of all proportion to our ability to pay for it, nor one that risks returning us to the days when America was drowning in a sea of red ink. We must cut taxes as aggressively as possible while still meeting our other important national priorities.

Included in these important priorities are additional investments for national defense, education and law enforcement. These are the kind of areas where even modest investments today yield multiple benefits tomorrow.

Because I strongly believe that government must make investments—within its means, of course—in these important areas, I am troubled by the current budget resolution that would force drastic and unwarranted across the board budget cuts in many important domestic programs ranging from Head Start to the FBI.

Mr. President, it is incumbent upon the Senate to resist the twin temptations of immediate gratification and postponing difficult decisions. Both parties, quite frankly, have been guilty of this for too long. Today it is the Budget Resolution that succumbs to these twin temptations, indulging us immediately with all the things we want while putting off until tomorrow the things we would rather not do but know we really must. This may be good politics. It is not good government.

Despite the fact that we will not achieve a bipartisan solution this week, I am still heartened by how much closer both parties are today on fiscal issues than even in the recent past.

It seems to me there is a national consensus growing, a consensus that cuts across party lines, that believes in some basic core principles: Saving Social Security and Medicare first, paying down the national debt, making targeted tax cuts for working families, and investing in our future. We can start down the road toward accomplishing these goals—something that is well within the grasp of this Senate—and, in so doing, build a better America. Also, we will be able to look our children and grandchildren squarely in the eye, secure in the knowledge that what we have done has not been just easiest for us, but also what is best for them.

Mr. President, I thank you for this opportunity, and for the indulgence of my colleagues, and yield the remainder of my time.

The PRESIDING OFFICER (Mr. AL-LARD). The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, let me thank Senator BAYH for his words. It is an honor to be on the floor while you are speaking, and I thank you.

Mr. CONRAD. Will the Senator suspend for just one moment?

Mr. WELLSTONE. I will be glad to, as long as I retain the floor.

The PRESIDING OFFICER. The time, actually, is controlled by the Senator from Massachusetts.

Mr. KENNEDY. I yield time to the Senator from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota.

PRIVILEGE OF THE FLOOR

Mr. CONRAD. Mr. President, I ask unanimous consent that John Jennings, a fellow in Senator BINGAMAN's office, be granted the privilege of the floor during the pendency of S. Con. Res. 20, the budget resolution.

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

Mr. CONRAD. I thank the Chair.

Mr. KENNEDY. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator has about 8 minutes 20 seconds.

Mr. KENNEDY. I just yield myself a minute and a half.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, I want to express my admiration and respect to my friend and colleague from Indiana on his maiden speech. It is an important speech because it deals with the economic future of our Nation. He brings a perspective to this issue as someone who has been an effective Governor and has had a broad reputation, not only in his State but throughout the country, as someone who understands the economics of his State well and has a reputation as a skilled Governor, making sure his State prospered and the benefits were going to go to the people.

Now he speaks in the Senate as we are making a judgment, at a very important, critical time, given the change in our financial situation with the size of the surplus, and he has given us a great deal to think about. It is quite clear from his statement he has given it a good deal of thought.

I thank him for his statement.

The PRESIDING OFFICER. Does the Senator yield time to the Senator from Minnesota?

Mr. KENNEDY. How much do I have remaining?

The PRESIDING OFFICER. The Senator has 6 minutes 40 seconds.

Mr. KENNEDY. I yield 4 minutes to the Senator.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 4 minutes.

Mr. WELLSTONE. Mr. President, I think this amendment that Senator

KENNEDY has brought to the floor is a major, what I would call, political economy amendment. It is a major values amendment. This amendment goes to the heart of what we are about as a nation, and we have a couple of choices. Either we can go with this budget resolution, which goes in the direction of massive tax cuts for the years to come disproportionately going to the highest-income citizens, with the Medicare trust fund expiring in the year 2008. Or we can take part of this surplus and use that to strengthen the Medicare program that we have in this country.

If we do not do that—I just want to be really clear, and I know I am right about this, even though I do not want to be right—what we are going to see is either a cut in benefits or we will see the age extended for eligibility for Medicare, or we will see other proposals which will do major damage to the idea of this program as being a universal, comprehensive health care coverage program for senior citizens, albeit in my State of Minnesota only 35 percent of senior citizens have any coverage at all for prescription drug benefits.

We need to expand Medicare, another reason to support the Kennedy amendment and albeit Medicare does not do anything to cover catastrophic expenses, which is a nightmare for people toward the end of their lives if they should have to be in a nursing home or if they look for support from home-based health care.

But I would like to say to colleagues, as far as I am concerned in this budget debate, this amendment is the heart-and-soul amendment. We have a really clear choice. A budget resolution is a resolution; it gives us some general direction. My colleague from New Mexico undoubtedly will have a response. I wish I had time to respond to his response. But from my point of view, this is a values debate. We can, with the surplus, as we look ahead, talk about tax cuts mainly going to those who are most affluent, or we can say we are going to reserve part of this surplus to bolster Medicare, which is a critically important program, not just for about 680,000 seniors in Minnesota with an income profile pretty low, not very high, but, in addition, for their children and their grandchildren.

This is a family values amendment. There ought to be nothing more important for us to do than to give general direction to the proposition and to the idea and to the core value that we are going to reserve part of this surplus to help bolster Medicare.

I can make a lot of other proposals. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 1 minute.

Mr. WELLSTONE. Let me just say to my colleagues, I would like to see also, above and beyond support for this amendment, talk about how we can strengthen Medicare in other areas.

We should double the NIH budget. My colleagues, Senator SPECTER and Senator HARKIN, are right, because the research and finding the cure for some of the diseases in our country like Alzheimer's and diabetes and Parkinson's will do wonders toward reducing Medicare expenditures.

The PRESIDING OFFICER. The Senator's 4 minutes have expired.

Mr. WELLSTONE. Mr. President, I will get a chance to speak more on this. This is the critical vote.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, my friend and colleague from West Virginia wanted to address the Senate on a matter relating to the budget. I am wondering whether there is some time he can use.

Mr. CONRAD. How much time would the Senator from West Virginia like?

Mr. ROCKEFELLER. The Senator from West Virginia would like to have 10 minutes.

Mr. CONRAD. I yield 10 minutes off the bill.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, let me say I don't have any objection. Obviously, even if I did, probably I couldn't do anything about it. But I do want to ask Senators if they would be somewhat helpful. I know, now that Senator KENNEDY has a chart up that describes the Democrat plan that doesn't exist, and a Republican plan that doesn't exist, that everybody wants to come to the floor and talk about this. I remind everyone and ask their indulgence and help: We have about 35 to 40 amendments that people want to be heard on. They are legitimately as interested as are colleagues on this issue, which we have already debated three times on three amendments.

I am not going to argue about it. I say go ahead, we will give you 10 minutes, but when you take it off the bill, it means it is not available for anyone at the end of this bill. So I ask we be a little bit helpful in that regard.

I yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROCKEFELLER. I thank the Senator from New Mexico. I understand the point of the Senator. I thank the Senator from Massachusetts and the Senator from North Dakota.

This particular Senator from West Virginia was a member of the Medicare Commission and I know, undoubtedly, several have spoken. But whatever amendments may be remaining, there cannot be many as important as the disposition of Medicare. Medicare is something that is not that well understood even though everybody knows what it is, and therefore it is subject to easy amendments and easy resolutions, and facts are entirely often lost.

There is, I understand, a resolution or whatever praising the Medicaid Commission for its bipartisan efforts

and the rest of it. Those of us who were on that Commission know that isn't and wasn't the case. It was not a bipartisan Commission; it was a Commission that was divided from the very beginning.

It was a Commission in which there was really no give and take. Just so my colleagues can understand, the plan, which was being changed every 5 minutes, as certain Members sought to get votes here and there, was not even finally given to my office until 4 o'clock the day before the vote. I was in West Virginia so I didn't see the plan until an hour before the vote. It was really kind of a shambles of an operation.

But that isn't nearly as important as the fact that beneficiaries pay more under this plan for the same or fewer benefits. It isn't nearly as important as the fact that the sick and the disabled were probably going to have to pay the most. The fact that this plan contemplates and its authors contemplate the numbers of years that 50 to 75 percent of all Medicare beneficiaries will belong to HMOs—of course, I don't believe that is ever going to happen. They do it, and it is reflected in their plan.

Just imagine for a moment what that would mean, because HMOs would naturally attract the most wealthy and the most healthy. So what would that mean for the people in my State who are left in fee-for-service medicine? Fee-for-service would be a very small pot of money which would have to cover an enormous amount of people.

The philosophy of the Medicare Commission fundamentally was that free enterprise can solve the problems of Medicare, and that is why they said 50 to 75 percent will join HMOs over the next 15 to 20 years. Of course, free enterprise had its chance to work with respect to people over 65 and did it so badly, that is the reason we created Medicare, in order not to leave it up to the market system in its entirety and to make sure that every senior had health care coverage.

There was a lot of ideology involved in the Commission. There were a lot of people there primarily because of an ideological commitment, a commitment that was there from the very beginning. It was very obvious. There never really was any discussion of issues. There were speeches, but not much discussion. Seniors, I think, had very little idea of what was in the plan.

Those who remember catastrophic health care—if Congress puts forward a plan and doesn't consult seniors and seniors aren't knowledgeable about it, you can have it thrown right back in your face. Medicare is not something you can fool around with.

Speaking for my own point of view, representing the State of West Virginia, the average senior in West Virginia has a total gross income from all sources, of \$10,763. Then, from that amount you subtract \$2,000 to pay for their Medigap or their out-of-pocket expenses for health care which they

can't get from Medicare, primarily prescription drugs. That means the average senior in the State has a gross income for a year of about \$8,500.

I will guarantee you, this Senator isn't fooling around with chances on Medicare. There is no way that I am taking a chance on Medicare, that I am betting on something that did not work prior to 1965, that suddenly people say will work after this Medicare Commission presented its plan which did not pass and which was basically defeated on a partisan vote, which was very, very sad. It was fated from the beginning, and it was very, very sad.

I have chaired four national commissions. This was the fifth one I have been on. It was probably the worst experience I have had since I have been in the Senate. I say that with regret, because I care enormously about health care, and I care enormously about the people who ran the Commission. I thought they tried their very best, but it was fated to fail from the very beginning because of the ideological bent that it carried with it. I think a measure here to praise it is totally out of place.

I mentioned prescription drugs. Everybody understands that when the President was wise enough to put aside 15 percent to pay down the debt so the money would become available because of the lack of higher interest payments for Medicare, that that was a very wise thing to do. That also allows us to contemplate prescription drugs. The Medicare Commission wouldn't even consider the use of that 15 percent. They wouldn't consider it. As a result, prescription drugs are not uniformly available.

Some seniors already have prescription drugs. They get it through Medigap. This would say, well, you would have to be up to 135 percent of poverty, but that just came in in the last week or so. That would disappear, I think, on the floor of the Senate, because I do not think, frankly, that the majority would want to see prescription drugs, because they would say it would cost too much. Well, they might be right. I think they are wrong. Seniors are now paying for it.

Under this plan, they purport that prescription drugs are covered, but they are, indeed, not covered. Many beneficiaries would not have it. They talk about prescription drugs for low-income beneficiaries, but most would not have them.

On one of the most extraordinary things that I think would very much affect the senior Senator from New Mexico, they punt. They don't even punt. They kick at the ball and miss it on the subject of graduate medical education. We do not have doctors in this country by accident. We have doctors in this country because their residencies and their postgraduate experiences are paid for, 50 percent by Medicare. Some people may not think that it should come out of Medicare, but if it doesn't come out of Medicare,

then it should come out of some designated fund, an au pair trust fund or something of that sort.

What is incredible about the Medicare Commission is that it simply says, we will leave graduate medical education or direct medical education up to the appropriations process, which is like saying goodbye to all foreign doctors, which are as important in New York City as they are in southern West Virginia, because foreign doctors are well trained and they get further training in their own country.

Fifty percent of their expense is being paid for by Medicare. Under the appropriations process, they would disappear. So will many others. So will many others, because there will be no constant way of funding a very obscure program called Graduate Medical Education, which is the heart and soul of the training of good doctors and, therefore, good health care in our country.

The Federal savings in this matter—and I won't talk on forever here—but the Federal savings in this are generally a sham. I think only about \$95 to \$96 billion out of the \$346 billion or \$347 billion that the Commission says they are saving actually comes out of what they call premium supports. All the rest comes out of cutting benefits, out of the Balanced Budget Act, which we passed in 1997, out of a whole series of other things, cutting doctors and hospitals, once again. The savings are made at the expense of the beneficiary, at the expense of good health care. I have very, very strong feelings.

Just consider for one instance that 71 percent of the counties in this country have no medical plan, no HMO whatsoever. I represent a whole State. We have one. So where is the choice? There is no choice.

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

Mr. ROCKEFELLER. I thank the Presiding Officer. I hope when that resolution comes up for a vote, Senators will vote no.

The PRESIDING OFFICER. The Senator from Massachusetts has 2 minutes 40 seconds remaining on the amendment. The Senator from New Mexico has 30 minutes.

Mr. KENNEDY. Mr. President, I will reserve that time, and I will move on to another amendment, if that is agreeable to the floor managers. If I could have the attention of the floor managers, I am glad to either yield that time, if you were going to yield yours back. If you want to hold yours, I will hold mine. I am quite prepared to go on to another amendment. I do not want to hold up the Senate any further.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I ask unanimous consent, on behalf of the leader, that at 12 noon today the Senate proceed to vote on or in relation to the following amendments, the first vote limited to 15 minutes and other votes to 10 minutes each, with 2 minutes equally divided prior to each vote

and no second-degree amendments in order prior to the vote—this has been cleared on both sides—Specter amendment No. 157; Robb amendment No. 176; Kennedy amendment No. 177. Is that the pending amendment?

The PRESIDING OFFICER. That is the pending amendment.

Mr. DOMENICI. I thank the Chair.

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

Mr. DOMENICI. I say to Senator KENNEDY, I am just going to use a couple minutes.

Did the Senator want the floor?

Mr. DORGAN. I wonder if I might inquire of the Senator from New Mexico, I had indicated to him I have an amendment that I wanted to lay down. If he would not mind, I would be happy to offer it and ask unanimous consent we set it aside. And then he could proceed. I was hoping perhaps after the three votes we might debate this amendment.

Mr. DOMENICI. Sure. I believe the sequencing is, after the Kennedy amendment, we are going to do a Republican education amendment, and then we are going to return to your side for your amendment. If you would like to send it to the desk now, I ask unanimous consent that that be in order. We are not going to debate it now; right?

Mr. DORGAN. That is correct.

Mr. DOMENICI. All right.

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

AMENDMENT NO. 178

(Purpose: To provide \$36,000,000,000 in additional agricultural funding)

Mr. DORGAN. I send an amendment to the desk on behalf of myself, Senators DASCHLE, HARKIN, CONRAD, BAUCUS, JOHNSON, DURBIN, BINGAMAN, and KERREY.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from North Dakota [Mr. DORGAN] for himself, Mr. DASCHLE, Mr. HARKIN, Mr. CONRAD, Mr. BAUCUS, Mr. JOHNSON, Mr. DURBIN, Mr. BINGAMAN and Mr. KERREY proposes an amendment numbered 178.

Mr. DORGAN. I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 43, strike beginning with line 3 through line 6, page 45, and insert the following:

**SEC. 201. RESERVE FUND FOR AN UPDATED BUDGET FORECAST.**

(a) CONGRESSIONAL BUDGET OFFICE UPDATED BUDGET FORECAST FOR FISCAL YEARS 2000–2004.—Pursuant to section 202(e)(2) of the Congressional Budget Act of 1974, the Congressional Budget Office shall update its economic and budget forecast for fiscal years 2000 through 2004 by July 15, 1999.

(b) REPORTING A SURPLUS.—If the report provided pursuant to subsection (a) estimates an on-budget surplus for fiscal year 2000 or additional surpluses beyond those assumed in this resolution in following fiscal years, the Chairman of the Committee on the Budget shall make the appropriate ad-

justments to revenue and spending as provided in subsection (c).

(c) ADJUSTMENTS.—The Chairman of the Committee on the Budget shall take the amount of the on-budget surplus for fiscal years 2000 through 2004 estimated in the report submitted pursuant to subsection (a) and in the following order in each of the fiscal years 2000 through 2004—

(1) increase the allocation to the Senate Committee on Agriculture, Nutrition and Forestry by \$6,000,000,000 in budget authority and outlays in each of the fiscal years 2000 through 2004;

(2) reduce the on-budget revenue aggregate by that amount for fiscal year 2000;

(3) provide for or increase the on-budget surplus levels used for determining compliance with the pay-as-you-go requirements of section 202 of H. Con. Res. 67 (104th Congress) by that amount for fiscal year 2000; and

(4) adjust the instruction in sections 104(1) and 105(1) of this resolution to—

(A) reduce revenues by that amount for fiscal year 2000; and

(B) increase the reduction in revenues for the period of fiscal years 2000 through 2004 and for the period of fiscal years 2000 through 2009 by that amount.

(d) BUDGETARY ENFORCEMENT.—Revised aggregates and other levels under subsection (c) shall be considered for the purposes of the Congressional Budget Act of 1974 as aggregates and other levels contained in this resolution.

**SEC. 202. RESERVE FUND FOR AGRICULTURE.**

(a) ADJUSTMENT.—If legislation is reported by the Senate Committee on Agriculture, Nutrition and Forestry that provides risk management and income assistance for agriculture producers, the Chairman of the Senate Committee on the Budget may increase the allocation of budget authority and outlays to that Committee by an amount that does not exceed—

(1) \$6,500,000,000 in budget authority and in outlays for fiscal year 2000;

(2) \$36,000,000,000 in budget authority and \$35,165,000,000 in outlays for the period of fiscal years 2000 through 2004; and

(3) \$36,000,000,000 in budget authority and in outlays for the period of fiscal years 2000 through 2009.

Mr. DOMENICI. I thank the Senator.

I say to Senator KENNEDY, before I use a couple minutes and yield for your couple minutes, I ask if Senator ENZI, who has been waiting patiently and has an amendment to be cleared right quick, if he could comment on it. We could adopt it, and then we will, just before our 11:50 time to offer all the amendments, be completed.

Mr. ENZI addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Will the Senator from Wyoming permit the Chair to appoint conferees on the supplemental?

Mr. ENZI. The Senator will.

**EMERGENCY SUPPLEMENTAL APPROPRIATIONS ACT FOR FISCAL YEAR 1999**

The PRESIDING OFFICER. Pursuant to the order of March 18, 1999, the Senate having received H.R. 1141, the House companion bill to S. 544, the provisions of the unanimous consent agreement are executed.

The provisions of the unanimous consent agreement are as follows:

*Ordered.* That when the Senate receives the House companion bill to S. 544, a bill making emergency supplemental appropriations and rescissions for recovery from natural disasters, and foreign assistance, for the fiscal year ending September 30, 1999, and for other purposes, the Chair automatically strike all after the enacting clause; that the text of S. 544 as amended be inserted; that the House bill be advanced to third reading; and that the bill be passed, all without intervening action or debate.

*Ordered further.* That the Senate insist on its amendment, request a conference with the House, and that the Chair be authorized to appoint conferees on the part of the Senate.

*Ordered further.* That the bill, S. 544, remain at the desk.

The bill (H.R. 1141), as amended, was passed.

Pursuant to the order, the Chair appointed: Mr. STEVENS, Mr. COCHRAN, Mr. SPECTER, Mr. DOMENICI, Mr. BOND, Mr. GORTON, Mr. MCCONNELL, Mr. BURNS, Mr. SHELBY, Mr. GREGG, Mr. BENNETT, Mr. CAMPBELL, Mr. CRAIG, Mrs. HUTCHISON, Mr. KYL, Mr. BYRD, Mr. INOUE, Mr. HOLLINGS, Mr. LEAHY, Mr. LAUTENBERG, Mr. HARKIN, Ms. MIKULSKI, Mr. REID, Mr. KOHL, Mrs. MURRAY, Mr. DORGAN, Mrs. FEINSTEIN and Mr. DURBIN conferees on the part of the Senate.

The PRESIDING OFFICER. The Chair thanks the Senator from Wyoming.

The Senator is recognized.

**CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2000**

The Senate continued with the consideration of the concurrent resolution.

AMENDMENT NO. 154

(Purpose: Expressing the Sense of the Senate that agricultural risk management programs should include livestock producers)

Mr. ENZI. Mr. President, I ask unanimous consent to lay the pending amendment aside to call up amendment No. 154.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

The Senator from Wyoming [Mr. ENZI] for himself, Mr. GRASSLEY, Mr. THOMAS and Mr. CONRAD proposes an amendment numbered 154.

Mr. ENZI. I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate place, insert:

**SEC. . SENSE OF THE SENATE THAT AGRICULTURAL RISK MANAGEMENT PROGRAMS SHOULD BENEFIT LIVESTOCK PRODUCERS.**

(a) FINDINGS.—The Senate finds that—

(1) extremes in weather-related and natural conditions have a profound impact on the economic viability of producers;

(2) these extremes, such as drought, excessive rain and snow, flood, wind, insect infestation are certainly beyond the control of livestock producers;

(3) these extremes do not impact livestock producers within a state, region or the nation in the same manner or during the same time frame or for the same duration of time;

(4) the livestock producers have few effective risk management tools at their disposal to adequately manage the short- and long-term impacts of weather-related or natural disaster situations; and

(5) ad hoc natural disaster assistance programs, while providing some relief, are not sufficient to meet livestock producers' needs for rational risk management planning.

(b) It is the sense of the Senate that any consideration of reform of federal crop insurance and risk management programs should include the needs of livestock producers.

Mr. ENZI. I also ask unanimous consent that Senator CONRAD be added as a cosponsor.

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

Mr. ENZI. This amendment, offered by myself, Senator GRASSLEY, Senator THOMAS, and now Senator CONRAD, is a sense of the Senate that resolves that any consideration of reform of Federal crop insurance and risk management programs should include the needs of livestock producers as well.

The livestock industry has very few risk management tools available to manage the short- and long-term impacts of weather-related and natural disaster situations. They do not have an insurance program to help guard against losses. In fact, livestock producers are prohibited by law from participating in USDA's Crop Insurance Program. That prohibition must be removed.

We must devote our resources to finding a rational approach to risk management that will eliminate the need for ranchers and farmers to ask Congress each year for disaster assistance. Any program offered to the agricultural producers should cover them in the event of any crop or livestock losses due to excessive rain and snow, wind, drought, and even insect infestation. We need a program that is actuarially sound.

The livestock industry is comprised of smart, hardworking businessmen who constantly operate at the whims of Mother Nature. They are not looking for a Government handout. They simply want to be given the opportunity to better manage the risks they face in trying to get their cattle and sheep to market. We promised our ranchers help, but we have not delivered. This amendment is a good first step.

I urge my colleagues to support this amendment.

I yield back any time that I have.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, very briefly, let me just say I hope our colleagues will support the amendment which my colleague from Wyoming has offered, along with a number of others of us who are very concerned about what has happened in the livestock industry.

In American agriculture now, we face the lowest prices in 52 years. We have been through an absolute price collapse in many sectors of the livestock indus-

try. In the hog industry alone, prices have dropped to 8.5 cents a pound.

Mr. President, it takes 40 cents a pound to break even in the livestock industry. And 8.5 cents a pound is absolutely ridiculous. We anticipate losing as many as three-quarters of the hog producers in our State if something is not done.

This amendment, offered by Senator ENZI, cosponsored by others of us, we think is one way to help livestock producers manage risk through a program of risk management. I hope very much our colleagues will support it.

Mr. GRASSLEY. Mr. President, I rise in support of the Enzi, Grassley, Thomas, Conrad amendment. Livestock producers have few viable risk management tools available to deal with drought, excessive rain and snow, flood, or disease. Dismal profits for cattlemen and the collapse of hog market in the Fall of 1998 are two of the predominate factors which have spurred a renewed interest in livestock insurance. I feel it is important that any consideration of reform for federal crop insurance and/or federal risk management programs should include the needs of livestock producers.

Since the introduction of revenue insurance programs in 1996 farmers raising crops have been provided risk management tools which better mediate the unavoidable risks farmers experience. Programs such as Crop Revenue Coverage (CRC), Income Protection (IP), and Revenue Assurance (RA) are available for crops, but currently a statutory prohibition bans the development of federally supported livestock insurance.

It is my opinion that we have a responsibility to provide risk management tools to all farmers, whether they raise crops or livestock. Iowa State University's Center for Agricultural and Rural Development (CARD) has studied the possible benefits of Whole-Farm Revenue Insurance for crop and livestock producers. The center has developed data which lends credibility to those who advocate adding a livestock net revenue guarantee to existing whole-farm crop revenue guarantees.

CARD determined Whole-Farm Revenue insurance programs could supplement existing risk management tools offered through the Chicago Mercantile Exchange and the Chicago Board of Trade for livestock. CARD also ascertained that the addition of livestock to whole-farm revenue guarantees could dramatically reduce both insurance rates and insurance premiums. Lower rates could lead to expanded coverage and less risk exposure for farmers.

Mr. President, risk management tools are necessary for the success of the agriculture community. Congress must work together and focus on expanded risk management to better mediate the unavoidable risks farmers experience. It's time for Congress to take an active role in providing these tools to all farmers.

Mr. President, I urge my colleagues to support livestock producers by supporting the Enzi, Grassley, Thomas, Conrad amendment.

Mr. DOMENICI. We have no objection on our side. I think it has been cleared on the Democrat side.

The PRESIDING OFFICER. The question occurs on agreeing to the amendment.

The amendment (No. 154) was agreed to.

#### AMENDMENT NO. 177

Mr. DOMENICI. I think our next Senator with an amendment has arrived. We have agreed your amendment would be next, I say to Senator GORTON. But we have to finish the Kennedy amendment in just a minute here.

Just give me a moment, I say to the Senator.

First, as I indicated earlier this morning, something very significant happened, and I am sure it will be adopted when we vote later on. That is the introduction of a bipartisan amendment to this budget resolution whereby the chairman of the Finance Committee, Senator ROTH, joined by Senator FRIST, on our side, and two very distinguished Democrats, Senator KERREY of Nebraska and Senator BREAUX of Louisiana, indicated in an official way, for the first time, that the Senate is going to be asked, because of their amendment, to proceed in a bipartisan manner to reform and fix Medicare so that it will be effective for our senior citizens for decades to come.

I must say that when we vote on that—and I believe it will be agreed to—we will have started down a path. But it will not be a long path; it will be a very short path. That path is going to lead, before the year is up, to a resolution in the Senate of the Medicare program for our senior citizens and for our children and for the taxpayers, all of whom have a very big stake in making sure this Medicare program is reformed and fixed.

So I once again congratulate those four Senators. They have permitted me to join them, so I am the fifth man on the team. I hope, before the day is out, many others will join. But I am certain by our vote we will indicate that that is precisely the path we want to take.

Some will get up and say it is very specific and precise. But ultimately, it lays down some markers. It says to the Finance Committee, let's get on with it; let's quit talking about it; let's fix it.

It is interesting that as soon as that amendment got debated, a kind of a furor occurred, and it was not on our side of the aisle, it was on the other side of the aisle. That is because that was a significant amendment that people in this country are going to understand. It is not politics; it is not talking; it is a commitment to fix Medicare for our senior citizens.

If there are new ideas beyond what the Commission—there are two commissions that are recalled in that amendment—if there are ideas beyond

it, it is going to come out of that bipartisan committee, who are so committed to repairing and fixing and modifying that program.

Having said that, the commotion got quick, and the Senator from Massachusetts arrived on the floor. Let me suggest, I have great respect for the distinguished Senator. I do know—I do know—that I am as concerned about Medicare people in America—our people, our friends, our neighbors, our relatives—as he is. I am just as compassionate and just as concerned. But I do believe—I do believe—we have to talk a little bit about reality.

Let me tell you the first reality. When the vote starts and the Senator is through with his charts, I would like very much for the rule to be applied and they be taken down, because they are only supposed to be up for a little while. Frankly, whatever little while, they should not have been up at all, because those charts are not true. Those charts state things that are not true.

Let me just tell you, "Republican Plan Would Slash Medicare"—there is no Republican plan. We are waiting for the Finance Committee to produce a plan. We have given them latitude in the budget resolution, but there is none. It is a bipartisan plan. So he might have said that up there, "The Bipartisan Plan," if it is that plan that he does not like.

The chart says that cuts under the Democratic plan are zero. What does that mean? What in the world does that mean? There will be no reform that saves any money, that changes anything in Medicare under a Democratic plan—can't be, can't be. Everybody that is for fixing Medicare is going to have something in that column because they will repair it so it is more efficient. Some will legitimately call that a cut.

The next column in the chart is really preposterous, "Cuts under Republican plan, 1999-2020." We have not even been talking about the year 2020 on the floor. There is no budget resolution for 2020 and there is no Republican plan. How can it be that we have \$686 billion in cuts by the year 2020? Perhaps that number is if you leave the program alone for 20 years, it needs \$686 billion worth of resources—that might be the number.

What does that have to do with our Republican plan, what we are talking about on the floor? Is the Senator suggesting we ought to put \$686 billion into Medicare out of general taxes to America? It will never happen. That will not happen. Everybody knows that.

We have debated this issue. I should stop debating it because I have done it three times, but every time they bring up an amendment I have to get up because they get up. I don't want anybody out there listening to this debate to think that is accurate because that is not accurate.

We can put up charts and claim whatever we want, but that chart is

not accurate. It does not adequately describe nor appropriately describe anything with reference to where we are.

Having said that, we debated and voted an amendment very similar to this amendment. The only thing is it was subject to a point of order. Perhaps Senator KENNEDY has doctored this up so it is not subject to a point of order. The Senate rejected by a majority a plan of Senator CONRAD's which is very similar, except for one thing. It is a little better in terms of trying to protect Medicare than this one. It establishes a point of order of some kind which makes it difficult to spend this extra money that is sitting around, or this surplus that is sitting around. The Kennedy amendment does not even do that.

I need no more time. I have used about 5 minutes; the Senator has used 2½ minutes. I hope we get on with the rest of this and let other Senators have a chance to debate.

The PRESIDING OFFICER. Under the previous order, Senator LAUTENBERG is to be recognized for the purpose of presenting amendments.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent, since a challenge was put down by the chairman of the committee on the information presented by the Senator from Massachusetts, that the Senator from Massachusetts be allowed 5 minutes to respond.

Mr. KENNEDY. I appreciate the courtesy.

Mr. DOMENICI. He has 2½ minutes.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the 2½ minutes be made available before we send our amendments to the desk.

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

Mr. KENNEDY. Mr. President, this \$686 billion is the amount that we would like and the President would like to have out of the surplus to fund the Medicare trust system so that it will be financially stable to the year 2020. That is what it represents.

Under the budget proposal of the majority, if you are not going to allocate this 15 percent of the surplus for the Medicare system, you are going to have to have \$686 billion in cuts or premium increases.

That is not what I am saying; that is what the Medicare trustees have said.

To conclude, basically what we are saying, let us go ahead, prior to the tax cut, take the 10-year budget, take \$320 billion of what the Republicans are intending to use for a tax cut, and use it to put the Medicare system on a sound financial system. That is it. Put the protection of Medicare first, prior to a tax cut. That is what this vote is about.

I ask unanimous consent to have printed in the RECORD statements from the AARP and virtually every senior citizen organization, including the National Council of Senior Citizens, the National Committee to Preserve Social Security, the OWL organization, Fami-

lies USA, Gray Panthers, all of the organizations that are in strong support of using the 15 percent to make Medicare financially sound so we will have the opportunity to bring about reforms, and do that prior to the time we have tax breaks. That makes sense to protect working families in this country.

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

NATIONAL COUNCIL OF  
SENIOR CITIZENS,

*Silver Spring, MD, March 24, 1999.*

Hon. EDWARD M. KENNEDY,  
*U.S. Senate,*  
*Washington, DC.*

DEAR SENATOR KENNEDY. In behalf of the members and officers of the National Council of Senior Citizens and our nationwide network of clubs and councils, I write in strong support of your efforts to amend the Senate budget resolution to assure the utilization of 15 percent of the budget surplus to extend the solvency of the Medicare program.

We also support your work to include in the final resolution a straight-forward reserve fund to create a Medicare pharmaceutical benefit with no ambiguity in regard to the use of reserve fund resources. The Snowe Amendment to the resolution falls to deliver on this point. It will not create a viable reserve fund for the Medicare prescription benefit. It would set up hurdles before the Congress could access the fund for the benefit. The overriding issue is the need of millions of seniors for a comprehensive Medicare drug benefit now.

The Senate and the Congress must not lose this historic opportunity to make a significant investment in the future health needs of both older persons and Baby Boomers as they reach Medicare eligibility. By this action, the Congress will provide for sufficient time to consider a large range of options both to strengthen Medicare and assure long-term solvency.

We applaud your efforts and those of your colleagues.

Sincerely,

STEVE PROTULIS,  
*Executive Director.*

STATEMENT ON MEDICARE FUNDING

(By Max Rightman, Executive Vice-President, The National Committee To Preserve Social Security and Medicare, March 18, 1999)

The measure proposed for Medicare by the Budget Committee is inadequate and short-sighted.

The President's request to devote 15 percent of the surplus to Medicare is a critical element in saving Medicare. The Budget Committees' plan falls far short of that.

What the congressional measure do, quite frankly, is shortchanged today's seniors—the seniors here with this morning—and short-change millions of baby-boomers who in just a few short years will be retiring and relying on Medicare to be there for them.

America has a long-standing commitment to all of our retirees of adequate and affordable health care—it's a commitment called Medicare.

Devoting fifteen percent of the surplus for Medicare will extend solvency for a number of additional, critical years. It also will reassure today's baby boomer that this Congress will keep its commitment to them when they retire.

The National Committee urges Congress to adopt the President's 15-percent Medicare proposal. Thank you.

THE VOICE OF MIDLIFE AND  
OLDER WOMEN,

Washington, DC, March 24, 1999.

Hon. THOMAS DASCHLE,

Minority Leader, U.S. Senate, Washington, DC.

DEAR SENATOR DASCHLE: OWL, the only national membership organization to address issues unique to women as they age, urges the Congress to set aside 15 percent of the projected federal budget surplus to extend the solvency of the Medicare Trust Fund for an additional decade. We need a more complete public discussion of thoughtful reform and its implications on all Americans.

Medicare is a women's issue. Any effort to strengthen and modernize the system must be viewed for its impact on women. Women are 58 percent of the Medicare population at age 65 and that number rises to 71 percent at age 85. Women's health care needs differ from men's needs. They have more chronic illness, often more than one chronic illness at a time. As a result, women must have access to specialists, leading-edge medications, and technology. Chronic illness means that women interface with the Medicare system more frequently and, appropriately managed, their care can remain cost effective and they remain independent longer. Inappropriately managed, their poorer, frailer health can lead to expensive acute care episodes or long-term stays in nursing facilities. Medicare reform, to be successful, must address her needs.

As you know, Senator Daschle, women are also poorer in retirement than men. She has almost less than half of the income that her male counterpart has in retirement and she lives an average of six years longer. She spends more out-of-pocket for health care needs covered by Medicare. She averages 22 percent of her lower income in out-of-pocket expenses compared to 17 percent by men. Thus, efforts to change Medicare that would increase out-of-pocket costs for the Medicare population would have a disparate impact on the majority of the Medicare population who are women.

You know, too, Senator that Medicare and Social Security are inextricably linked in women's retirement security. We must examine the impact on each as we move forward to resolve the longterm issues facing these important programs. We cannot move in haste. We must engage the American public in this important process. Therefore, we urge Congress to set aside 15 percent of the projected surplus. Bolstering the Trust Fund will remove Medicare from the critical list and give both the public and policymakers the necessary breathing room to consider a range of options. It means that we can and will develop a program to strengthen Medicare that will work for all Americans.

Sincerely,

DEBORAH BRICELAND-BETTS,  
Executive Director.

FAMILIES USA FOUNDATION,  
Washington, DC, March 24, 1999.

Hon. TOM DASCHLE,

Minority Leader, U.S. Senate, Washington, DC.

DEAR SENATOR DASCHLE: Protecting the Medicare program's effectiveness and solvency is of utmost concern to America's seniors and people with disabilities—and their families as well. It should be a top priority in this Congress.

To protect the Medicare program, Families USA strongly supports committing 15 percent of the federal budget surplus to extending the Medicare trust fund. We do not believe that any credible reform of the program can be achieved without including significant new resources for the program. As the recently disbanded Medicare Commission has demonstrated, even so-called "reforms" that reduce seniors' benefit packages, in-

crease beneficiary out-of-pocket costs, and cause younger seniors to lose health insurance coverage fail to secure the long-term solvency of the program. Hence, the commitment of 15 percent of the federal budget surplus is a very constructive and helpful first step in strengthening the fiscal integrity of the program.

Medicare is a program that works well for millions of older Americans and people with disabilities. By extending the life of the Medicare Part A trust fund to the year 2020, the proposed transfer of surplus funds will help to ensure that the program remains effective and viable in the years ahead.

Sincerely,

RON POLLACK,  
Executive Director.

GRAY PANTHERS,  
Washington, DC, March 24, 1999.

Hon. THOMAS A. DASCHLE,

U.S. Senate,  
Washington, DC.

DEAR SENATOR DASCHLE: I am writing you this letter on behalf of Gray Panthers across the country regarding the improvements we see necessary for the Medicare Program. For almost thirty years, Gray Panthers have represented older Americans and families across the country. Today, our fifty chapters and over 20,000 members across the United States, include members who are patients, caregivers, providers, business owners, association members, and active voters. All of our members have a vested interest in the Medicare program. Our members are extremely active on the Medicare issue and demand the Congress Protect, Improve, and Modernize Medicare.

As a first step then, in protecting the program, Gray Panthers urges members of Congress to vote in favor of setting aside 15% of the non-Social Security budget surplus specifically for Medicare. We understand that this will guarantee the financial integrity of the program for at least the next decade. Gray Panthers also recommends lifting the cap on Social Security in order to expand that budget as well as build fiscal integrity for the program.

We thank you for your time and consideration of this matter.

Yours truly,

PATRICIA A. RIZZO,  
National Deputy Director.

ASSOCIATION OF JEWISH  
AGING SERVICES,  
Washington, DC, March 23, 1999.

Hon. THOMAS A. DASCHLE,

U.S. Senate,  
Washington, DC.

DEAR SENATOR DASCHLE: On behalf of the membership of the Association of Jewish Aging Services and the over 150,000 elderly served in communities across the nation we urge you to protect at least 15% of the projected budget surplus to extend Medicare solvency.

Shoring up Social Security, not privatization, and improving the quality and accessibility of health care deserve the highest Congressional priority. To do otherwise, is an abdication of leadership responsibility and abandonment of our country's fundamental responsibilities to its aging citizenry.

Sincerely,

LAWRENCE M. ZIPPIN,  
President.

NCOA APPLAUDS PRESIDENT'S SOCIAL  
SECURITY AND MEDICARE PROPOSALS  
(By James Firman, President & CEO, The  
National Council on the Aging, January 20,  
1999)

President Clinton's proposal to fortify Social Security and Medicare for the years

ahead deserves the support of all Americans. His proposals would pay dividends in the form of a higher quality of life for us all—not only the chronically ill, the disabled and the frail elderly but also their families. The National Council on the Aging strongly supports investing the budget surplus to protect and strengthen Social Security and Medicare rather than squandering it on a one-time tax break.

Setting aside additional money today is the only way to prepare for the great demographic changes that our economy and our culture will face as the massive baby boom generation enters its later years. President Clinton's proposals would provide much-needed relief to today's older Americans and their families—and it would also help ensure a more secure and fulfilling old age for the baby boomers who are today's wage earners and tomorrow's Senior Boom.

By extending the solvency of these essential programs without privatizing them, cutting benefits or slashing eligibility, the Clinton plan benefits all Americans—those who are in need of assistance today, and those who will be tomorrow. The National Council on the Aging, on behalf of older Americans and those who care about them, strongly supports using the surplus for this purpose.

The President's recognition of the need to ease the poverty of older women—particularly widows—is also welcome and long overdue. For far too long, our nation has looked the other way as aging women sink deeper and deeper into poverty. We all know women live longer than men, on average, and that they tend to earn less over the course of their lifetimes. Too often, these factors doom them to a sparse and barren subsistence in their later years. In our individual lives, we would not willingly abandon our wives and mothers to spend their final years in poverty. Yet for too long, we as a nation have denied women their right to a safe and financially secure retirement.

We likewise applaud and will support the President's proposals to provide a \$1,000 long-term care tax credit, to make home-care and caregiver services more available to those who need them, to increase the minimum wage and to raise additional revenues from the tobacco industry and use some of the proceeds to support the Medicare program.

We would also call on Congress to increase funding and to reauthorize the Older Americans Act, which provides for so many services—congregate and home-delivered meals, the older worker employment program, senior centers and other home and community-based activities—that are crucial to older Americans.

We look forward to working with the President and the Congress to win passage of these crucial measures, which will—sooner rather than later—touch the lives of each of us.

STATEMENT BY AARP EXECUTIVE DIRECTOR  
HORACE DEETS ON THE PRESIDENT'S STATE  
OF THE UNION ADDRESS

We are pleased that the President has offered creative ideas to strengthen Social Security and Medicare—issues of primary concern to AARP and the American people. We eagerly await the details.

The President has offered some very intriguing ideas and we are anxious to learn more about them and how they would affect the American people. AARP has long advocated that any discussion of Social Security needs to be in the broader context of retirement income. These ideas should be measured against American's family budgets, as well as against the federal budget.

AARP's goal for Social Security reform remains steadfast a program that will guarantee benefits for future generations, that

cannot be jeopardized by misfortune, eroded by inflation, or depleted by a long life. Following a year of dialogue, AARP believes it is now time to move forward with purpose and conviction and begin to carefully examine and debate specific proposals on these and other retirement issues.

The President's plan to bolster, along with Social Security, Medicare's Hospital Insurance Trust Fund with funds from the federal budget surplus acknowledges what most Americans have long understood—that health security and economic security in retirement go hand-in-hand.

AARP has long supported the addition of a prescription drug benefit to Medicare and we applaud the President's support of one. AARP believes Medicare should remain an earned guarantee of specified health-care benefits for all older Americans and those with disabilities.

One piece of unfinished business from the last Congress that should be addressed quickly is consumer protections in managed health care. AARP continues to be deeply committed to assuring quality and consumer protection in health care, and we urge the Congress to enact legislation that will ensure such basic safeguards for all consumers as a fair and meaningful external appeals process, understandable health plan information, and access to specialty care.

The President's proposal to provide a tax credit to Americans who need long-term health care is long-overdue recognition to the many American families who are assuming the enormous burden of providing high quality care to a family member. The tax credit builds on the similar proposal put forward previously by House Republicans. AARP believes it is but one of a number of steps that can be taken to solve the nation's long-term care.

We are pleased that the President and the Republicans through their legislative agenda have given high priority to these issues. AARP encourages bipartisan Congressional action this year.

Mr. DOMENICI. I ask unanimous consent to have 1 minute to respond.

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

Mr. DOMENICI. Senator KENNEDY, I don't know if you were paying attention, but I did say to you that I compliment you on your compassion and your concern in this area. All I indicated was that you in your Irish way are compassionate; I, in my Italian way, am just as compassionate and I compliment you for trying to save Medicare.

I now know where the \$686 billion came from. So everyone will know—I was wondering where the figure came from—it came from the President's budget, the dollar number that he is going to transfer to the Medicare fund and take back IOUs.

Let me tell Members what that is, I finally understand it. It is like postdating a check for all these billions and then saying to the American people, "You are going to wake up one day when we have to pay them, but we are telling you now in advance you will pay them," and the only thing that can happen is we will pay a huge amount of new taxes, or we will have to cut the Medicare program dramatically.

I don't think that is how we ought to do business. That is what the number represents.

I yield the floor.

Mr. LAUTENBERG. Mr. President, I will make a unanimous consent request just to take 1 minute to parallel my friend and chairman of the Budget Committee.

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

Mr. LAUTENBERG. Mr. President, the President of the United States has a plan to extend Medicare's solvency to 2020. I heard the impassioned and always eloquent appeal by the chairman of the Budget Committee that this was a bipartisan effort. It is true that there are a couple of Democrats that are supporters of the amendment under discussion, but this is by no means to be judged in this moment to be a bipartisan effort.

Each of us is going to look at it as we see it. The Republicans do not have anything in the plan to extend the solvency.

I urge my colleagues to vote against this amendment.

AMENDMENTS NOS. 183 THROUGH 205, EN BLOC

Mr. LAUTENBERG. Mr. President, under the provisions of the consent agreement of yesterday, I send a package of amendments to the desk and ask they be considered and offered individually, set aside en bloc.

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

The amendments are as follows:

AMENDMENT NO. 183

(Purpose: To express the sense of the Senate that Congress should enact legislation to modernize America's schools)

At the end of title III, add the following:

**SEC. \_\_\_\_ SENSE OF THE SENATE ON MODERNIZING AMERICA'S SCHOOLS.**

(a) FINDINGS.—The Senate finds the following:

(1) The General Accounting Office has performed a comprehensive survey of the Nation's public elementary and secondary school facilities and has found severe levels of disrepair in all areas of the United States.

(2) The General Accounting Office has concluded that more than 14,000,000 children attend schools in need of extensive repair or replacement; 7,000,000 children attend schools with life safety code violations; and 12,000,000 children attend schools with leaky roofs.

(3) The General Accounting Office has found that the problem of crumbling schools transcends demographic and geographic boundaries. At 38 percent of urban schools, 30 percent of rural schools, and 29 percent of suburban schools, at least 1 building is in need of extensive repair or should be completely replaced.

(4) The condition of school facilities has a direct effect on the safety of students and teachers and on the ability of students to learn. Academic research has provided a direct correlation between the condition of school facilities and student achievement. At Georgetown University, researchers have found the test scores of students assigned to schools in poor condition can be expected to fall 10.9 percentage points below the test scores of students in buildings in excellent condition. Similar studies have demonstrated up to a 20 percent improvement in test scores when students were moved from a poor facility to a new facility.

(5) The General Accounting Office has found most schools are not prepared to in-

corporate modern technology in the classroom. 46 percent of schools lack adequate electrical wiring to support the full-scale use of technology. More than a third of schools lack the requisite electrical power. 56 percent of schools have insufficient phone lines for modems.

(6) The Department of Education has reported that elementary and secondary school enrollment, already at a record high level, will continue to grow over the next 10 years, and that in order to accommodate this growth, the United States will need to build an additional 6,000 schools.

(7) The General Accounting Office has determined that the cost of bringing schools up to good, overall condition to be \$112,000,000,000, not including the cost of modernizing schools to accommodate technology, or the cost of building additional facilities needed to meet record enrollment levels.

(8) Schools run by the Bureau of Indian Affairs (BIA) for Native American children are also in dire need of repair and renovation. The General Accounting Office has reported that the cost of total inventory repairs needed for BIA facilities is \$754,000,000. The December 1997 report by the Comptroller General of the United States states that, "Compared with other schools nationally, BIA schools are generally in poorer physical condition, have more unsatisfactory environmental factors, more often lack key facilities requirements for education reform, and are less able to support computer and communications technology.

(9) State and local financing mechanisms have proven inadequate to meet the challenges facing today's aging school facilities. Large numbers of local educational agencies have difficulties securing financing for school facility improvement.

(10) The Federal Government has provided resources for school construction in the past. For example, between 1933 and 1939, the Federal Government assisted in 70 percent of all new school construction.

(11) The Federal Government can support elementary and secondary school facilities without interfering in issues of local control, and should help communities leverage additional funds for the improvement of elementary and secondary school facilities.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the budgetary levels in this budget resolution assume that Congress will enact measures to assist school districts in modernizing their facilities, including—

(1) legislation to allow States and school districts to issue at least \$24,800,000,000 worth of zero-interest bonds to rebuild and modernize our Nation's schools, and to provide Federal income tax credits to the purchasers of those bonds in lieu of interest payments; and

(2) appropriate funding for the Education Infrastructure Act of 1994 during the period 2000 through 2004, which would provide grants to local school districts for the repair, renovation and construction of public school facilities.

Mr. HARKIN. Mr. President, I am pleased to join my colleagues—Senator LAUTENBERG and Senator ROBB in sponsoring this important amendment which calls on Congress to pass legislation to fix our Nation's crumbling schools.

The condition of our Nation's schools is well known—they are in deplorable condition. Last year, the American Society of Civil Engineers issued a report card on the condition of America's infrastructure. The report made it clear that the physical infrastructure in this

country is in dire need. However, the only area that warranted a failing grade was education. The group was concerned about the condition of things like our roads, bridges, and wastewater systems. But the only area that was deemed inadequate is education. It is clear we must place repair of our nation's schools at the top of our Nation's priority list.

There are 14 million children—almost 5 times the number of people in all of Iowa—that are attending classes in buildings that are literally falling down around them. The General Accounting Office tells us that we need \$112 billion to modernize our Nation's schools to bring them to good overall condition. The Civil Engineers also say we need \$60 billion in new construction to accommodate increasing enrollments.

This is a serious problem, and one that is not getting better. As a matter of fact, every day we delay, it gets worse and will cost more money to address.

Iowa State University conducted a comprehensive survey on the condition of schools in Iowa. In 1995 the estimated cost over the next 10 years was \$3.4 billion. Two years later it was \$4 billion and I would guess that if the study were updated for 1999 we would find that the cost has increased even more.

There are many that say this is a local problem and federal support is unwarranted and unwise. All across this country school districts are struggling to repair and upgrade their facilities because the cost is enormous.

It is simply unacceptable that we tolerate this situation. It is unconscionable that children in this country go to school in buildings where the plumbing doesn't work, the windows are broken, and the roofs leak.

This amendment calls on Congress to enact legislation to provide a comprehensive strategy to modernize our Nation's schools. First, we must pass legislation to provide funding for the Education Infrastructure Act. This is an existing federal program which has been on the books since 1994.

During each of the last two years, the Senate has passed legislation which included my proposal to appropriate \$100 million for this program. Unfortunately, we have been unable to hold the funds in conference with the House.

We must redouble our efforts to provide funding for this grant program to assist needy school districts and the resolution calls on our to make this investment.

Second, the amendment calls on Congress to pass legislation to provide at least \$24.8 billion in tax credits to holders of school construction bonds. These tax credits will make it possible for school districts to build and renovate school facilities at a reduced cost because the holder of the bond would receive a federal tax credit in lieu of interest.

Mr. President, We have high expectations for our children. We want them

to be the best in the world—to reach the highest academic standards. But then we ask them to attend class in buildings that just don't make the grade—in buildings that are not equipped to provide a quality 21st century education.

We must enact legislation now to remedy this situation and I urge my colleagues to support our amendment.

#### AMENDMENT NO. 184

(Purpose: To establish a budget-neutral reserve fund for environmental and natural resources)

At the appropriate place, insert the following:

#### SEC. . BUDGET-NEUTRAL RESERVE FUND FOR ENVIRONMENTAL AND NATURAL RESOURCES.

(a) IN GENERAL.—In the Senate, revenue and spending aggregates and other appropriate budgetary levels and limits may be adjusted and allocations may be revised for legislation to improve the quality of our nation's air, water, land, and natural resources, provided that, to the extent that this concurrent resolution on the budget does not include the costs of that legislation, the enactment of the legislation will not (by virtue of either contemporaneous or previously-passed reinstatement or modification of expired excise or environmental taxes) increase the deficit or decrease the surplus for—

- (1) fiscal year 2000;
- (2) the period of fiscal years 2000 through 2004; or
- (3) the period of fiscal years 2005 through 2009.

(b) REVISED ALLOCATIONS.—

(1) ADJUSTMENTS FOR LEGISLATION.—Upon the consideration of legislation pursuant to subsection (a), the Chairman of the Committee on the Budget of the Senate may file with the Senate appropriately-revised allocations under section 302(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this section. These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this resolution.

(2) ADJUSTMENTS FOR AMENDMENTS.—If the Chairman of the Committee on the Budget of the Senate submits an adjustment under this section for legislation in furtherance of the purpose described in subsection (a), upon the offering of an amendment to that legislation that would necessitate such submission, the Chairman shall submit to the Senate appropriately-revised allocations under section 302(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this section. These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this resolution.

(c) REPORTING REVISED ALLOCATIONS.—The appropriate committees shall report appropriately-revised allocations pursuant to section 302(b) of the Congressional Budget Act of 1974 to carry out this section.

#### AMENDMENT NO. 185

(Purpose: To provide a substitute for section 205 regarding the emergency designation point of order)

On page 47, strike section 205 and insert the following:

#### SEC. 205. EMERGENCY DESIGNATION POINT OF ORDER.

(a) DESIGNATIONS.—

(1) GUIDANCE.—In making a designation of a provision of legislation as an emergency

requirement under section 251(b)(2)(A) or 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, the committee report and any statement of managers accompanying that legislation shall analyze whether a proposed emergency requirement meets all the criteria in paragraph (2).

(2) CRITERIA.—

(A) IN GENERAL.—The criteria to be considered in determining whether a proposed expenditure or tax change is an emergency requirement are whether it is—

- (i) necessary, essential, or vital (not merely useful or beneficial);
- (ii) sudden, quickly coming into being, and not building up over time;
- (iii) an urgent, pressing, and compelling need requiring immediate action;
- (iv) subject to subparagraph (B), unforeseen, unpredictable, and unanticipated; and
- (v) not permanent, temporary in nature.

(B) UNFORESEEN.—An emergency that is part of an aggregate level of anticipated emergencies, particularly when normally estimated in advance, is not unforeseen.

(3) JUSTIFICATION FOR FAILURE TO MEET CRITERIA.—If the proposed emergency requirement does not meet all the criteria set forth in paragraph (2), the committee report or the statement of managers, as the case may be, shall provide a written justification of why the requirement should be accorded emergency status.

(b) POINT OF ORDER.—

(1) IN GENERAL.—When the Senate is considering a bill, resolution, amendment, motion, or conference report, upon a point of order being made by a Senator against any provision in that measure designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 and the Presiding Officer sustains that point of order, that provision along with the language making the designation shall be stricken from the measure and may not be offered as an amendment from the floor.

(2) GENERAL POINT OF ORDER.—A point of order under this subsection may be raised by a Senator as provided in section 313(e) of the Congressional Budget Act of 1974.

(3) CONFERENCE REPORTS.—If a point of order is sustained under this subsection against a conference report the report shall be disposed of as provided in section 313(d) of the Congressional Budget Act of 1974.

#### AMENDMENT NO. 186

(Purpose: to express the sense of the Senate that the provisions of this resolution assume that it is the policy of the United States to provide as soon as is technologically possible an education for every American child that will enable each child to effectively meet the challenges of the 21st century)

At the appropriate place, insert the following:

#### SEC. . SENSE OF THE SENATE THAT THE PROVISIONS OF THIS RESOLUTION ASSUME THAT IT IS THE POLICY OF THE UNITED STATES TO PROVIDE AS SOON AS IT TECHNOLOGICALLY POSSIBLE AN EDUCATION FOR EVERY AMERICAN CHILD THAT WILL ENABLE EACH CHILD TO EFFECTIVELY MEET THE CHALLENGES OF THE 21ST CENTURY

(a) FINDINGS.—The Senate finds that—

(1) Pell Grants require an increase of \$5 billion per year to fund the maximum award established in the Higher Education Act Amendments of 1998;

(2) IDEA needs at least \$13 billion more per year to fund the federal commitment to fund 40% of the excess costs for special education services;

(3) Title I needs at least \$4 billion more per year to serve all eligible children;

(4) over \$11 billion over the next six years will be required to hire 100,000 teachers to reduce class size to an average of 18 in grades 1-3;

(5) according to the General Accounting Office, it will cost \$12 billion just to bring existing school buildings up to good overall condition. According to GAO, one-third of schools serving 14 million children require extensive repair or replacement of one or more of their buildings. GAO also found that almost half of all schools lack even the basic electrical wiring needed to support full-scale use of computers;

(6) the federal share of education spending has declined from 11.9% in 1980 to 7.6% in 1998;

(7) federal spending for education has declined from 2.5% of all federal spending in FY 1980 to 2.0% in FY 1999;

(b) SENSE OF THE SENATE.—It is the Sense of the Senate that the provisions of this resolution assume that it is the policy of the United States to provide as soon as is technologically possible an education for every American child that will enable each child to effectively meet the challenges of the 21st century.

AMENDMENT NO. 187

(Purpose: To finance disability programs designed to allow individuals with disabilities to become employed and remain independent)

At the end of Title II, insert the following:  
**“SEC. . DEFICIT-NEUTRAL RESERVE FUND TO FOSTER THE EMPLOYMENT AND INDEPENDENCE OF INDIVIDUALS WITH DISABILITIES.**

(a) IN GENERAL.—In the Senate, revenue and spending aggregates and other appropriate budgetary levels and limits may be adjusted and allocations may be revised for legislation that finances disability programs designed to allow individuals with disabilities to become employed and remain independent, provided, that, to the extent that this concurrent resolution on the budget does not include the costs of that legislation, the enactment of that legislation will not increase (by virtue of either contemporaneous or previously-passed reduction) the deficit in this resolution for—

- (1) fiscal year 2000;
- (2) the period of fiscal years 2000 through 2004; or
- (3) the period of fiscal years 2005 through 2009.

(b) REVISED ALLOCATIONS.—

(1) ADJUSTMENTS FOR LEGISLATION.—Upon the consideration of legislation pursuant to subsection (a), the Chairman of the Committee on the Budget of the Senate may file with the Senate appropriately-revised allocations under section 302(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this section. These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this resolution.

(2) ADJUSTMENTS FOR AMENDMENTS. If the Chairman of the Committee on the Budget of the Senate submits an adjustment under this section for legislation in furtherance of the purpose described in subsection (a), upon the offering of an amendment to that legislation that would necessitate such submission, the Chairman shall submit to the Senate appropriately-revised allocations under section 302(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this section. These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this resolution.

(c) REPORTING REVISED ALLOCATIONS.—The appropriate committees shall report appropriately-revised allocations pursuant to section 302(b) of the Congressional Budget Act of 1974 to carry out this section.”

AMENDMENT NO. 188

(Purpose: To express the sense of the Senate that agricultural commodities and products, medicines, and medical products should be exempted from unilateral economic sanctions)

At the end of title III, add the following:

**SEC. 3. SENSE OF THE SENATE CONCERNING EXEMPTION OF AGRICULTURAL COMMODITIES AND PRODUCTS, MEDICINES, AND MEDICAL PRODUCTS FROM UNILATERAL ECONOMIC SANCTIONS.**

(a) FINDINGS.—The Senate finds that—

(1) prohibiting or otherwise restricting the donation or sale of agricultural commodities or products, medicines, or medical products in order to unilaterally sanction a foreign government for actions or policies that the United States finds objectionable unnecessarily harms innocent populations in the targeted country and rarely causes the sanctioned government to alter its actions or policies;

(2) for the United States as a matter of policy to deny access to agricultural commodities or products, medicines, or medical products by innocent men, women, and children in other countries weakens the international leadership and moral authority of the United States; and

(3) unilateral sanctions on the sale or donation of agricultural commodities or products, medicines, or medical products needlessly harm agricultural producers and workers employed in the agricultural or medical sectors in the United States by foreclosing markets for the commodities, products, or medicines.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this resolution and legislation enacted pursuant to this resolution assume that the President should—

(1) subject to paragraph (2), exempt agricultural commodities and products, medicines, and medical products from any unilateral economic sanction imposed on a foreign government; and

(2) apply the sanction to the commodities, products, or medicines if the application is necessary—

- (A) for health or safety reasons; or
- (B) due to a domestic shortage of the commodities, products, or medicines.

AMENDMENT NO. 189

(Purpose: To express the sense of the Senate regarding capital gains tax fairness for family farmers)

At the end of title III, insert the following:

**SEC. . SENSE OF THE SENATE REGARDING CAPITAL GAINS TAX FAIRNESS FOR FAMILY FARMERS.**

(a) FINDINGS.—The Senate finds that—

(1) one of the most popular provisions included in the Taxpayer Relief Act of 1997 permits many families to exclude from Federal income taxes up to \$500,000 of gain from the sale of their principal residences;

(2) under current law, family farmers are not able to take full advantage of this \$500,000 capital gains exclusion that families living in urban or suburban areas enjoy on the sale of their homes;

(3) for most urban and suburban residents, their homes are their major financial asset and as a result such families, who have owned their homes through many years of appreciation, can often benefit from a large portion of this new \$500,000 capital gains exclusion;

(4) most family farmers plow any profits they make back into the whole farm rather

than into the house which holds little or no value;

(5) unfortunately, farm families receive little benefit from this capital gains exclusion because the Internal Revenue Service separates the value of their homes from the value of the land the homes sit on;

(6) we should recognize in our tax laws the unique character and role of our farm families and their important contributions to our economy, and allow them to benefit more fully from the capital gains tax exclusion that urban and suburban homeowners already enjoy; and

(7) we should expand the \$500,000 capital gains tax exclusion to cover sales of the farmhouse and the surrounding farmland over their lifetimes.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this resolution assume that if we pass tax relief measures in accordance with the assumptions in the budget resolution, we should ensure that such legislation removes the disparity between farm families and their urban and suburban counterparts with respect to the new \$500,000 capital gains tax exclusion for principal residence sales by expanding it to cover gains from the sale of farmland along with the sale of the farmhouse.

AMENDMENT NO. 190

(Purpose: To provide for a 1-year delay in a portion of certain tax provisions necessary to avoid future budget deficits)

At the end of title II, insert the following:

**SEC. . 1-YEAR DELAY OF PORTION OF CERTAIN TAX PROVISIONS NECESSARY TO AVOID FUTURE BUDGET DEFICITS.**

(a) IN GENERAL.—The Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate shall provide in any reconciliation legislation provided pursuant to sections 104 and 105—

(1) a provision requiring the Congressional Budget Office to report to Congress on June 30 of each year (beginning in 2000) on the estimated Federal budget revenue impact over the next 1, 5, and 10-fiscal year period of that portion of any tax provision included in such reconciliation legislation which has not gone into effect in the taxable year in which such report is made, and

(2) in any tax provision to be included in such reconciliation legislation a provision delaying for 1 additional taxable year that portion of such provision which did not go into effect before a trigger year.

(b) TRIGGER YEAR.—For purposes of subsection (a)(2), the term “trigger year” means the 1st fiscal year in which the projected Federal on-budget surplus for the 1, 5, or 10-fiscal year period, as determined by the report under subsection (a)(1), is exceeded by the amount of the aggregate reduction in revenues for such period resulting from the enactment of all of the tax provisions in the reconciliation legislation described in subsection (a).

AMENDMENT NO. 191

(Purpose: To express the sense of the Senate that the Urban Parks and Recreation Recovery (UPARR) program should be fully funded)

At the end of title III, add the following:

**SEC. 3. SENSE OF THE SENATE CONCERNING FUNDING FOR THE URBAN PARKS AND RECREATION RECOVERY (UPARR) PROGRAM.**

(a) FINDINGS.—The Senate finds that—

(1) every analysis of national recreation issues in the last 3 decades has identified the importance of close-to-home recreation opportunities, particularly for residents in densely-populated urban areas;

(2) the Land and Water Conservation Fund grants program under the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601-4 et seq.) was established partly to address the pressing needs of urban areas;

(3) the National Urban Recreation Study of 1978 and the President's Commission on Americans Outdoors of 1987 revealed that critical urban recreation resources were not being addressed;

(4) older city park structures and infrastructures worth billions of dollars are at risk because government incentives favored the development of new areas over the revitalization of existing resources, ranging from downtown parks established in the 19th century to neighborhood playgrounds and sports centers built from the 1920's to the 1950's;

(5) the Urban Parks and Recreation Recovery (UPARR) program, established under the Urban Park and Recreation Recovery Act of 1978 (16 U.S.C. 2501 et seq.), authorized \$725,000,000 to provide matching grants and technical assistance to economically distressed urban communities;

(6) the purposes of the UPARR program is to provide direct Federal assistance to urban localities for rehabilitation of critically needed recreation facilities, and to encourage local planning and a commitment to continuing operation and maintenance of recreation programs, sites, and facilities; and

(7) funding for UPARR is supported by a wide range of organizations, including the National Association of Police Athletic Leagues, the Sporting Goods Manufacturers Association, the Conference of Mayors, and Major League Baseball.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this resolution and legislation enacted pursuant to this resolution assume that Congress considers the UPARR program to be a high priority, and should appropriate such amounts as are necessary to carry out the Urban Parks and Recreation Recovery (UPARR) program established under the Urban Park and Recreation Recovery Act of 1978 (16 U.S.C. 2501 et seq.).

Mr. TORRICELL. Mr. President, I thank the Chairman and Ranking Member for accepting this amendment that I have offered expressing the Sense of the Senate and the Urban Parks Recreation and Recovery Program (UPARR) should be a high Congressional budget. Community recreation services and green open spaces are an invaluable investment in our urban areas. Few things can make as big a difference for improving the quality of life and improving community morale in inner cities as a simple investment in parks. However, many facilities are old, overused, and called upon to perform years beyond their original life spans.

Established in 1978 by Public Law 95-625, the UPARR program was authorized at a level of \$725 million to provide (70% federal and 30% local) grants and technical assistance to economically distressed urban communities. Prior to the elimination of funding for UPARR in 1995, the program experienced great success. UPARR funds have returned more than 1500 facilities to functional use in 400 local jurisdictions in 42 states. In the last round of applications when UPARR money was available, over 200 communities sought grants. Grants of only a few hundred thousand

dollars have been enough to provide the spark to turn abandoned industrial facilities and armories into green open spaces and neighborhood recreational facilities.

By providing safe recreation opportunities these grants will improve our city's quality of life and help address the needs of at-risk youth. Violent crime arrests grew 94% between 1980-1995 for youth under age 15. FBI analysis of 1991-93 data indicate violent crimes committed by juveniles occurs with the greatest frequency after school. While federal financial assistance cannot rebuild all urban parks or solve all urban recreation problems, the program's original mission of providing seed money for local investments is one that is still valuable to make as we prepare to enter a new millennium.

Funding for UPARR is supported by a wide range of organizations—from the National Association of Police Athletic Leagues and the Sporting Goods Manufacturers Association, to the Conference of Mayors and Mayor League Baseball. They know the results of studies of studies that show that when students have an activity available after school hours, crime rates and juvenile arrests decrease. A study of the Big Brothers/Big Sisters mentoring program demonstrated that young people with adult supervision were only after half as likely to begin illegal drug use as those who had no mentor. Research at Columbia University has shown that Boys and Girls Clubs have been effective in reducing drug activities and juvenile crime in public housing and that participants do better in school and are less attracted to gangs as non-participants.

Again, I thank my colleagues for their support and look forward to working to ensure sufficient funding for this important program.

#### AMENDMENT NO. 192

(Purpose: To fully fund the Class Size Initiative and the Individuals with Disabilities Act with mandatory funds, the amendment reduces the resolution's tax cut by one fifth, frees up \$43 billion in discretionary spending within Function 500 (in 2001-2009) for other important education programs, and leaves adequate room in the revenue reconciliation instructions for targeted tax cuts that help those in need and tax breaks for communities to modernize and rebuild crumbling schools)

On page 3, strike beginning with line 5 through page 5, line 14, and insert the following:

(I) FEDERAL REVENUES.—For purposes of the enforcement of this resolution—

(A) The recommended levels of Federal revenues are as follows:

Fiscal year 2000: \$1,401,979,000,000.  
Fiscal year 2001: \$1,436,108,000,000.  
Fiscal year 2002: \$1,467,563,000,000.  
Fiscal year 2003: \$1,548,594,000,000.  
Fiscal year 2004: \$1,604,382,000,000.  
Fiscal year 2005: \$1,668,856,000,000.  
Fiscal year 2006: \$1,703,047,000,000.  
Fiscal year 2007: \$1,756,420,000,000.  
Fiscal year 2008: \$1,826,649,000,000.  
Fiscal year 2009: \$1,890,274,000,000.

(B) The amounts by which the aggregate levels of Federal revenues should be changed are as follows:

Fiscal year 2000: \$0.

Fiscal year 2001: —\$6,539,000,000.

Fiscal year 2002: —\$40,713,000,000.

Fiscal year 2003: —\$14,724,000,000.

Fiscal year 2004: —\$29,767,000,000.

Fiscal year 2005: —\$42,040,000,000.

Fiscal year 2006: —\$87,666,000,000.

Fiscal year 2007: —\$114,980,000,000.

Fiscal year 2008: —\$129,560,000,000.

Fiscal year 2009: —\$155,436,000,000.

(2) NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:

Fiscal year 2000: \$1,426,931,000,000.

Fiscal year 2001: \$1,474,165,000,000.

Fiscal year 2002: \$1,506,259,000,000.

Fiscal year 2003: \$1,580,072,000,000.

Fiscal year 2004: \$1,633,179,000,000.

Fiscal year 2005: \$1,688,032,000,000.

Fiscal year 2006: \$1,717,635,000,000.

Fiscal year 2007: \$1,773,679,000,000.

Fiscal year 2008: \$1,835,769,000,000.

Fiscal year 2009: \$1,896,955,000,000.

(3) BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 2000: \$1,408,292,000,000.

Fiscal year 2001: \$1,436,108,000,000.

Fiscal year 2002: \$1,467,563,000,000.

Fiscal year 2003: \$1,548,594,000,000.

Fiscal year 2004: \$1,601,483,000,000.

Fiscal year 2005: \$1,659,025,000,000.

Fiscal year 2006: \$1,688,217,000,000.

Fiscal year 2007: \$1,736,657,000,000.

Fiscal year 2008: \$1,801,829,000,000.

Fiscal year 2009: \$1,862,458,000,000.

On page 23, strike beginning with line 14 through page 25, line 3, and insert the following:

Fiscal year 2000:

(A) New budget authority, \$67,373,000,000.

(B) Outlays, \$63,994,000,000.

Fiscal year 2001:

(A) New budget authority, \$84,420,000,000.

(B) Outlays, \$66,249,000,000.

Fiscal year 2002:

(A) New budget authority, \$86,077,000,000.

(B) Outlays, \$78,442,000,000.

Fiscal year 2003:

(A) New budget authority, \$92,893,000,000.

(B) Outlays, \$86,110,000,000.

Fiscal year 2004:

(A) New budget authority, \$78,948,000,000.

(B) Outlays, \$91,867,000,000.

Fiscal year 2005:

(A) New budget authority, \$99,653,000,000.

(B) Outlays, \$96,488,000,000.

Fiscal year 2006:

(A) New budget authority, \$98,462,000,000.

(B) Outlays, \$98,798,000,000.

Fiscal year 2007:

(A) New budget authority, \$106,245,000,000.

(B) Outlays, \$98,893,000,000.

Fiscal year 2008:

(A) New budget authority, \$102,174,000,000.

(B) Outlays, \$100,241,000,000.

Fiscal year 2009:

(A) New budget authority, \$103,037,000,000.

(B) Outlays, \$100,818,000,000.

On page 42, strike lines 1 through 5 and insert the following:

(1) to reduce revenues by not more than \$0 in fiscal year 2000, \$91,744,000,000 for the period of fiscal years 2000 through 2004, and \$621,426,000,000 for the period of fiscal years 2000 through 2009; and

Mr. HARKIN. Mr. President, at first glance, the pending budget appears to place a high priority on education. The resolution invests more money than proposed by President Clinton and highlights increases for elementary and secondary education.

This stands in sharp contrast to previous Republican budgets that slashed

funding for vital discretionary education programs, cut college loans and called for elimination of the Department of Education. In some respects, this budget is a welcome change.

To highlight elementary and secondary education, the resolution takes the unusual step of providing so-called "sub-function" allocations to prominently display the proposed increases for K-12 education. In addition, the resolution calls for an investment of \$2.5 billion in special education over the next five years. That sounds pretty good.

Unfortunately, a closer examination of the budget exposes serious flaws. On the one hand, the budget touts increases for K-12 schools but plays down the sobering fact that the only way to accomplish that objective is to cut other important education and training programs.

Cuts, or in the best case scenario, freezes college grants.

Denies 100,000 children Head Start services.

Eliminates 73,000 young people from the summer jobs program.

Makes it impossible for 102,000 dislocated workers to get the training they need to get new jobs.

Unlike previous GOP budgets that launched a frontal assault on education, this budget is a stealth attack. The rhetoric touts education, but the details will spell disaster.

That is why we are offering this amendment to fully fund two critically important education programs—special education and the class size reduction act. The amendment will enable us to meet two important goals.

First, we will make sure there is full funding for these two initiatives. IDEA will be fully funded for the first time ever and we will meet our national goal of hiring 100,000 new teachers to reduce class size.

Second, by providing this mandatory stream of funding, the amendment will free up precious discretionary funds that could be invested in other important national priorities such as college grants, Head Start, Title I, education technology and job training.

The amendment is fully offset by reducing the tax breaks by 20%. That still leaves plenty of room for tax cuts for working families.

We must renew the bipartisan effort we began last fall to reduce class size. Research has shown that smaller class sizes make a difference. Teachers are able to provide more personalized attention for students and have to spend less time on discipline. As a result, students do better and learn more.

We got off to a good start last fall by enacting legislation as part of the omnibus appropriations bill for the first year of the seven year class size initiative. This amendment would enable us to finish the job and fully fund the initiative.

The amendment also invests in IDEA. In the early seventies, two landmark federal district court cases—

PARC versus Commonwealth of Pennsylvania and Mills versus Board of Education of the District Court of Columbia—established that children with disabilities have a constitutional right to a free appropriate public education.

In 1975, in response to these cases, the Congress enacted PL 94-142, the precursor to IDEA, to help states meet their constitutional obligations.

When we enacted PL 94-142, the Congress authorized the maximum state award as the number of children served under the special education law times 40% of the national average per pupil expenditure.

Congress has fallen far short of this goal. Indeed, in fiscal year 1999, Congress appropriated only 11.7% of the national average per pupil expenditure for Part B of IDEA. Congress needs to do much more to help and this amendment would fully fund this program for the first time.

As an editorial in the March 15 edition of the New York Times explained, "Educating disabled youngsters is a national responsibility. The expense should be borne on the nation as a whole, not imposed haphazardly on stated or financially strapped districts that happen to serve a large number of disabled students."

As the ranking member on the education appropriations subcommittee, I am acutely aware of all the things we are unable to do because we do not have sufficient resources to invest. An added benefit of this amendment is to provide \$43 billion for education and training programs over the next 10 years.

Mr. President, this amendment will place education at the top of the national priority list and I urge my colleagues to support the amendment.

#### AMENDMENT NO. 193

(Purpose: To allocate a portion of the surplus for legislation that promotes early educational development and well-being of children)

On page 43, strike beginning with line 13 through line page 44, line 10, and insert the following:

for fiscal year 2000 or increases in the surplus for any of the outyears, the Chairman of the Committee on the Budget shall make the adjustments as provided in subsection (c).

(c) ADJUSTMENTS.—The Chairman of the Committee on the Budget shall take a portion of the amount of increases in the on-budget surplus for fiscal years 2000 through 2004 estimated in the report submitted pursuant to subsection (a) and—

(1) increase the allocation by these amounts to the Committee on Health, Education, Labor and Pensions only for legislation that promotes early educational development and well-being of children for fiscal years 2000 through 2004; and

(2) provide for or increase the on-budget surplus levels used for determining compliance with the pay-as-you-go requirements of section 202 of H. Con. Res. 67 (104th Congress) by those amounts for fiscal year 2000 through 2004.

#### AMENDMENT NO. 194

(Purpose: To fully fund the Class Size Initiative and the Individuals with Disabilities Act with mandatory funds, the amendment reduces the resolution's tax cut by one-fifth, frees up \$43 billion in discretionary spending within Function 500 (in 2001-2009) for other important education programs, and leaves adequate room in the revenue reconciliation instructions for targeted tax cuts that help those in need and tax breaks for communities to modernize and rebuild crumbling schools)

On page 3, strike beginning with line 5 through page 5, line 14, and insert the following:

(1) FEDERAL REVENUES.—For purposes of the enforcement of this resolution—

(A) The recommended levels of Federal revenues are as follows:

Fiscal year 2000: \$1,401,979,000,000.  
Fiscal year 2001: \$1,436,108,000,000.  
Fiscal year 2002: \$1,467,563,000,000.  
Fiscal year 2003: \$1,548,594,000,000.  
Fiscal year 2004: \$1,604,382,000,000.  
Fiscal year 2005: \$1,668,856,000,000.  
Fiscal year 2006: \$1,703,047,000,000.  
Fiscal year 2007: \$1,756,420,000,000.  
Fiscal year 2008: \$1,826,649,000,000.  
Fiscal year 2009: \$1,890,274,000,000.

(B) The amounts by which the aggregate levels of Federal revenues should be changed are as follows:

Fiscal year 2000: -\$0.  
Fiscal year 2001: -\$6,539,000,000.  
Fiscal year 2002: -\$40,713,000,000.  
Fiscal year 2003: -\$14,724,000,000.  
Fiscal year 2004: -\$29,767,000,000.  
Fiscal year 2005: -\$42,040,000,000.  
Fiscal year 2006: -\$87,666,000,000.  
Fiscal year 2007: -\$114,980,000,000.  
Fiscal year 2008: -\$129,560,000,000.  
Fiscal year 2009: -\$155,436,000,000.

(2) NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:

Fiscal year 2000: \$1,426,931,000,000.  
Fiscal year 2001: \$1,474,165,000,000.  
Fiscal year 2002: \$1,506,259,000,000.  
Fiscal year 2003: \$1,580,072,000,000.  
Fiscal year 2004: \$1,633,179,000,000.  
Fiscal year 2005: \$1,688,032,000,000.  
Fiscal year 2006: \$1,717,635,000,000.  
Fiscal year 2007: \$1,773,679,000,000.  
Fiscal year 2008: \$1,835,769,000,000.  
Fiscal year 2009: \$1,896,955,000,000.

(3) BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 2000: \$1,408,292,000,000.  
Fiscal year 2001: \$1,436,108,000,000.  
Fiscal year 2002: \$1,467,563,000,000.  
Fiscal year 2003: \$1,548,594,000,000.  
Fiscal year 2004: \$1,601,483,000,000.  
Fiscal year 2005: \$1,659,025,000,000.  
Fiscal year 2006: \$1,688,217,000,000.  
Fiscal year 2007: \$1,736,657,000,000.  
Fiscal year 2008: \$1,801,829,000,000.  
Fiscal year 2009: \$1,862,458,000,000.

On page 23, strike beginning with line 14 through page 25, line 3, and insert the following:

Fiscal year 2000:  
(A) New budget authority, \$67,373,000,000.  
(B) Outlays, \$63,994,000,000.

Fiscal year 2001:  
(A) New budget authority, \$84,420,000,000.  
(B) Outlays, \$66,249,000,000.

Fiscal year 2002:  
(A) New budget authority, \$86,077,000,000.  
(B) Outlays, \$78,442,000,000.

Fiscal year 2003:  
(A) New budget authority, \$92,893,000,000.  
(B) Outlays, \$86,170,000,000.

Fiscal year 2004:

(A) New budget authority, \$78,948,000,000.

(B) Outlays, \$91,867,000,000.

Fiscal year 2005:

(A) New budget authority, \$99,653,000,000.

(B) Outlays, \$96,488,000,000.

Fiscal year 2006:

(A) New budget authority, \$98,462,000,000.

(B) Outlays, \$98,798,000,000.

Fiscal year 2007:

(A) New budget authority, \$100,245,000,000.

(B) Outlays, \$98,893,000,000.

Fiscal year 2008:

(A) New budget authority, \$102,174,000,000.

(B) Outlays, \$100,241,000,000.

Fiscal year 2009:

(A) New budget authority, \$103,037,000,000.

(B) Outlays, \$100,818,000,000.

On page 42, strike lines 1 through 5 and insert the following:

(1) to reduce revenues by not more than \$0 in fiscal year 2000, \$91,744,000,000 for the period of fiscal years 2000 through 2004, and \$621,426,000,000 for the period of fiscal years 2000 through 2009; and

AMENDMENT NO. 195

(Purpose: To express the sense of the Senate concerning an increase in the minimum wage)

At the appropriate place, insert the following:

**SEC. \_\_\_\_ SENSE OF THE SENATE CONCERNING AN INCREASE IN THE MINIMUM WAGE.**

It is the sense of the Senate that the minimum hourly wage under section 6 of the Fair Labor Standards Act of 1938 (29 U.S.C. 206) should be increased by 50 cents on September 1, 1999, and again on September 1, 2000, to bring the minimum hourly wage to \$6.15 an hour, and that such section should apply to the Commonwealth of the Northern Mariana Islands.

AMENDMENT NO. 196

(Purpose: To create a reserve fund for medicare prescription drug benefits)

At the end of title II, insert the following:

**SEC. \_\_\_\_ RESERVE FUND FOR MEDICARE PRESCRIPTION DRUG BENEFITS.**

(a) ADJUSTMENT.—If legislation is considered that modernizes and strengthens the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) and includes a benefit under such title providing affordable prescription drug coverage for all medicare beneficiaries, the Chairman of the Committee on the Budget may change committee allocations, revenue aggregates, and spending aggregates if such legislation will not cause an on-budget deficit for—

(1) fiscal year 2000;

(2) the period of fiscal years 2000 through 2004; or

(3) the period of fiscal years 2005 through 2009.

(b) BUDGETARY ENFORCEMENT.—The revision of allocations and aggregates made under this section shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations and aggregates contained in this resolution.

AMENDMENT NO. 197

(Purpose: To express the sense of the Senate regarding asset-building for the working poor)

At the end of title III, insert the following:

**SEC. \_\_\_\_ SENSE OF SENATE REGARDING ASSET-BUILDING FOR THE WORKING POOR.**

(a) FINDINGS.—The Senate finds the following:

(1) 33 percent of all American households and 60 percent of African American households have no or negative financial assets.

(2) 46.9 percent of all children in America live in households with no financial assets, including 40 percent of Caucasian children and 75 percent of African American children.

(3) In order to provide low-income families with more tools for empowerment, incen-

tives which encourage asset-building should be established.

(4) Across the Nation, numerous small public, private, and public-private asset-building incentives, including individual development accounts, are demonstrating success at empowering low-income workers.

(5) Middle and upper income Americans currently benefit from tax incentives for building assets.

(6) The Federal Government should utilize the Federal tax code to provide low-income Americans with incentives to work and build assets in order to escape poverty permanently.

(b) SENSE OF SENATE.—It is the sense of the Senate that the provisions of this resolution assume that Congress should modify the Federal tax law to include provisions which encourage low-income workers and their families to save for buying a first home, starting a business, obtaining an education, or taking other measures to prepare for the future.

AMENDMENT NO. 198

(Purpose: To express the sense of the Senate regarding the need for increased funding for the State Criminal Alien Assistance program in fiscal year 2000)

At the end of title III, insert the following:

**SEC. \_\_\_\_ SENSE OF THE SENATE ON SCAAP FUNDING.**

(a) FINDINGS.—The Senate finds the following:

(1) The Federal Government has the responsibility for ensuring that our Nation's borders are safe and secure.

(2) States and localities, particularly in high immigrant States, face disproportionate costs in implementing our Nation's immigration policies, particularly in the case of incarcerating criminal illegal aliens.

(3) Federal reimbursements have continually failed to cover the actual costs borne by States and localities in incarcerating criminal illegal aliens. In fiscal year 1999, the costs to States and localities for incarcerating criminal aliens reached over \$1,700,000,000, but the Federal Government reimbursed States only \$585,000,000.

(4) In fiscal year 1998, the State of California spent approximately \$577,000,000 for the incarceration and parole supervision of criminal alien felons, but received just \$244,000,000 in reimbursements. The State of Texas spent \$133,000,000, but the Federal Government provided only a \$53,000,000 reimbursement. The State of Arizona incurred \$38,000,000 in costs, but only received \$15,000,000 in reimbursements. The State of New Mexico incurred \$3,000,000 in cost, but only received \$1,000,000 in reimbursements.

(5) The current Administration request of \$500,000,000 is significantly below last year's Federal appropriation, despite the fact that more aliens are now being detained in State and local jails.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this resolution assume that the State Criminal Alien Assistance program budget proposal should increase to \$970,000,000 and that the budget resolution appropriately reflects sufficient funds to achieve this objective.

AMENDMENT 199

(Purpose: To help ensure the long-term national security of the United States by budgeting for a robust Defense Science and Technology Program)

At the appropriate place in the bill, insert the following:

**“SEC. . BUDGETING FOR THE DEFENSE SCIENCE AND TECHNOLOGY PROGRAM.**

“It is the sense of the Senate that the budgetary levels for National Defense (function 050) for fiscal years 2000 through 2008 assume funding for the Defense Science and Technology program that is consistent with

Section 214 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999, which expresses a sense of the Congress that for each of those fiscal years it should be an objective of the Secretary of Defense to increase the budget request for the Defense Science and Technology program by at least 2 percent over inflation.”

Mr. BINGAMAN. Mr. President, I'm very pleased to be joined by Senators from both sides of the aisle in offering this amendment regarding the Defense Science and Technology program. Senators DEWINE, KENNEDY, HUTCHISON, GRAHAM, SANTORUM, SCHUMER, CHAFEE, MOYNIHAN, and LIEBERMAN are all cosponsors, and I thank them for their valuable support.

This sense of the Senate amendment reemphasizes Congressional support for modest but needed increases in the Defense Science and Technology program budget. It reinforces that the Senate, honoring its responsibility for maintaining the long-term strength of our national defense, intends to see that the DoD places a greater priority on this high payoff investment in our national security.

A little background is in order. Technological superiority, coupled with outstanding training, remains a keystone of our military strategy and might. Undergirding that superiority has been the patient, long-term investment we have made in the Defense Science and Technology program—often known around here as “S&T” or “6.1, 6.2, and 6.3” funding. That investment gave us things like stealth and the advanced information systems that allowed us to totally dominate the battlespace during Desert Storm. It's sometimes said that the S&T of the 60's and 70's was used to fight and win the Gulf War of the 90's, at a relatively low cost of American lives. And, it's worth remembering that each time you use the Internet, you're using the results of Defense S&T.

Yet, despite the widely acknowledged and proven value of Defense S&T, despite the fact that new technology will help us counter the new threats we see emerging, despite the fact that overall Defense spending will significantly increase, the DoD plans to cut and continue cutting S&T. The fiscal 1999 S&T funding is \$7.8 billion, whereas the budget request for fiscal 2000 is \$7.4 billion, down around 15% in real terms since 1995. Moreover, that request includes the lowest level of S&T by the military services in 22 years. Worse yet, S&T is slated to decline to around \$7 billion in constant dollars in the outyears—\$1 billion less than the level recommended just last summer by the independent Defense Science Board. To my mind, that is just not consistent with maintaining the long term technological edge of our military.

Now, both Houses of Congress have recognized this problem. Last year, we included in the Strom Thurmond National Defense Authorization Act a sense of the Congress provision, Section 214, calling on the Secretary of Defense to increase the S&T budget request by at least 2% a year over inflation during fiscal 2000 through 2008.

That provision was designed to be a flexible way of urging the DoD to place a higher priority on S&T. It contemplated they would plan sensible, gradual increases in S&T, which would reach the Defense Science Board target in real terms by fiscal 2005 or so.

Unfortunately, the DoD may be falling into a classic trap that can catch the best of managers, that of focusing so hard on the short term problems that they shortchange the future. This year's plans continue to show declines for S&T in the outyears, and are largely unchanged from last year's plans.

That's where we come in. The Senate is perhaps uniquely suited to take the long term view, to look after those things that require patience, yet lie at the very foundation of our national security—like Defense S&T. We have the luxury of not being subject to the day to day pressures of DoD managers, but we have the responsibility to make sure they don't shortchange the future.

Hence, this amendment says that within the budgetary levels for National Defense, function 050, we assume the DoD will increase the S&T budget as called for in last year's Defense authorization act. This assumption, in turn, signals that we continue to be very serious about our long term investment in S&T, and will not just let the issue slide. Over time, I believe the DoD will hear our message and begin placing a higher priority on S&T and fix this problem.

Mr. President, I urge my colleagues to join the ten of us and support this amendment.

Mr. HARKIN. Mr. President, in the early seventies, two landmark federal district court cases—*PARC v. Commonwealth of Pennsylvania*, and *Mills v. Board of Education of the District Court of Columbia*—established that children with disabilities have a constitutional right to a free appropriate public education.

In 1975, in response to these cases, the Congress enacted PL 94-142, the precursor to IDEA, to help states meet their constitutional obligations.

When we enacted PL 94-142, the Congress authorized the maximum state award as the number of children served under the special education law times 40% of the national average per pupil expenditure.

Congress has fallen far short of this goal. Indeed, in fiscal year 1999, Congress appropriated only 11.7% of the national average per pupil expenditure for Part B of IDEA.

Congress needs to do much more to help school districts meet their constitutional obligations. Indeed, whenever I go home to Iowa, I am besieged by requests for additional federal funding for special education.

These requests increased in intensity following the Supreme Court decision in *Cedar Rapids Community School District v. Garrett F.* That decision reaffirmed the court's longstanding in-

terpretation that schools must provide those health-related services necessary to allow a child with a disability to remain in school.

This is a terribly important decision, which reaffirms that all children with disabilities have the right to a meaningful education. As Justice Stevens wrote, "under the statute, [Supreme Court] precedent, and the purpose of the IDEA, the District must fund such "related services" in order to help guarantee that students like Garrett are integrated into the public schools."

The child in this case, Garrett Frey, happens to come from Iowa. He is friendly bright, articulate young man, who is also quadriplegic and ventilator-dependent. Twenty years ago, he probably would have been shunted off to an institution, at a terrible cost to taxpayers. Instead, he is thriving as a high school student, and will most likely go off to college and become a hard-working, tax paying citizen.

An editorial in USA Today summed up the situation well.

We've learned a lot about the costs of special education over the past 24 years. In addition to the savings realized when children can live at home with their families, we also know there are astronomical costs associated with not educating students with disabilities. Research shows that individuals who did not benefit from IDEA are almost twice as likely to not complete high school, not attend college and not get a job. The bottom line: Providing appropriate special education and related services to children saves government hundreds of thousands of dollars in dependency costs.

The Garrett Frey decision, also underscores the need for Congress to help school districts with the financial costs of educating children with disabilities. While the excess costs of educating some children with disabilities is minimal, the excess costs of educating other children with disabilities, like Garrett, is great.

The pending amendment, of which I am pleading to cosponsor, would take two important steps. First, it would fully fund IDEA at the 40% goals. Secondly, the amendment would provide a mandatory stream of funding for this important program. Finally, the amendment is paid for by taking a portion of the funds set-aside for tax breaks and instead invest those funds in IDEA. Mr. President, my amendment would provide real money to help school districts meet their constitutional obligations. Local school districts should not have to bear the full costs of educating children with disabilities.

Again, the USA Today editorial said it well.

Let's be clear: The job of educating all our children is no small feat. But kids in special education and kids in "gifted and talented" programs are not to blame for tight resources. We, as a nation, must increase our commitment to a system of public education that has the capacity to meet the needs of all children, including children with disabilities.

Of course, in providing increased funding for IDEA, we must make sure we do not do so at the expense of other equally important education programs.

We need to fully fund Head Start so that all children start school ready to learn.

We need to fully fund Title I so that all children get the extra help they need in reading and math.

We need to fully fund Pell Grants so that all students have a chance to go to college.

There are many other important education initiatives, such as reducing class size, improving teacher training, and modernizing our crumbling schools, that will also help children with disabilities.

Finally, I'd like to point out that when we reauthorized IDEA in 1997, we made clear that the cost of serving students with disabilities should fall not just on school districts, but should be shared by all responsive state agencies, including state Medicaid agencies and state health departments. While Garrett does not qualify for any state programs, many children in his situation do, and the school districts can and should avail themselves of that money.

Mr. President, this amendment is about setting rational national priorities. We must make education our nation's top priority since the real threat to our national security is an inability to compete in the global marketplace. We must have the best-educated, most-skilled, healthiest workers in the world to secure our nation's future. Investments in education are essential if we are to reach that goal.

The amendment targets one important area—special education—and fully funds this important program. As an editorial in the March 15 edition of the New York Times explained, "Educating disabled youngsters is a national responsibility. The expense should be borne on the nation as a whole, not imposed haphazardly on states or financially strapped districts that happen to serve a large number of disabled students."

By providing these additional resources for special education, we would free up funds both here and in local school districts for other important education priorities. I urge my colleagues to support this important amendment to fully fund IDEA by reducing tax breaks in the budget.

#### AMENDMENT NO. 200

(Purpose: To allow increased tobacco tax revenues to be used as an offset for the Medicare prescription drug benefit provided for in section 209)

On page 53, line 4, after "may change committee allocations" insert ", revenue aggregates for legislation that increases taxes on tobacco or tobacco products (only).".

## AMENDMENT NO. 201

(Purpose: To fund a 40 percent Federal share for the Individuals with Disabilities Education Act, the amendment reduces the resolution's tax cut by nearly one fifth, frees up \$43 billion in discretionary spending within Function 500 (in 2001-2009) for other important education programs, and leaves adequate room in the revenue reconciliation instructions for targeted tax cuts that help those in need and tax breaks for communities to modernize and rebuild crumbling schools)

On page 3, strike beginning with line 5 through page 5, line 14, and insert the following:

(1) FEDERAL REVENUES.—For purposes of the enforcement of this resolution—

(A) The recommended levels of Federal revenues are as follows:

Fiscal year 2000: \$1,401,979,000,000.  
 Fiscal year 2001: \$1,436,033,000,000.  
 Fiscal year 2002: \$1,466,653,000,000.  
 Fiscal year 2003: \$1,547,102,000,000.  
 Fiscal year 2004: \$1,602,574,000,000.  
 Fiscal year 2005: \$1,666,629,000,000.  
 Fiscal year 2006: \$1,700,594,000,000.  
 Fiscal year 2007: \$1,755,630,000,000.  
 Fiscal year 2008: \$1,826,369,000,000.  
 Fiscal year 2009: \$1,890,274,000,000.

(B) The amounts by which the aggregate levels of Federal revenues should be changed are as follows:

Fiscal year 2000: \$0.  
 Fiscal year 2001: -\$6,614,000,000.  
 Fiscal year 2002: -\$41,623,000,000.  
 Fiscal year 2003: -\$16,216,000,000.  
 Fiscal year 2004: -\$31,574,000,000.  
 Fiscal year 2005: -\$44,267,000,000.  
 Fiscal year 2006: -\$90,119,000,000.  
 Fiscal year 2007: -\$115,770,000,000.  
 Fiscal year 2008: -\$129,840,000,000.  
 Fiscal year 2009: -\$155,436,000,000.

(2) NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:

Fiscal year 2000: \$1,426,931,000,000.  
 Fiscal year 2001: \$1,472,665,000,000.  
 Fiscal year 2002: \$1,504,559,000,000.  
 Fiscal year 2003: \$1,578,337,000,000.  
 Fiscal year 2004: \$1,630,879,000,000.  
 Fiscal year 2005: \$1,685,232,000,000.  
 Fiscal year 2006: \$1,717,635,000,000.  
 Fiscal year 2007: \$1,773,679,000,000.  
 Fiscal year 2008: \$1,835,769,000,000.  
 Fiscal year 2009: \$1,896,955,000,000.

(3) BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 2000: \$1,408,292,000,000.  
 Fiscal year 2001: \$1,436,033,000,000.  
 Fiscal year 2002: \$1,466,653,000,000.  
 Fiscal year 2003: \$1,547,102,000,000.  
 Fiscal year 2004: \$1,599,675,000,000.  
 Fiscal year 2005: \$1,656,798,000,000.  
 Fiscal year 2006: \$1,685,764,000,000.  
 Fiscal year 2007: \$1,735,867,000,000.  
 Fiscal year 2008: \$1,801,549,000,000.  
 Fiscal year 2009: \$1,862,458,000,000.

On page 23, strike beginning with line 14 through page 25, line 3, and insert the following:

Fiscal year 2000:

(A) New budget authority, \$67,373,000,000.  
 (B) Outlays, \$63,994,000,000.

Fiscal year 2001:

(A) New budget authority, \$82,920,000,000.  
 (B) Outlays, \$66,174,000,000.

Fiscal year 2002:

(A) New budget authority, \$84,377,000,000.  
 (B) Outlays, \$77,532,000,000.

Fiscal year 2003:

(A) New budget authority, \$91,158,000,000.  
 (B) Outlays, \$84,618,000,000.

Fiscal year 2004:

(A) New budget authority, \$95,249,000,000.

(B) Outlays, \$90,059,000,000.

Fiscal year 2005:

(A) New budget authority, \$96,853,000,000.

(B) Outlays, \$94,261,000,000.

Fiscal year 2006:

(A) New budget authority, \$98,462,000,000.

(B) Outlays, \$96,345,000,000.

Fiscal year 2007:

(A) New budget authority, \$100,245,000,000.

(B) Outlays, \$98,103,000,000.

Fiscal year 2008:

(A) New budget authority, \$102,174,000,000.

(B) Outlays, \$99,961,000,000.

Fiscal year 2009:

(A) New budget authority, \$103,037,000,000.

(B) Outlays, \$100,818,000,000.

On page 42, strike lines 1 through 5 and insert the following:

(1) to reduce revenues by not more than \$0 in fiscal year 2000, \$96,028,000,000 for the period of fiscal years 2000 through 2004, and \$631,461,000,000 for the period of fiscal years 2000 through 2009; and

## AMENDMENT NO. 202

(Purpose: To express the Sense of the Senate regarding funding for embassy security)

At the appropriate place in the bill, insert the following new section:

**SEC. . SENSE OF THE SENATE ON IMPORTANCE OF FUNDING FOR EMBASSY SECURITY.**

(a) FINDINGS.—The Senate finds that—

(1) Enhancing security at U.S. diplomatic missions overseas is essential to protect U.S. government personnel serving on the front lines of our national defense;

(2) 80 percent of U.S. diplomatic missions do not meet current security standards;

(3) the Accountability Review Boards on the Embassy Bombings in Nairobi and Dar es Salaam recommended that the Department of State spend \$1.4 billion annually on embassy security over each of the next ten years;

(4) the amount of spending recommended for embassy security by the Accountability Review Boards is approximately 36 percent of the operating budget requested for the Department of State in Fiscal Year 2000; and

(5) the funding requirements necessary to improve security for United States diplomatic missions and personnel abroad cannot be borne within the current budgetary resources of the Department of State;

(b) SENSE OF THE SENATE.—It is the Sense of the Senate that the budgetary levels in this budget resolution assume that as the Congress contemplates changes in the Congressional Budget Act of 1974 to reflect projected on-budget surpluses, provisions similar to those set forth in Section 314(b) of that Act should be considered to ensure adequate funding for enhancements to the security of U.S. diplomatic missions.

## AMENDMENT NO. 203

(Purpose: To allow for the creation of a mandatory fund for medical research under the authority of the National Institutes of Health fully funded through a tax provision providing that certain funds provided by tobacco companies to states or local governments in connection with tobacco litigation or settlement shall not be deductible)

Page 3, line 9: reduce the figure by \$1,400,000,000.

Page 3, line 10: reduce the figure by \$1,400,000,000.

Page 3, line 11: reduce the figure by \$1,400,000,000.

Page 3, line 12: reduce the figure by \$1,400,000,000.

Page 3, line 13: reduce the figure by \$1,400,000,000.

Page 3, line 14: reduce the figure by \$1,400,000,000.

Page 3, line 15: reduce the figure by \$1,400,000,000.

Page 3, line 16: reduce the figure by \$1,400,000,000.

Page 3, line 17: reduce the figure by \$1,400,000,000.

Page 3, line 18: reduce the figure by \$1,400,000,000.

Page 4, line 4: change the figure to read -\$1,400,000,000.

Page 4, line 5: reduce the figure by \$1,400,000,000.

Page 4, line 6: reduce the figure by \$1,400,000,000.

Page 4, line 7: reduce the figure by \$1,400,000,000.

Page 4, line 8: reduce the figure by \$1,400,000,000.

Page 4, line 9: reduce the figure by \$1,400,000,000.

Page 4, line 10: reduce the figure by \$1,400,000,000.

Page 4, line 11: reduce the figure by \$1,400,000,000.

Page 4, line 12: reduce the figure by \$1,400,000,000.

Page 4, line 13: reduce the figure by \$1,400,000,000.

Page 4, line 17: increase the figure by \$1,400,000,000.

Page 4, line 18: increase the figure by \$1,400,000,000.

Page 4, line 19: increase the figure by \$1,400,000,000.

Page 4, line 20: increase the figure by \$1,400,000,000.

Page 4, line 21: increase the figure by \$1,400,000,000.

Page 4, line 22: increase the figure by \$1,400,000,000.

Page 4, line 23: increase the figure by \$1,400,000,000.

Page 4, line 24: increase the figure by \$1,400,000,000.

Page 4, line 25: increase the figure by \$1,400,000,000.

Page 5, line 1: increase the figure by \$1,400,000,000.

Page 5, line 5: increase the figure by \$1,400,000,000.

Page 5, line 6: increase the figure by \$1,400,000,000.

Page 5, line 7: increase the figure by \$1,400,000,000.

Page 5, line 8: increase the figure by \$1,400,000,000.

Page 5, line 9: increase the figure by \$1,400,000,000.

Page 5, line 10: increase the figure by \$1,400,000,000.

Page 5, line 11: increase the figure by \$1,400,000,000.

Page 5, line 12: increase the figure by \$1,400,000,000.

Page 5, line 13: increase the figure by \$1,400,000,000.

Page 5, line 14: increase the figure by \$1,400,000,000.

Page 25, line 7: increase the figure by \$1,400,000,000.

Page 25, line 8: increase the figure by \$1,400,000,000.

Page 25, line 11: increase the figure by \$1,400,000,000.

Page 25, line 12: increase the figure by \$1,400,000,000.

Page 25, line 15: increase the figure by \$1,400,000,000.

Page 25, line 16: increase the figure by \$1,400,000,000.

Page 25, line 19: increase the figure by \$1,400,000,000.

Page 25, line 20: increase the figure by \$1,400,000,000.

Page 25, line 23: increase the figure by \$1,400,000,000.

Page 25, line 24: increase the figure by \$1,400,000,000.

Page 26, line 2: increase the figure by \$1,400,000,000.

Page 26, line 3: increase the figure by \$1,400,000,000.

Page 26, line 6: increase the figure by \$1,400,000,000.

Page 26, line 7: increase the figure by \$1,400,000,000.

Page 26, line 10: increase the figure by \$1,400,000,000.

Page 26, line 11: increase the figure by \$1,400,000,000.

Page 26, line 14: increase the figure by \$1,400,000,000.

Page 26, line 15: increase the figure by \$1,400,000,000.

Page 26, line 18: increase the figure by \$1,400,000,000.

Page 26, line 19: increase the figure by \$1,400,000,000.

AMENDMENT NO. 204

(Purpose: To extend the Violent Crime Reduction Trust Fund)

At the end of title II, insert the following:  
**SEC. —. EXTENSION OF VIOLENT CRIME REDUCTION TRUST FUND.**

(a) **DISCRETIONARY LIMITS.**—In the Senate, in this section, and for the purposes of allocations made for the discretionary category pursuant to section 302(a) of the Congressional Budget Act of 1974—

(1) with respect to fiscal year 2001—

(A) the Chairman of the Budget Committee shall make the necessary adjustments in the discretionary spending limits to reflect the changes in (B); and

(B) for the violent crime reduction category: \$6,025,000,000 in new budget authority and \$5,718,000,000 in outlays;

(2) with respect to fiscal year 2002—

(A) the Chairman of the Budget Committee shall make the necessary adjustments in the discretionary spending limits to reflect the changes in (B); and

(B) for the violent crime reduction category: \$6,169,000,000 in new budget authority and \$6,020,000,000 in outlays; and

(3) with respect to fiscal year 2003—

(A) the Chairman of the Budget Committee shall make the necessary adjustments in the discretionary spending limits to reflect the changes in (B); and

(B) for the violent crime reduction category: \$6,316,000,000 in new budget authority and \$6,161,000,000 in outlays;

(4) with respect to fiscal year 2004—

(A) the Chairman of the Budget Committee shall make the necessary adjustments in the discretionary spending limits to reflect the changes in (B); and

(B) for the violent crime reduction category: \$6,458,000 in new budget authority and \$6,303,000,000 in outlays; and

(5) with respect to fiscal year 2005—

(A) the Chairman of the Budget Committee shall make the necessary adjustments in the discretionary spending limits to reflect the changes in (B); and

(B) for the violent crime reduction category: \$6,616,000 in new budget authority and \$6,452,000,000 in outlays;

as adjusted in strict conformance with section 251(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 and section 314 of the Congressional Budget Act of 1974.

(b) **POINT OF ORDER IN THE SENATE.**—

(1) **IN GENERAL.**—Except as provided in paragraph (2), it shall not be in order in the Senate to consider—

(A) a revision of this resolution or any concurrent resolution on the budget for any of the fiscal years 2000 through 2005 (or amendment, motion, or conference report on such a resolution) that provides discretionary spending in excess of the discretionary spending limit or limits for such fiscal year; or

(B) any bill or resolution (or amendment, motion, or conference report on such bill or resolution) for any of the fiscal years 2000 through 2005 that would cause any of the limits in this section (or suballocations of the discretionary limits made pursuant to section 302(b) of the Congressional Budget Act of 1974) to be exceeded.

(2) **EXCEPTION.**—This section shall not apply if a declaration of war by Congress is in effect or if a joint resolution pursuant to section 258 of the Balanced Budget and Emergency Deficit Control Act of 1985 has been enacted.

(c) **WAIVER.**—This section may be waived or suspended in the Senate only by the affirmative vote of three-fifths of the Members, duly chosen and sworn.

(d) **APPEALS.**—Appeals in the Senate from the decisions of the Chair relating to any provision of this section shall be limited to 1 hour, to be equally divided between, and controlled by, the appellant and the manager of the concurrent resolution, bill, or joint resolution, as the case may be. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

(e) **DETERMINATION OF BUDGET LEVELS.**—For purposes of this section, the levels of new budget authority, outlays, new entitlement authority, revenues, and deficits for a fiscal year shall be determined on the basis of estimates made by the Committee on the Budget of the Senate.

AMENDMENT NO. 205

(Purpose: to allow for a tax cut for working families that could be provided immediately, before enactment of Social Security reform would make on-budget surpluses available as an offset)

On page 46, after line 10, add a new subsection (c) that reads as follows:

(c) **LIMITATION.**—This reserve fund will only be available for the following types of tax relief:

(1) Tax relief to help working families afford child care, including assistance for families with a parent staying out of the workforce in order to care for young children;

(2) Tax relief to help individuals and their families afford the expense of long-term health care;

(3) Tax relief to ease the tax code's marriage penalties on working families;

(4) Any other individual tax relief targeted exclusively for families in the bottom 90 percent of the family income distribution;

(5) The extension of the Research and Experimentation tax credit, the Work Opportunity tax credit, and other expiring tax provisions, a number of which are important to help American businesses compete in the modern international economy and to help bring the benefits of a strong economy to disadvantaged individuals and communities; and,

(6) Tax incentives to help small businesses offer pension plans to their employees, and other proposals to increase pension access, portability, and security.

Mr. ROBB. Mr. President, I rise to offer an amendment to strike section 204 of the budget resolution, as well as the reconciliation instructions to cut taxes by \$778 billion over the next 10 years without offsetting their costs.

I move to eliminate these provisions because they strike at the very heart of the fiscal discipline that has brought about the first unified balanced budget in 30 years.

In 1993, in President Clinton's first budget, we introduced a new pay-as-

you-go rule in the Senate. This rule provided for a 60-vote point of order in the Senate against legislation that would increase the deficit over 10 years. That has served to keep the Senate and the Congress on a course of fiscal responsibility by requiring Congress to pay for any changes in revenues or direct spending.

The budget resolution before us, however, abandons the pay-go rule and allows Congress to spend the projected onbudget surpluses without offsetting their costs.

While supporters of this language promote this as a simple clarification of existing principles, arguing the pay-go rules were not to apply in times of onbudget surpluses, the Congressional Budget Office disagrees.

In my judgment, it would be irresponsible to abandon the very pay-go rules that brought us to this point when we still face a \$3.7 trillion debt held by the public, and a total debt of over \$5.5 trillion.

But, Mr. President, regardless of one's views on whether these rules were meant to apply in our current fiscal circumstances, I believe it is in our interest not to abandon the pay-go rules at this time. They have been instrumental in imposing fiscal discipline on this body, something that has been sorely lacking in previous years.

Paying for new spending or new tax cuts forces legislators to make tough choices. If we abandon this rule, we are saying, in effect, we don't have to make tough choices anymore. And that is particularly troubling when we make long-term decisions based only on projections, as we do today.

Mr. President, those who support this change are using it to pass a tax cut that would otherwise be subject to a point of order under the current pay-go rules. But I want to ask our colleagues, which is the more fiscally conservative position? Supporters of this new language may think of themselves as fiscal conservatives. In my view, the fiscally conservative position demands paying for other priorities and using the total surplus, not just the off-budget surplus, to pay down the publicly held debt.

By ridding ourselves of this debt, we dramatically increase our flexibility to solve some of our long-term funding challenges in Social Security and Medicare.

The budget resolution before us is short shrift to Social Security and Medicare by abandoning the pay-go rules and using the onbudget surplus for tax cuts. Once again, it puts short-term political interests ahead of long-term planning. As long as the only window we are looking through faces the next election rather than our economic strength in the next century, we will continue to put our focus on feel-good tax cuts at the expense of preparing for the future of Social Security and Medicare.

Bottom line, Mr. President, the responsible position is to maintain the

current budget rules and pay down the debt, and that is the proposition that Americans support.

We have a responsibility to the next generation to reduce the debt that clouds our Nation's future prosperity, and the way to remove that debt is to stick to the pay-go rules that have served us so well.

With this amendment, cosponsored by Senator GRAHAM of Florida, we will keep the pay-go rules, we will pay off the debt, and we will ensure that any tax cut doesn't threaten to plunge us back into the large deficits from which we have so recently been delivered.

With that, Mr. President, I yield back any time remaining. I thank the Senator from New Jersey.

The PRESIDING OFFICER. Who seeks recognition?

Mr. DOMENICI. Is it in order for the Senator to submit the Republican amendments?

The PRESIDING OFFICER. It is in order.

AMENDMENTS NOS. 206 THROUGH 243, EN BLOC

Mr. DOMENICI. Mr. President, I want to inform the Senate that the timeline runs out on the resolution—because votes count and everything now—at 7 o'clock. Here are 36 amendments that Republicans have asked me to send to the desk.

The PRESIDING OFFICER. They will be received at the desk.

The amendments are as follows:

AMENDMENT NO. 206

(Purpose: To provide the Sense of the Senate regarding support for Federal, State and local law enforcement, and for the Violent Crime Reduction Trust Fund)

At the appropriate place, insert the following:

**“SEC. . SENSE OF THE SENATE REGARDING SUPPORT FOR FEDERAL, STATE AND LOCAL LAW ENFORCEMENT AND FOR THE VIOLENT CRIME REDUCTION TRUST FUND.**

“(a) FINDINGS.—the Senate finds that:—

“(1) Our Federal, State and local law enforcement officers provide essential services that preserve and protect our freedom and safety, and with the support of federal assistance such as the Local Law Enforcement Block Grant Program, the Juvenile Accountability Incentive Block Grant Program, the COPS Program, and the Byrne Grant Program, state and local law enforcement officers have succeeded in reducing the national scourge of violent crime, illustrated by a violent crime rate that has dropped in each of the past four years;

“(2) Assistance, such as the Violent Offender Incarceration/Truth in Sentencing Incentive Grants, provided to State corrections systems to encourage truth in sentencing laws for violent offenders has resulted in longer time served by violent criminals and safer streets for law abiding people across the Nation;

“(3) Through a comprehensive effort by state and local law enforcement to attack violence against women, in concert with the efforts of dedicated volunteers and professionals who provide victim services, shelter, counseling and advocacy to battered women and their children, important strides have been made against the national scourge of violence against women.

“(4) Despite recent gains, the violent crime rate remains high by historical standards;

“(5) Federal efforts to investigate and prosecute international terrorism and complex interstate and international crime are vital aspects of a National anticrime strategy, and should be maintained;

“(6) The recent gains by Federal, State and local law enforcement in the fight against violent crime and violence against women are fragile, and continued financial commitment from the Federal Government for funding and financial assistance is required to sustain and build upon these gains; and

“(7) The Violent Crime Reduction Trust Fund, enacted as a part of the Violent Crime Control and Law Enforcement Act of 1994, funds the Violent Crime Control and Law Enforcement Act of 1994, the Violence Against Women Act of 1994, and the Antiterrorism and Effective Death Penalty Act of 1996, without adding to the federal budget deficit.

“(b) SENSE OF THE SENATE.—It is the Sense of the Senate that the provisions and the functional totals underlying this resolution assume that the Federal Government's commitment to fund Federal law enforcement programs and programs to assist State and local efforts to combat violent crime, such as the Local Law Enforcement Block Grant Program, the Juvenile Accountability Incentive Block Grant Program, the Violent Offender Incarceration/Truth in Sentencing Incentive Grants Program, the Violence Against Women Act, the COPS Program, and the Byrne Grant Program, shall be maintained, and that funding for the Violent Crime Reduction Trust Fund shall continue to at least fiscal year 2005.”

AMENDMENT NO. 207

(Purpose: To ensure a rational adjustment to merger notification thresholds for small business and to ensure adequate funding for Antitrust Division of the Department of Justice)

At the appropriate place, insert the following new section:

**“SEC. . SENSE OF THE SENATE ON MERGER ENFORCEMENT BY DEPARTMENT OF JUSTICE.**

“(a) FINDINGS.—Congress finds that—

“(1) the Antitrust Division of the Department of Justice is charged with the civil and criminal enforcement of the antitrust laws, including review of corporate mergers likely to reduce competition in particular markets, with a goal to promote and protect the competitive process;

“(2) the Antitrust Division requests a 16 percent increase in funding for fiscal year 2000;

“(3) justification for such an increase is based, in part, on increasingly numerous and complex merger filings pursuant to the Hart-Scott-Rodino Antitrust Improvements Act of 1976;

“(4) the Hart-Scott-Rodino Antitrust Improvements Act of 1976 sets value thresholds which trigger the requirement for filing premerger notification;

“(5) the number of merger filings under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, which the Department, in conjunction with the Federal Trade Commission, is required to review, increased by 38 percent in fiscal year 1998;

“(6) the Department expects the number of merger filings to increase in fiscal years 1999 and 2000;

“(7) the value thresholds, which relate to both the size of the companies involved and the size of the transaction, under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 have not been adjusted since passage of that Act.

“(b) SENSE OF THE SENATE.—It is the Sense of the Senate that the levels in this resolution assume that the Antitrust Division will

have adequate resources to enable it to meet its statutory requirements, including those related to reviewing and investigating increasingly numerous and complex mergers, but that Congress should make modest, budget neutral, adjustments to the Hart-Scott-Rodino Antitrust Improvements Act of 1976 to account for inflation in the value thresholds of the Act, and in so doing, ensure that the Antitrust Division's resources are focused on matters and transactions most deserving of the Division's attention.

AMENDMENT NO. 208

(Purpose: To express the Sense of the Senate that the Marriage Penalty should be eliminated and the marginal income tax rates should be uniformly reduced)

At the appropriate place, insert:

**SEC. . SENSE OF THE SENATE ON ELIMINATING THE MARRIAGE PENALTY AND ACROSS THE BOARD INCOME TAX RATE CUTS.**

(a) FINDINGS.—The Senate finds that—

(1) The institution of marriage is the cornerstone of the family and civil society;

(2) Strengthening of the marriage commitment and the family is an indispensable step in the renewal of America's culture;

(3) The Federal income tax punishes marriage by imposing a greater tax burden on married couples than on their single counterparts;

(4) America's tax code should give each married couple the choice to be treated as one economic unit, regardless of which spouse earns the income; and

(5) All American taxpayers are responsible for any budget surplus and deserve broad-based tax relief after the Social Security Trust fund has been protected.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this resolution assume that—

(1) Congress should eliminate the marriage penalty in a manner that treats all married couples equally, regardless of which spouse earns the income; and

(2) Congress should implement an equal, across the board reduction in each of the current federal income tax rates as soon as there is a non-Social Security surplus.

AMENDMENT NO. 209

(Purpose: To express the sense of the Senate that the Internal Revenue Code of 1986 needs comprehensive reform)

At the end of title III, add the following:

**SEC. . SENSE OF THE SENATE REGARDING REFORM OF THE INTERNAL REVENUE CODE OF 1986.**

(a) FINDINGS.—The Senate finds that—

(1) The Internal Revenue Code of 1986 (referred to in this section as the “tax code”) is unnecessarily complex and burdensome, consisting of 2,000 pages of tax code, and resulting in 12,000 pages of regulations and 200,000 pages of court proceedings;

(2) the complexity of the tax code results in taxpayers spending approximately 5,400,000,000 hours and \$200,000,000,000 on tax compliance each year;

(3) the impact of the complexity of the tax code is inherently inequitable, rewarding taxpayers which hire professional tax preparers and penalizing taxpayers which seek to comply with the tax code without professional assistance;

(4) the percentage of the income of an average family of four that is paid for taxes has grown significantly, comprising nearly 40 percent of the family's earnings, a percentage which represents more than a family spends in the aggregate on food, clothing, and housing;

(5) the total amount of Federal, State, and local tax collections in 1998 increased approximately 5.7 percent over such collections in 1997;

(6) the tax code penalizes saving and investment by imposing tax on these important activities twice while promoting consumption by only taxing income used for consumption once;

(7) the tax code stifles economic growth by discouraging work and capital formation through high tax rates;

(8) Congress and the President have found it necessary on several occasions to enact laws to protect taxpayers from abusive actions and procedures of the Internal Revenue Service in enforcement of the tax code; and

(9) the complexity of the tax code is largely responsible for the growth in size of the Internal Revenue Service.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this resolution assume that —

(1) the Internal Revenue Code of 1986 needs comprehensive reform; and

(2) Congress should move expeditiously to consider comprehensive proposals to reform the Internal Revenue Code of 1986.

AMENDMENT NO. 210

(Purpose: To express the sense of the Senate that the additional tax incentives should be provided for education savings)

At the end of title III, add the following:

**SEC. \_\_\_\_ SENSE OF THE SENATE REGARDING TAX INCENTIVES FOR EDUCATION SAVINGS.**

(a) FINDINGS.—The Senate finds that—

(1) families in the United States have accrued more college debt in the 1990s than during the previous 3 decades combined; and

(2) families should have every resource available to them to meet the rising cost of higher education.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this resolution and legislation enacted pursuant to this resolution assume that additional tax incentives should be provided for education savings, including—

(1) excluding from gross income distributions from qualified State tuition plans; and

(2) providing a tax deferral for private prepaid tuition plans in years 2000 through 2003 and excluding from gross income distributions from such plans in years 2004 and after.

AMENDMENT NO. 211

(Purpose: expressing the Sense of the Senate regarding the Davis-Bacon Act)

At the appropriate place, insert:

**SEC. . SENSE OF THE SENATE REGARDING DAVIS-BACON.**

It is the Sense of the Senate that in carrying out the assumptions in this budget resolution, the Senate will consider reform of the Davis-Bacon Act as an alternative to repeal.

AMENDMENT NO. 212

(Purpose: expressing the Sense of the Senate regarding reauthorization of the Farmland Protection Program)

At the appropriate place, insert:

**SEC. . SENSE OF THE SENATE THAT THE 106TH CONGRESS, 1ST SESSION SHOULD REAUTHORIZE FUNDS FOR THE FARMLAND PROTECTION PROGRAM.**

(a) FINDINGS.—The Senate makes the following findings—

(1) Nineteen states and dozens of localities have spent nearly \$1 billion to protect over 600,000 acres of important farmland;

(2) The Farmland Protection Program has provided cost-sharing for nineteen states and dozens of localities to protect over 123,000 acres on 432 farms since 1996;

(3) The Farmland Protection Program has generated new interest in saving farmland in communities around the country;

(4) The Farmland Protection Program represents an innovative and voluntary partner-

ship, rewards local ingenuity, and supports local priorities;

(5) The Farmland Protection Program is a matching grant program that is completely voluntary in which the federal government does not acquire the land or easement;

(6) Funds authorized for the Farmland Protection Program were expended at the end of Fiscal Year 1998, and no funds were appropriated in Fiscal Year 1999;

(7) The United States is losing two acres of our best farmland to development every minute of every day;

(8) These lands produce three quarters of the fruits and vegetables and over one half of the dairy in the United States;

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the functional totals contained in this resolution assume that the 106th Congress, 1st Session will reauthorize funds for the Farmland Protection Program.

AMENDMENT NO. 213

(Purpose: To express the sense of the Senate regarding support for State and local law enforcement)

At the appropriate place, insert the following:

**SEC. \_\_\_\_ SENSE OF THE SENATE REGARDING SUPPORT FOR STATE AND LOCAL LAW ENFORCEMENT.**

(a) FINDINGS.—The Senate finds that—

(1) the President's budget request for fiscal year 2000 proposes significant reductions in Federal support for State and local law enforcement efforts to combat crime by eliminating more than \$1,000,000,000 from State and local law enforcement programs that directly support the Nation's communities, including—

(A) zero funding for Local Law Enforcement Block Grants, for which \$523,000,000 was made available for fiscal year 1999;

(B) a reduction from the amount made available for fiscal year 1999 of \$645,000,000 for State prison grants (including Violent Offender Incarceration Grants and Truth-in-Sentencing Incentive Grants);

(C) a reduction from the amount made available for fiscal year 1999 of more than \$85,000,000 from the State Criminal Alien Incarceration Program, which reimburses States for the incarceration of illegal aliens;

(D) a reduction in funding for the popular Byrne grant program under part E of title I of the Omnibus Crime Control and Safe Streets Act of 1968; and

(E) elimination of funding for Juvenile Accountability Block Grants, which have provided \$500,000,000 over the last 2 years to communities attempting to control the plague of youth violence;

(2) as national crime rates are beginning to fall as a result of State and local efforts, with Federal support, it is unwise to ignore the responsibility of the Federal Government to communities still overwhelmed by crime;

(3) Federal support is crucial to the provision of critical crime fighting services and the effective administration of justice in the States, such as the approximately 600 qualified State and local crime laboratories and medical examiners' offices, which deliver over 90 percent of the forensic services in the United States;

(4) dramatic increases in crime rates over the last decade have generally exceeded the capacity of State and local crime laboratories to process their forensic examinations, resulting in tremendous backlogs that prevent the swift administration of justice and impede fundamental individual rights, such as the right to a speedy trial and to exculpatory evidence;

(5) last year, Congress passed the Crime Identification Technology Act of 1998, which authorizes \$250,000,000 each year for 5 years to assist State and local law enforcement

agencies in integrating their anticrime technology systems into national databases, and in upgrading their forensic laboratories and information and communications infrastructures upon which these crime fighting systems rely; and

(6) the Federal Government must continue efforts to significantly reduce crime by at least maintaining Federal funding for State and local law enforcement, and wisely targeting these resources.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the provisions of this resolution assume that—

(1) the amounts made available for fiscal year 2000 to assist State and local law enforcement efforts will be—

(A) greater than the amounts proposed in the President's budget request for fiscal year 2000; and

(B) comparable to amounts made available for that purpose for fiscal year 1999;

(2) the amounts made available for fiscal year 2000 for crime technology programs should be used to further the purposes of the program under section 102 of the Crime Identification Technology Act of 1998 (42 U.S.C. 14601); and

(3) Congress should consider legislation that specifically addresses the backlogs in State and local crime laboratories and medical examiners' offices.

AMENDMENT NO. 214

(Purpose: To express the sense of the Senate that funding for Federal drug control activities should be at a level higher than that proposed in the President's budget request for fiscal year 2000)

At the end of title III, insert the following:

**SEC. \_\_\_\_ SENSE OF THE SENATE REGARDING FUNDING FOR COUNTER-NARCOTICS INITIATIVES.**

(a) FINDINGS.—The Senate finds that—

(1) from 1985-1992, the Federal Government's drug control budget was balanced among education, treatment, law enforcement, and international supply reduction activities and this resulted in a 13-percent reduction in total drug use from 1988 to 1991;

(2) since 1992, overall drug use among teens aged 12 to 17 rose by 70 percent, cocaine and marijuana use by high school seniors rose 80 percent, and heroin use by high school seniors rose 100 percent;

(3) during this same period, the Federal investment in reducing the flow of drugs outside our borders declined both in real dollars and as a proportion of the Federal drug control budget;

(4) while the Federal Government works with State and local governments and numerous private organizations to reduce the demand for illegal drugs, seize drugs, and break down drug trafficking organizations within our borders, only the Federal Government can seize and destroy drugs outside of our borders;

(5) in an effort to restore Federal international eradication and interdiction efforts, in 1998, Congress passed the Western Hemisphere Drug Elimination Act which authorized an additional \$2,600,000,000 over 3 years for international interdiction, eradication, and alternative development activities;

(6) Congress appropriated over \$800,000,000 in fiscal year 1999 for anti-drug activities authorized in the Western Hemisphere Drug Elimination Act;

(7) the President's Budget Request for fiscal year 2000 would invest \$100,000,000 less than what Congress appropriated in fiscal year 1999;

(8) the President's Budget Request for fiscal year 2000 contains no funding for the Western Hemisphere Drug Elimination Act's top 5 priorities, namely, including funds for an enhanced United States Customs Service

air interdiction program, counter-drug intelligence programs, security enhancements for our United States-Mexico border, and a promising eradication program against coca, opium, poppy, and marijuana; and

(9) the proposed Drug Free Century Act would build upon many of the initiatives authorized in the Western Hemisphere Drug Elimination Act, including additional funding for the Department of Defense for counter-drug intelligence and related activities.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the provisions of this resolution assume that—

(1) funding for Federal drug control activities should be at a level higher than that proposed in the President's budget request for fiscal year 2000; and

(2) funding for Federal drug control activities should allow for investments in programs authorized in the Western Hemisphere Drug Elimination Act and in the proposed Drug Free Century Act.

AMENDMENT NO. 215

(Purpose: To express the sense of the Senate concerning resources for autism research through the National Institutes of Health and the Centers for Disease Control and Prevention)

At the appropriate place, insert the following:

**SEC. \_\_\_\_ SENSE OF THE SENATE CONCERNING AUTISM.**

(a) FINDINGS.—Congress makes the following findings:

(1) Infantile autism and autism spectrum disorders are biologically-based neurodevelopmental diseases that cause severe impairments in language and communication and generally manifest in young children sometime during the first two years of life.

(2) Best estimates indicate that 1 in 300 children born today will be diagnosed with an autism spectrum disorder and that 400,000 Americans have autism or an autism spectrum disorder.

(3) There is little information on the prevalence of autism and other pervasive developmental disabilities in the United States. There have never been any national prevalence studies in the United States, and the two studies that were conducted in the 1980s examined only selected areas of the country. Recent studies in Canada, Europe, and Japan suggest that the prevalence of classic autism alone may be 300 percent to 400 percent higher than previously estimated.

(4) Three quarters of those with infantile autism spend their adult lives in institutions or group homes, and usually enter institutions by the age of 13.

(5) The cost of caring for individuals with autism and autism spectrum disorder is great, and is estimated to be \$13.3 billion per year solely for direct costs.

(6) The rapid advancements in biomedical science suggest that effective treatments and a cure for autism are attainable if—

(A) there is appropriate coordination of the efforts of the various agencies of the Federal Government involved in biomedical research on autism and autism spectrum disorders;

(B) there is an increased understanding of autism and autism spectrum disorders by the scientific and medical communities involved in autism research and treatment; and

(C) sufficient funds are allocated to research.

(7) The discovery of effective treatments and a cure for autism will be greatly enhanced when scientists and epidemiologists have an accurate understanding of the prevalence and incidence of autism.

(8) Recent research suggests that environmental factors may contribute to autism. As

a result, contributing causes of autism, if identified, may be preventable.

(9) Finding the answers to the causes of autism and related developmental disabilities may help researchers to understand other disorders, ranging from learning problems, to hyperactivity, to communications deficits that affect millions of Americans.

(10) Specifically, more knowledge is needed concerning—

(A) the underlying causes of autism and autism spectrum disorders, how to treat the underlying abnormality or abnormalities causing the severe symptoms of autism, and how to prevent these abnormalities from occurring in the future;

(B) the epidemiology of, and the identification of risk factors for, infantile autism and autism spectrum disorders;

(C) the development of methods for early medical diagnosis and functional assessment of individuals with autism and autism spectrum disorders, including identification and assessment of the subtypes within the autism spectrum disorders, for the purpose of monitoring the course of the disease and developing medically sound strategies for improving the outcomes of such individuals;

(D) existing biomedical and diagnostic data that are relevant to autism and autism spectrum disorders for dissemination to medical personnel, particularly pediatricians, to aid in the early diagnosis and treatment of this disease; and

(E) the costs incurred in educating and caring for individuals with autism and autism spectrum disorders.

(11) In 1998, the National Institutes of Health announced a program of research on autism and autism spectrum disorders. A sufficient level of funding should be made available for carrying out the program.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the assumptions underlying this resolution assume that additional resources will be targeted towards autism research through the National Institutes of Health and the Centers for Disease Control and Prevention.

AMENDMENT NO. 216

(Purpose: To express the sense of the Senate regarding the potential impact of the amendments to the medicare program contained in the Balanced Budget Act on access to items and services under such program)

At the end of title III, insert the following:

**SEC. \_\_\_\_ SENSE OF THE SENATE REGARDING ACCESS TO ITEMS AND SERVICES UNDER MEDICARE PROGRAM.**

(a) FINDINGS.—The Senate finds the following:

(1) Total hospital operating margins with respect to items and services provided to medicare beneficiaries are expected to decline from 4.3 percent in fiscal year 1997 to 0.1 percent in fiscal year 1999.

(2) Total operating margins for small rural hospitals are expected to decline from 4.2 percent in fiscal year 1998 to negative 5.6 percent in fiscal year 2002, a 233 percent decline.

(3) The Congressional Budget Office recently has estimated that the amount of savings to the medicare program in fiscal years 1998 through 2002 by reason of the amendments to that program contained in the Balanced Budget Act of 1997 is \$88,500,000 more than the amount of savings to the program by reason of those amendments that the Congressional Budget Office estimated for those fiscal years immediately prior to the enactment of that Act.

(b) SENSE OF SENATE.—It is the sense of the Senate that the provisions contained in this budget resolution assume that the Senate should—

(1) consider whether the amendments to the medicare program contained in the

Balanced Budget Act of 1997 have had an adverse impact on access to items and services under that program; and

(2) if it is determined that additional resources are available, additional budget authority and outlays shall be allocated to address the unintended consequences of change in medicare program policy made by the Balanced Budget Act, including inpatient and outpatient hospital services, to ensure fair and equitable access to all items and services under the program.

AMENDMENT NO. 217

(Purpose: To express the sense of the Senate that the budget process should require truth-in-budgeting with respect to the on-budget trust funds)

At the end of title III, add the following:

**SEC. \_\_\_\_ HONEST REPORTING OF THE DEFICIT.**

It is the sense of the Senate that the levels in this resolution assume the following:

(1) IN GENERAL.—Effective for fiscal year 2001, the President's budget and the budget report of CBO required under section 202(e) of the Congressional Budget Act of 1974 and the concurrent resolution on the budget should include—

(A) the receipts and disbursements totals of the on-budget trust funds, including the projected levels for at least the next 5 fiscal years; and

(B) the deficit or surplus excluding the on-budget trust funds, including the projected levels for at least the next 5 fiscal years.

(2) ITEMIZATION.—Effective for fiscal year 2001, the President's budget and the budget report of CBO required under section 202(e) of the Congressional Budget Act of 1974 should include an itemization of the on-budget trust funds for the budget year, including receipts, outlays, and balances.

AMENDMENT NO. 218

(Purpose: Relating to the international affairs budget)

At the appropriate place in the concurrent resolution, insert the following:

**SEC. \_\_\_\_ INTERNATIONAL AFFAIRS BUDGET.**

(a) FINDINGS.—The Senate makes the following findings:

(1) The Administration has attacked the Senate budget resolution which stays within the caps set in the Balanced Budget Agreement reached with the President in 1997. The Administration accuses the Senate of taking a "meat axe" to American leadership, and placing a "foreign policy straitjacket" on the United States. In fact, the fiscal year 2000 budget continues to fund programs and projects that advance United States interests, while eliminating funding for wasteful or duplicative programs and activities.

(2) The Administration claims that the Senate resolution would cut funds for international affairs in fiscal year 2000 by 15.3 percent. The reality is that the reduction is a five percent decrease from spending in fiscal year 1999. Much of the decrease is a result of savings from reductions assumed by the President in his budget: the President assumes savings from "one time costs" in the fiscal year 1999 budget, as well as fiscal year 2000 budget reductions for OPIC, P.L. 480 Programs, and historic levels of foreign assistance to Israel and Egypt. When adjusted for arrearages, the Senate Resolution is only a decrease of \$.9 billion in budget authority and \$.02 billion in outlays from the fiscal year 1999 levels.

(3) The Administration threatens the budget will hinder consular services and abandon our citizens who travel abroad and leave them to fend for themselves. The reality is that most consular services today are supplemented heavily by machine readable visa, expedited passport, and other fees. The State Department is able to retain these fees due

to congressional authorization for the retention of these fees rather than returning them to the general fund of the Treasury. Due to this authority, in fiscal year 2000, the State Department expects to have at least \$374,000,000 to expend from fee collections. These funds are in addition to the budget authority provided by the Senate budget resolution.

(4) The Administration argues that this budget will pull the plug on U.S. contributions to UNICEF and Child Survival. In fact, the United States provided more than \$122,000,000 or 27 percent of all UNICEF funding in 1997, according to the State Department's most recent statistics (of course, this does not include private donations of United States citizens). At the same time, the United States Agency for International Development is requesting a funding increase of \$119,000,000 for development assistance and \$15,000,000 for operating expenses even as the General Accounting Office reports that the Agency for International Development cannot explain how its programs are performing or whether they are achieving their intended goals.

(5) The Administration argues that this budget will reduce the United States commitment to the war on drugs. In fiscal year 1999, Congress appropriated funds for drug interdiction programs far exceeding the Administration's request; moreover, the comprehensive Western Hemisphere Drug Elimination Act enacted in October 1998 authorizes nearly \$1,000,000,000 in new funds, equipment, and technology to correct the dangerous imbalance in the Administration's anti-drug strategy that has underfunded and continues to underfund interdiction programs. (The President's fiscal year 2000 budget continues to short-change anti-drug activities by the Customs Service and the Coast Guard.)

(6) The Administration argues that this budget will erode support for peace in the Middle East, Bosnia, and Northern Ireland. However, funding for peacekeeping continues to skyrocket. However, the cost of peacekeeping has become a burden on the 050 defense budget rather than the 150 foreign affairs budget since the failure of the United Nations mission in Bosnia. Last year, the United States expended \$4,277,500,000 on peacekeeping and related activities in Bosnia, Iraq, other Middle East peacekeeping, and in Africa. This amount does not include funds for humanitarian and development activities.

(7) The Administration argues that this budget will force the United States to close its embassies and turn its back on American interests. The budget will instead force the Executive branch to take on greater cost-based decisionmaking. According to the General Accounting Office, "more needs to be done to create a well-tuned platform for conducting foreign affairs. Achieving this goal will require the State Department to make a strong commitment to management improvement, modernization, and 'cost-based' decisionmaking." The General Accounting Office reports that "one of State's longstanding shortcomings has been the absence of an effective financial management system that can assist managers in making 'cost-based' decisions."

(8) Prior to the start of fiscal year 2000, the United States Information Agency and the Arms Control and Disarmament Agency will be integrated into the State Department. In addition the Secretary of State will have more direct oversight over the Agency for International Development, and certain functions of that agency will be merged into the State Department. To date, no savings have been identified as a result of this merger. The General Accounting Office identifies

potential areas for reduction of duplication as a result of integration in the areas of legal affairs, congressional liaison, press and public affairs, and management. In addition the General Accounting Office notes that in the State Department strategic plan, it has not adequately reviewed overlapping issues performed by State Department functional bureaus and other United States agencies.

(b) SENSE OF SENATE.—It is the sense of the Senate that the budget levels of this resolution assume that enactment of the Foreign Affairs Reform and Restructuring Act of 1998 provides a unique opportunity for the State Department to achieve management improvements and cost reductions, and that:

(1) The Senate believes that savings can be achieved by simply eliminating wasteful and duplicative programs, not the programs cited by the Administration, which generally receive broad bipartisan support. Just a few abuses that could be eliminated to achieve reductions include the following:

(A) \$25,000,000 for UNFPA while UNFPA works hand-in-glove with the brutal Communist Chinese dictators to abuse women and children under the coercive one-child-per-family population control policy.

(B) \$35,000,000 for the Inter-American Foundation, which funded groups in Ecuador clearly identified by the State Department as terrorist organizations that kidnaped Americans and threatened their lives, as well as the lives and safety of other United States citizens, while extorting money from them.

(C) \$105,000,000 proposed for Haiti, which has abandoned democracy in favor of dictatorship and where United States taxpayer funds have been used, according to the International Planned Parenthood Federation's annual report, for "a campaign to reach voodoo followers with sexual and reproductive health information by performing short song-prayers about STDs [sexually transmitted diseases] and the benefits of family planning during voodoo ceremonies".

(D) \$60,000,000 over ten years to the American Center for International Labor Solidarity (ACILS), which is AFL-CIO's international nongovernment division. 100% of ACILS's funding is from taxpayers while AFL-CIO contributed \$40,956,828 exclusively to Democratic candidates in the 1998 Federal election cycle.

(E) In fiscal year 1999, \$200,000 in foreign aid to Canada to underwrite seminars on gender sensitivity for peacekeepers.

(F) In fiscal year 1999, the United States provided the International Labor Organization with \$54,774,408. Work produced by that organization included a report advocating recognition of the sex trade as a flourishing economic enterprise and called for recognition of the trade in official statistics.

(G) According to the General Accounting Office, "USAID has spent, by its own account, \$92,000,000 to develop and maintain the NMS [new management system], the system does not work as intended and has created problems in mission operations and morale."

(H) In fiscal year 1999, the State Department is attempting to send \$28,000,000 to fund the Comprehensive Test Ban Treaty Organization, which is an organization established by a treaty the United States has not ratified.

(I) Despite sensitive deadlines in the Middle East Peace Process looming, the United Nations is calling for a conference under the auspices of the Fourth Geneva Convention. No conference has been held under that Convention since its inception in 1947. The topic for discussion is Israeli Settlements in the West Bank and Gaza. The United States opposes this conference yet contributes 25 percent of the United Nations budget.

(J) The United States has spent more than \$3,000,000,000 to "restore democracy in Haiti." The reality is that there has been no Prime Minister or Cabinet in Haiti for 19 months; the Parliament has been effectively dissolved; local officials serve at the whim of President Preval; the privatization process is stalled; political murders remain unsolved; drug trafficking is rampant. In short, billions of dollars in foreign aid have bought us no leverage with the Haitians.

(K) As a result of consolidation of United States foreign affairs agencies, 1,943 personnel will be transferred into the State Department prior to the start of fiscal year 2000. The fiscal year 2000 budget does not identify a reduction in a single staff position.

(2) Additional funds that may become available from elimination of some foreign assistance programs, management efficiencies as a result of reorganization of the foreign affairs agencies, and new estimates on the size of the budget surplus should be designated for United States embassy upgrades.

#### AMENDMENT NO. 219

(Purpose: To express the sense of the Senate that \$50 million will be provided in fiscal year 2000 to conduct intensive firearms prosecution projects to combat violence in the twenty-five American cities with the highest crime rates)

At the appropriate place insert the following:

#### SEC. . SENSE OF THE SENATE REGARDING FUNDING FOR INTENSIVE FIREARMS PROSECUTION PROGRAMS.

(a) FINDINGS.—Congress finds that—

(1) gun violence in America, while declining somewhat in recent years, is still unacceptably high;

(2) keeping firearms out of the hands of criminals can dramatically reduce gun violence in America;

(3) States and localities often do not have the investigative or prosecutorial resources to locate and convict individuals who violate their firearms laws. Even when they do win convictions, states and localities often lack the jail space to hold such convicts for their full terms;

(4) there are a number of federal laws on the books which are designed to keep firearms out of the hands of criminals. These laws impose mandatory minimum sentences upon individuals who use firearms to commit crimes of violence and convicted felons caught in possession of a firearm;

(5) the federal government does have the resources to investigate and prosecute violations of these federal firearms laws. The federal government also has enough jail space to hold individuals for the length of their mandatory minimum sentences;

(6) an effort to aggressively and consistently apply these federal firearms laws in Richmond, Virginia, has cut violent crime in that city. This program, called Project Exile, has produced 288 indictments during its first two years of operation and has been credited with contributing to a 15% decrease in violent crimes in Richmond during the same period. In the first three-quarters of 1998, homicides with a firearm in Richmond were down 55% compared to 1997;

(7) the Fiscal Year 1999 Commerce-State-Justice Appropriations Act provided \$1.5 million to hire additional federal prosecutors and investigators to enforce federal firearms laws in Philadelphia. The Philadelphia project—called Operation Cease Fire—started on January 1, 1999. Since it began, the project has resulted in 31 indictments of 52 defendants on firearms violations. The project has benefited from help from the Philadelphia Police Department and the Bureau of Alcohol, Tobacco and Firearms which was not paid for out of the \$1.5 million grant;

(8) Senator Hatch has introduced legislation to authorize Project CUFF, a federal firearms prosecution program;

(9) the Administration has requested \$5 million to conduct intensive firearms prosecution projects on a national level;

(10) given that at least \$1.5 million is needed to run an effective program in one American city—Philadelphia—\$5 million is far from enough funding to conduct such programs nationally.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that Function 750 in the budget resolution assumes that \$50,000,000 will be provided in fiscal year 2000 to conduct intensive firearms prosecution projects to combat violence in the twenty-five American cities with the highest crime rates.

AMENDMENT NO. 221

(Purpose: To express the sense of the Senate concerning fostering the employment and independence of individuals with disabilities)

At the appropriate place, insert the following:

**SEC. —. SENSE OF THE SENATE CONCERNING FOSTERING THE EMPLOYMENT AND INDEPENDENCE OF INDIVIDUALS WITH DISABILITIES.**

(a) FINDINGS.—The Senate makes the following findings:

(1) Health care is important to all Americans.

(2) Health care is particularly important to individuals with disabilities and special health care needs who often cannot afford the insurance available to them through the private market, are uninsurable by the plans available in the private sector, or are at great risk of incurring very high and economically devastating health care costs.

(3) Americans with significant disabilities often are unable to obtain health care insurance that provides coverage of the services and supports that enable them to live independently and enter or rejoin the workforce. Coverage for personal assistance services, prescription drugs, durable medical equipment, and basic health care are powerful and proven tools for individuals with significant disabilities to obtain and retain employment.

(4) For individuals with disabilities, the fear of losing health care and related services is one of the greatest barriers keeping the individuals from maximizing their employment, earning potential, and independence.

(5) Individuals with disabilities who are beneficiaries under title II or XVI of the Social Security Act (42 U.S.C. 401 et seq., 1381 et seq.) risk losing medicare or medicaid coverage that is linked to their cash benefits, a risk that is an equal, or greater, work disincentive than the loss of cash benefits associated with working.

(6) Currently, less than ½ of 1 percent of social security disability insurance (SSDI) and supplemental security income (SSI) beneficiaries cease to receive benefits as a result of employment.

(7) Beneficiaries have cited the lack of adequate employment training and placement services as an additional barrier to employment.

(8) If an additional ½ of 1 percent of the current social security disability insurance (SSDI) and supplemental security income (SSI) recipients were to cease receiving benefits as a result of employment, the savings to the Social Security Trust Funds in cash assistance would total \$3,500,000,000 over the worklife of the individuals.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the provisions of this resolution assume that the Work Incentives Improvement Act of 1999 (S. 331, 106th Congress)

will be passed by the Senate and enacted early this year, and thereby provide individuals with disabilities with the health care and employment preparation and placement services that will enable those individuals to reduce their dependency on cash benefit programs.

Mr. JEFFORDS. Mr. President, the amendment that I offer with my colleagues Senators KENNEDY, ROTH, MOYNIHAN, and CHAFEE, states that the Senate budget resolution assumes that the Work Incentives Improvement Act of 1999, S. 331, will pass the Senate and be enacted early this year.

S. 331 helps people with disabilities remain or become taxpayers. It has 70 co-sponsors. It gives people with disabilities, who are on the Social Security rolls, a reason to work.

If they work and forego cash payments, they will have access to health care. They will contribute to the cost of that health care. Right now the federal government disburses \$1.21 billion each week in cash payments—a real budget buster that S. 331 would fix.

Mr. President, we have one broad, bipartisan initiative on health care reform, that we should take up and enact quickly. Along with my colleagues Senators KENNEDY, ROTH and MOYNIHAN, I have introduced S. 331, legislation that would help individuals with disabilities go to work without being forced to sacrifice vital health care benefits. 70 Senators have joined us as co-sponsors of the Work Incentives Improvement Act of 1999, S. 331.

I have heard many compelling stories from individuals with disabilities. Some sit at home waiting for S. 331 to become law, so they can go to work. Some work part time being careful not to exceed the \$500 per month threshold which would trigger cut off of their health care. Yesterday I received a letter from a young man, Don, 30-years of age, who told me he has mild mental retardation, mild cerebral palsy, a seizure disorder, and a visual impairment. Don works, but only part time.

At the end of his letter he wrote,

The Work Incentives Improvement Act will help my friends become independent too. Then they can pay taxes too. But most of all they will have a life in the community. We are adults. We want to work. We don't need a hand out . . . we just need a hand up.

Well, we want to help people such as Don have a hand up. Not just for him, but out of self-interest as well. The hard facts make a compelling case for enacting S. 331 quickly.

The rate in growth in these programs between 1989 and 1997 was 64 percent. Thus, it is not surprising that SSI and SSDI disbursements went from \$34.4 billion in 1989 to \$62.9 billion in 1997. For 1997, GAO estimated weekly disbursements to be \$1.21 billion.

Surplus or no surplus, we cannot afford these escalating costs. By adopting our resolution, the Senate sends an important message, we want individuals with disabilities to have an opportunity to contribute—to their own well-being, to that of their families, and to that of their communities. The

57,000 beneficiaries in Vermont are waiting for S. 331. A vote in favor of our Sense of the Senate amendment will send these beneficiaries and those in every State a clear, concrete signal. S. 331 will be enacted this year, and soon.

AMENDMENT NO. 222

(Purpose: To express the sense of the Senate with respect to maintaining at least current expenditures (including emergency funding) for the Low Income Home Energy Assistance Program (LIHEAP) for FY 2000)

At the appropriate place, insert the following new section:

**SEC. . SENSE OF THE SENATE ON LIHEAP.**

(a) FINDINGS.—The Senate finds that:

(1) Home energy assistance for working and low-income families with children, the elderly on fixed incomes, the disabled, and others who need such aid is a critical part of the social safety net in cold-weather areas during the winter, and a source of necessary cooling aid during the summer;

(2) LIHEAP is a highly targeted, cost-effective way to help millions of low-income Americans pay their home energy bills. More than two-thirds of LIHEAP-eligible households have annual incomes of less than \$8,000, approximately one-half have annual incomes below \$6,000; and

(3) LIHEAP funding has been substantially reduced in recent years, and cannot sustain further spending cuts if the program is to remain a viable means of meeting the home heating and other energy-related needs of low-income families, especially those in cold-weather states.

(b) SENSE OF THE SENATE.—The assumptions underlying this budget resolution assume that it is the sense of the Senate that the funds made available for LIHEAP in Fiscal Year 2000 will not be less than the current services for LIHEAP in Fiscal Year 1999.

Mr. JEFFORDS. Mr. President, there is strong bipartisan support for the Low Income Home Energy Assistance Program. Last year, Congress unanimously passed a five-year reauthorization of LIHEAP. In addition, 52 Senators signed a letter in support of \$1.2 billion in funding for LIHEAP. This year, the Northeast-Midwest Senate Coalition is circulating a similar letter, which has already garnered the support of 30 Senators.

Support has not waned for the LIHEAP program since the May 1996 Sense of the Senate on LIHEAP. Eighty-eight Senators voted to maintain current expenditure levels for LIHEAP. Nevertheless, it appears time to re-confirm the Senate's commitment to LIHEAP. Last year, there was a failed attempt to zero out funding for LIHEAP. The threat looms again this year.

I, along with my colleagues from the Northeast-Midwest Senate Coalition, offer this Sense of the Senate to demonstrate the broad, bipartisan support for the LIHEAP program. The amendment is simple. It maintains LIHEAP funding at a minimum of current levels, which is \$1.1 billion. This is still 50% lower than LIHEAP funding was in 1985.

I recognize that these are difficult budgetary times; however, LIHEAP is an effective tool for maintaining the basic needs of low-income households.

It promotes self-sufficiency, something our welfare-to-work laws advocate; and it ensures that our nation's children, elderly and disabled never go to sleep in a freezing cold farmhouse or a stifling hot apartment.

Some would argue that energy costs are low and winter temperatures have been milder. My response is that the need for LIHEAP has never been greater. The eligible population has grown; eligibility has been restricted; benefit levels have been reduced; and welfare rolls have been shrinking. LIHEAP provides a critical safety net to the working poor, the elderly and families with children.

The statistics demonstrate the need for LIHEAP best. More than two-thirds of LIHEAP-eligible households have annual incomes of less than \$8000, approximately one-half have annual incomes below \$6000. It has been estimated that low-income households typically spend four times what middle-income households spend on utility services. Middle-income households spend about 4 percent of their income for energy purposes, whereas low-income households spend between 14% and 16%, and in many instances up to 25% for utility costs.

The other argument I hear against LIHEAP is that only cold weather states reap its benefits. Wrong again. In 1998, eleven southern states received \$150 million in emergency LIHEAP funding alone. I have seen news articles from Oregon, Georgia, Tennessee, and Kansas discussing the importance of LIHEAP. This is an important national program.

AMENDMENT NO. 223

(Purpose: To express the sense of the Senate that the Congress should provide the maximum funding envisioned in law for Southwest Border law enforcement programs to stop the flow of drugs into the United States)

At the end of title III, insert the following:  
**SEC. . SENSE OF THE SENATE ON SOUTHWEST BORDER LAW ENFORCEMENT FUNDING.**

(a) FINDINGS.—

(1) The Federal Government has not effectively secured the Southwest Border of the United States. According to the Drug Enforcement Administration, 50 to 70 percent of illegal drugs enter the United States through Texas, New Mexico, Arizona, and California. According to the State Department's 1999 International Narcotics Strategy Report, 60 percent of the Columbian cocaine sold in the United States passes through Mexico before entering the United States.

(2) General Barry McCaffrey, Director of the Office of National Drug Control Policy, has stated that 20,000 Border Patrol agents are needed to secure the United States' southern and northern borders. Currently, the Border Patrol has approximately 8,000 agents.

(3) The Illegal Immigration Reform and Immigrant Responsibility Act of 1996, requires the Attorney General to increase by not less than 1,000 the number of positions for full-time, active duty Border Patrol agents in fiscal years 1997, 1998, 2000, and 2001. The Administration's fiscal year 2000 budget provides no funding to hire additional full-time Border Patrol agents.

(4) The U.S. Customs Service plays an integral role in the detection, deterrence, disruption and seizure of illegal drugs as well as the facilitation of trade across the Southwest Border of the United States. Customs requested 506 additional inspectors in its fiscal year 2000 budget submission to the Office of Management and Budget. In their fiscal year 2000 budget request to Congress, however, the Administration provides no funding to hire additional, full-time Customs Service inspectors.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the budgetary levels in this budget resolution assume full funding for the Immigration and Naturalization Service to hire 1,000 full-time, active-duty Border Patrol agents in fiscal year 2000, as authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996. Further, it is the sense of the Senate that the budgetary levels in this budget resolution assume funding for the Customs Service to hire necessary staff and purchase equipment for drug interdiction and traffic facilitation at United States land border crossings, including 506 full-time, active-duty Customs inspectors.

AMENDMENT NO. 224

(Purpose: to express the sense of Congress that South Korea must abide by its international trade commitments on pork and beef)

At the appropriate place, insert the following:

**SEC. . SENSE OF THE CONGRESS REGARDING SOUTH KOREA'S INTERNATIONAL TRADE PRACTICES ON PORK AND BEEF.**

FINDINGS.—The Congress finds that:

Asia is the largest regional export market for America's farmers and ranchers, traditionally purchasing approximately 40 percent of all U.S. agricultural exports;

The Department of Agriculture forecasts that over the next year American agricultural exports to Asian countries will decline by several billion dollars due to the Asian financial crisis;

The United States is the producer of the safest agricultural products from farm to table, customizing goods to meet the needs of customers worldwide, and has established the image and reputation as the world's best provider of agricultural products;

American farmers and ranchers, and more specifically, American pork and beef producers, are dependent on secure, open, and competitive Asian export markets for their product;

United States pork and beef producers not only have faced the adverse effects of depreciated and unstable currencies and lowered demand due to the Asian financial crisis, but also have been confronted with South Korea's pork subsidies and its failure to keep commitments on market access for beef;

It is the policy of the United States to prohibit South Korea from using United States and International Monetary Fund assistance to subsidize targeted industries and compete unfairly for market share against U.S. products;

The South Korea Government has been subsidizing its pork exports to Japan, resulting in a 973 percent increase in its exports to Japan since 1992, and a 71 percent increase in the last year;

Pork already comprises 70 percent of South Korea's agriculture exports to Japan, yet the South Korean Government has announced plans to invest 100,000,000,000 won in its agricultural sector in order to flood the Japanese market with even more South Korean pork;

The South Korean Ministry of Agriculture and Fisheries reportedly has earmarked 25,000,000,000 won for loans to Korea's pork

processors in order for them to purchase more Korean pork and to increase exports to Japan;

Any export subsidies on pork, including those on exports from South Korea to Japan, would violate South Korea's international trade agreements and may be actionable under the World Trade Organization;

South Korea's subsidies are hindering U.S. pork and beef producers from capturing their full potential in the Japanese market, which is the largest export market for U.S. pork and beef, importing nearly \$700,000,000 of U.S. pork and over \$1,500,000,000 of U.S. beef last year alone;

Under the United States-Korea 1993 Record of Understanding on Market Access for Beef, which was negotiated pursuant to a 1989 GATT Panel decision against Korea, South Korea was allowed to delay full liberation of its beef market (in an exception to WTO rules) if it would agree to import increasing minimum quantities of beef each year until the year 2001;

South Korea fell woefully short of its beef market access commitment for 1998; and,

United States pork and beef producers are not able to compete fairly with Korean livestock producers, who have a high cost of production, because South Korea has violated trade agreements and implemented protectionist policies: Now, therefore, be it

It is the sense of the Congress that Congress:

(1) Believes strongly that while a stable global marketplace is in the best interest of America's farmers and ranchers, the United States should seek a mutually beneficial relationship without hindering the competitiveness of American agriculture;

(2) Calls on South Korea to abide by its trade commitments;

(3) Calls on the Secretary of the Treasury to instruct the United States Executive Director of the International Monetary Fund to promote vigorously policies that encourage the opening of markets for beef and pork products by requiring South Korea to abide by its existing international trade commitments and to reduce trade barriers, tariffs, and export subsidies;

(4) Calls on the President and the Secretaries of Treasury and Agriculture to monitor and report to Congress that resources will not be used to stabilize the South Korean market at the expense of U.S. agricultural goods or services; and

(5) Requests the United States Trade Representative and the U.S. Department of Agriculture to pursue the settlement of disputes with the Government of South Korea on its failure to abide by its international trade commitments on beef market access, to consider whether Korea's reported plans for subsidizing its pork industry would violate any of its international trade commitments, and to determine what impact Korea's subsidy plans would have on U.S. agricultural interests, especially in Japan.

AMENDMENT NO. 225

(Purpose: To express the sense of the Senate that no additional firewalls should be enacted for transportation activities)

At the end of title III, add the following:  
**SEC. . SENSE OF THE SENATE ON TRANSPORTATION FIREWALLS.**

(a) FINDINGS.—The Senate finds that—

(1) domestic firewalls greatly limit funding flexibility as Congress manages budget priorities in a fiscally constrained budget;

(2) domestic firewalls inhibit congressional oversight of programs and organizations under such artificial protections;

(3) domestic firewalls mask mandatory spending under the guise of discretionary spending, thereby presenting a distorted picture of overall discretionary spending;

(4) domestic firewalls impede the ability of Congress to react to changing circumstances or to fund other equally important programs;

(5) the Congress implemented "domestic discretionary budget firewalls" for approximately 70 percent of function 400 spending in the 105th Congress;

(6) if the aviation firewall proposal circulating in the House of Representatives were to be enacted, over 100 percent of function 400 spending would be firewalled; and

(7) if the aviation firewall proposal circulating in the House of Representatives were to be enacted, drug interdiction activities by the Coast Guard, National Highway Traffic Safety Administration activities, rail safety inspections, Federal support for Amtrak, all National Transportation Safety Board activities, Pipeline and Hazardous materials safety programs, and Coast Guard search and rescue activities would be drastically cut or eliminated from function 400.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this resolution assume that no additional firewalls should be enacted for function 400 transportation activities.

AMENDMENT NO. 226

(Purpose: To express the Sense of the Senate that new public health programs should not be established to the detriment of funding for existing, effective programs, such as the Preventive Health and Health Services Block Grant)

At the appropriate place, insert:

**SEC. 316. SENSE OF THE SENATE ON FUNDING EXISTING, EFFECTIVE PUBLIC HEALTH PROGRAMS BEFORE CREATING NEW PROGRAMS.**

(a) FUNDINGS.—The Senate finds that—

(1) the establishment of new categorical funding programs has led to proposed cuts in the Preventive Health and Health Services Block Grant to states for broad, public health missions;

(2) Preventive Health and Health Services Block Grant dollars fill gaps in the otherwise-categorical funding states and localities receive, funding such major public health threats as cardiovascular disease, injuries, emergency medical services and poor diet, for which there is often no other source of funding;

(3) in 1981, Congress consolidated a number of programs, including certain public health programs, into block grants for the purpose of best advancing the health, economics and well-being of communities across the country;

(4) The Preventive Health and Health Services Block Grant can be used for programs for screening, outreach, health education and laboratory services.

(5) The Preventive Health and Health Services Block Grant gives states the flexibility to determine how funding available for this purpose can be used to meet each state's preventive health priorities;

(6) The establishment of new public health programs that compete for funding with the Preventive Health and Health Services Block Grant could result in the elimination of effective, localized public health programs in every state.

(b) SENSE OF THE SENATE.—it is the sense of the Senate that the levels in this resolution and legislation enacted pursuant to this resolution assume that there shall be a continuation of the level of funding support for existing public health programs, specifically the Prevention Block Grant, prior to the funding of new public health programs.

Mr. ENZI. Mr. President, I rise today to offer an amendment to the budget resolution expressing the sense of the

Senate that we should continue to support our successful existing public health programs, before diverting limited dollars to the creation of new programs.

The President's budget proposed a \$30 million cut to the Preventive Health and Health Services Block Grant, which is funded through the Centers for Disease Control and Prevention. That's a 20 percent cut. For Wyoming, that means the loss of an entire public health program. How can I ask them to decide between the heart disease prevention program and emergency medical services? I sure know that I can't tell my constituents we were able to find funding for new, narrowly focused categorical programs that they may or may not be eligible for.

Mr. President, I believe we all share the same goal of getting the most out of money in the interest of public health. That was exactly Congress' thinking when they consolidated a variety of programs and established instead block grants to states. The intent was clear. States and localities need the flexibility to determine the best way to meet the public health needs of their residents. I believe we can address national health priorities without discarding the needs of local communities.

Congress has already drawn the correct conclusion. A significant portion of the public health battle is wages on the front lines back in the states. In the name of advancing public health, we should not be proposing cuts to our front line infrastructure.

Mr. President, I ask for my colleagues support for this amendment and request its immediate adoption.

AMENDMENT NO. 227

At the appropriate place, insert the following:

**SEC. FINDINGS; SENSE OF CONGRESS ON THE PRESIDENT'S FY 2000 BUDGET PROPOSAL TO TAX ASSOCIATION INVESTMENT INCOME.**

(a) The Congress finds that—

(1) The President's fiscal year 2000 federal budget proposal to impose a tax on the interest, dividends, capital gains, rents, and royalties in excess of \$10,000 of trade associations and professional societies exempt under sec. 501(c)(6) of the IRC of 1986 represents an unjust and unnecessary penalty on legitimate association activities.

(2) At a time when the government is projecting on-budget surpluses of more than \$800,000,000,000 over the next ten years, the President proposes to increase the tax burden on trade and professional association by \$1,440,000,000 over the next five years.

(3) The President's association tax increase proposal will impose a tremendous burden on thousands of small and mid-sized trade associations and professional societies.

(4) Under the President's association tax increase proposal, most associations with annual operating budgets of as low \$200,000 or more will be taxed on investment income and as many as 70,000 associations nationwide could be affected by this proposal.

(5) Associations rely on this targeted investment income to carry out tax-exempt status related activities, such as training individuals to adapt to the changing workplace, improving industry safety, providing statistical data, and providing community services.

(6) Keeping investment income free from tax encourages associations to maintain modest surplus funds that cushion against economic and fiscal downturns.

(7) Corporations can increase prices to cover increased costs, while small and medium sized local, regional, and State-based associations do not have such an option, and thus increased costs imposed by the President's association tax increase would reduce resources available for the important standard setting, educational training, and professionalism training performed by association.

(b) It is the sense of Congress that the functional totals in this concurrent resolution on the budget assume that Congress shall reject the President's proposed tax increase on investment income of associations as defined under section 501(c)(6) of the Internal Revenue Code of 1986.

Mr. ABRAHAM. Mr. President, I am joined today by Senators CRAPO, SANTORUM, HAGEL, INHOFE and COLLINS in introducing a sense of the Senate amendment to the budget resolution rejecting the President's proposed tax, as part of his fiscal year 2000 budget proposal, on the investment income earned by nonprofit trade associations and professional societies.

This proposal would tax any income in excess of \$10,000 earned through the non-competitive activities of nonprofit associations, such as interest, dividends, capital gains, rents and royalties, posing a tremendous burden on an estimated 70,000 registered trade associations and professional societies.

Mostly operating on a state and local level, these organizations depend on this income to perform such vital community services as education, training, standard setting, industry safety, and community outreach. Faced with an additional increase in taxes of \$1.4 billion over the next five years, many associations will be forced to cut back or eliminate these important services, forcing the government to step in, increasing expenditures and creating additional programs.

During a time when the government is projecting on-budget surpluses of more than \$800 billion over the next 10 years, it is unconscionable that we would allow the administration to levy a new tax on these nonprofit organizations.

I ask unanimous consent that the full text of the resolution be printed in the RECORD immediately following my statement.

Mr. CRAPO. Mr. President, I am pleased to join my good friend, Senator ABRAHAM of Michigan, in offering this amendment.

This amendment is being offered in reaction to a provision in the President's FY 2000 budget that would impose a new tax on the investment income of nonprofit trade and professional associations. These trade and professional associations are currently exempt from taxes under section 501(c)(6) of the Internal Revenue Code.

The administration's proposal would tax the investment income—interest,

dividends, capital gains, rents, and royalties—of 501(c)(6) associations. Associations currently rely on this investment income to carry out exempt-status related activities such as education, training, standard-setting, research, and community outreach.

Under the President's proposal, the first \$10,000 an association earns from investments would not be taxed. However, all income earned over \$10,000 would be subject to the unrelated business income tax under the Internal Revenue Code. It is estimated that this new tax, which can be as high as 35 percent, will increase the tax burden on the nation's nonprofit trade and professional associations by \$1.4 billion over the next 5 years.

Contrary to assertions made by the administration, this proposal will affect thousands of small and mid-sized trade associations and professional societies. According to the American Society of Association Executives' Operating Ratio Report, most associations with annual operating budgets as low as \$200,000 would be subject to a new tax under this proposal.

As many as 70,000 associations nationwide could be affected by this new tax, including the American Youth Soccer Organization, American Nurses Association, the National Education Association, National Association of State Departments of Agriculture, and many others. Important trade associations in my home state that could be affected by the new tax include the Idaho Association of School Administrators, Idaho Credit Union League, Idaho Mining Association, the Idaho Cattle Association and others.

This amendment is supported by the American Society of Association Executives (ASAE), the trade organization that represents our Nation's trade and professional associations.

Mr. President, I urge my colleagues to oppose this new tax and support the amendment.

AMENDMENT NO. 228

At the appropriate place, insert the following:

**SEC. XX. FINDINGS; SENSE OF CONGRESS ON THE USE OF FEDERAL FUNDS FOR NEEDLE EXCHANGE PROGRAMS.**

(a) The Congress finds that—

(1) Deaths from drug overdoses have increased over five times since 1988.

(2) A Montreal study published in the American Journal of Epidemiology, found that IV addicts who used a needle exchange program were over twice as likely to become infected with HIV as those who did not.

(3) A Vancouver study published in the Journal of AIDS, showed a stunning increase in HIV in drug addicts, from 1 to 2 percent to 23 percent, since that city's needle exchange program was begun in 1988. Deaths from drug overdoses have increased over five times since 1988 and Vancouver now has the highest death rate from heroin in North America.

(4) In November of 1995 the Manhattan Lower East Side Community Board #3 passed a resolution to terminate their needle exchange program due to the fact that "the community has been inundated with drug dealers. . . . Law-abiding businesses are being abandoned; and much needed law enforcement is being withheld by the police."

(5) The New York Times Magazine in 1997 reported that one New York City needle exchange program gave out 60 syringes to a single person, little pans to "cook" the heroin, instructions on how to inject the drug and a card exempting the user from arrest for possession of drug paraphernalia.

(6) Alcoholism and Drug Abuse Weekly reports that heroin use by American teenagers has doubled in the last five years.

(b) It is the sense of Congress that the functional totals in this concurrent resolution on the budget assume that Congress shall continue the statutory ban on the use of federal funds to implement or support any needle exchange program for drug addicts.

Mr. ABRAHAM. Mr. President, I am joined today by Senators COVERDELL, ASHCROFT, and HUTCHINSON in introducing a sense of the Senate amendment to the budget resolution rejecting the use of federal funds for needle exchange programs.

Deaths resulting from drug overdoses have increased five times since 1988. According to Alcoholism and Drug Abuse Weekly, the number of American teenagers using heroin, once considered a drug used primarily by hard-core drug addicts, has doubled in the past five years.

Last year, the Clinton administration attempted to lift the ongoing ban on federal funds for needle exchange programs as a solution to reducing the rate HIV infection among intravenous (IV) drug use without increasing the use of drugs like heroin. Needle exchange programs are not the answer—giving an addict a clean needle is equivalent to giving an alcoholic a clean glass—both do a more sanitary job of delivering the poison that is killing our kids.

A Montreal study published in the American Journal of Epidemiology, found that IV addicts who used a needle exchange program were over twice as likely to become infected with HIV as those who did not. The New York Times magazine reported that one New York City needle program gave a single individual 60 syringes, little pans to "cook" the heroin, instructions for usage, and a card amounting to a "get out of jail free" pass for possession of drug paraphernalia.

At a time when heroin use is skyrocketing among our youth, the last thing we need is for Washington to send the message that drug use is okay, and that we are not serious about the war on drugs. Join with us in finding that Congress shall continue the statutory ban on the use of federal funds to implement or support any needle exchange program for drug addicts.

AMENDMENT NO. 229

(Purpose: To express the sense of the Senate concerning funding for special education)

At the appropriate place, insert the following:

**SEC. \_\_\_\_ SENSE OF THE SENATE CONCERNING FUNDING FOR SPECIAL EDUCATION.**

(a) FINDINGS.—Congress makes the following findings:

(1) In the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.) (referred to in this resolution as the "Act"), Congress found that improving educational results for

children with disabilities is an essential element of our national policy of ensuring equality of opportunity, full participation, independent living, and economic self-sufficiency for individuals with disabilities.

(2) In the Act, the Secretary of Education is instructed to make grants to States to assist them in providing special education and related services to children with disabilities.

(3) The Act represents a commitment by the Federal Government to fund 40 percent of the average per-pupil expenditure in public elementary and secondary schools in the United States.

(4) The budget submitted by the President for fiscal year 2000 ignores the commitment by the Federal Government under the Act to fund special education and instead proposes the creation of new programs that limit the manner in which States may spend the limited Federal education dollars received.

(5) The budget submitted by the President for fiscal year 2000 fails to increase funding for special education, and leaves States and localities with an enormous unfunded mandate to pay for growing special education costs.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the budgetary levels in this resolution assume that part B of the Individuals with Disabilities Act (20 U.S.C. 1400 et seq.) should be fully funded at the originally promised level before any funds are appropriated for new education programs.

Mr. REED. Mr. President, I rise to join my colleague from Maine, Senator COLLINS, in offering this important amendment to express the Sense of the Senate that funding for need-based student financial aid programs should be increased.

The Republican budget proposal provides some welcome news when compared with past Republican budget proposals because it at least includes increased funding for elementary and secondary education. Indeed, it can be called much improved in contrast with past Republican proposals to eliminate the Department of Education.

However, I am deeply concerned that this funding increase may be financed by cutting critical programs like Head Start, Summer Jobs for Youth, and job training by up to 10% in FY2000, and 20% in the following years.

Moreover, this budget proposal assumes an increase for elementary and secondary education programs of \$2.6 billion over a freeze. However, it only assumes a \$2.4 billion overall increase for all education programs in fiscal year 2000, which means other vital education programs, like student financial aid programs, would have to be deeply cut or frozen in order to meet these assumptions.

It would be a shame to limit our ability to realize the reforms we just recently enacted as part of the Higher Education Act Amendments of 1998 to enhance federal assistance to college students. That is why I have joined Senator COLLINS and others in offering this amendment.

Mr. President, this amendment simply urges increases in funding for need-based student financial aid programs. These programs include Pell Grants, the Federal Work Study Program, the Leveraging Educational Assistance Partnership (LEAP) program, and TRIO.

I strongly support a greater investment in all of these important programs than is provided by the budget resolution. And, in particular, I have long been a champion of more robust funding for the LEAP program, a federal-state partnership that is essential to our efforts to help needy students attend and graduate from college.

I worked closely with Senator COLINS on a successful amendment two years ago to save LEAP from elimination and on legislation to reform this program, which was included in the Higher Education Act Amendments of 1998. These reforms seek to encourage states to increase their commitments to need-based student grant aid in exchange for increased flexibility to provide a broader array of higher education assistance to needy students.

We are currently working together to secure \$75 million for LEAP in the Fiscal Year 2000 Labor, Health and Human Services, and Education Appropriations bill to trigger these reforms, and I urge my colleagues to join us in this important effort.

LEAP and the rest of the federal financial aid programs are critical to helping students achieve their higher education goals.

All higher education and student groups endorse the effort to increase funding for need-based student financial aid programs, and I strongly urge my colleagues to support our amendment in order to meet the commitment to higher education that we reaffirmed last fall by passing the Higher Education Act Amendments of 1998.

AMENDMENT NO. 230

(Purpose: To provide an exception for emergency defense spending)

At the end of section 205 of the resolution, add the following:

(f) EXCEPTION FOR DEFENSE SPENDING.—This section shall not apply to a provision making discretionary appropriations in the defense category.”

Mr. STEVENS. Mr. President, this amendment modifies section 205 of the resolution, which creates a 60 vote point of order against emergency appropriations. The modification establishes an exception from the 60 vote point of order for national security emergency appropriations. Given the on-going operations in the Balkans, the need for this exception is clear.

Much like the vote to authorize the Persian Gulf war, where only 52 members of the Senate voted in support of that action, the current military operations in Kosovo and Serbia gained the support of only 58 Senators. I opposed that resolution. That doesn't change the fact that the men and women of the Armed Forces must be properly supplied, equipped and supported when they are sent to combat. That is our job, irrespective of whether each of us agrees with the specific policy that led to the deployment of U.S. forces.

Earlier this month, the Governmental Affairs Committee reported S. 93, which established new procedures for the consideration of emergency ap-

propriations. That bill creates a point of order that requires 51 votes to waive. That bill has been referred to the Budget Committee, and will probably come before the Senate after the Easter recess. I urge the adoption of the amendment.

AMENDMENT NO. 231

(Purpose: Sense of the Senate on providing tax relief to all Americans by returning the non-Social Security surplus to taxpayers)

At the appropriate place, insert:

**SEC. \_\_\_\_ SENSE OF SENATE ON PROVIDING TAX RELIEF TO ALL AMERICANS BY RETURNING NON-SOCIAL SECURITY SURPLUS TO TAXPAYERS.**

(a) FINDINGS.—The Senate finds the following:

(1) Every cent of Social Security surplus should be reserved to pay Social Security benefits, for Social Security reform, or to pay down the debt held by the public and not be used for other purposes.

(2) Medicare should be fully funded.

(3) Even after safeguarding Social Security and Medicare, a recent Congressional Research Service study found that an average American family will pay \$5,307 more in taxes over the next 10 years than the government needs to operate.

(4) The Administration's budget returns none of the excess surplus back to the taxpayers and instead increases net taxes and fees by \$96,000,000,000 over 10 years.

(5) The burden of the Administration's tax increases falls disproportionately on low- and middle-income taxpayers. A recent Tax Foundation study found that individuals with incomes of less than \$25,000 would bear 38.5 percent of the increased tax burden, while taxpayers with incomes between \$25,000 and \$50,000 would pay 22.4 percent of the new taxes.

(6) The budget resolution returns most of the non-Social Security surplus to those who worked so hard to produce it by providing \$142,000,000,000 in real tax relief over 5 years and almost \$800,000,000,000 in tax relief over 10 years.

(7) The budget resolution builds on the following tax relief that Republicans have provided since 1995:

(A) In 1995, Republicans proposed the Balanced Budget Act of 1995 which included tax relief for families, savings and investment incentives, health care-related tax relief, and relief for small business—tax relief that was vetoed by President Clinton.

(B) In 1996, Republicans provided, and the President signed, tax relief for small business and health care-related tax relief.

(C) In 1997, Republicans once again pushed for tax relief in the context of a balanced budget, and this time President Clinton signed into law a \$500 per child tax credit, expanded individual retirement accounts and the new Roth IRA, a cut in the capital gains tax rate, education tax relief, and estate tax relief.

(D) In 1998, Republicans (initially opposed by the Administration) pushed for reform of the Internal Revenue Service, and provided tax relief for America's farmers.

(8) Americans deserve further tax relief because they are still overpaying. They deserve a refund. Federal taxes currently consume nearly 21 percent of national income, the highest percentage since World War II. Families are paying more in Federal, State, and local taxes than for food, clothing, and shelter combined.

(b) SENSE OF SENATE.—It is the sense of the Senate that—

(1) the levels in this resolution assume that the Senate not only puts a priority on

protecting Social Security and Medicare and reducing the Federal debt, but also on middle-class tax relief by returning some of the non-Social Security surplus to those from whom it was taken; and

(2) such middle-class tax relief could include broad-based tax relief, marriage penalty relief, retirement savings incentives, death tax relief, savings and investment incentives, health care-related tax relief, education-related tax relief, and tax simplification proposals.

AMENDMENT NO. 232

(Purpose: To allow increased tobacco tax revenues to be used as an offset for the Medicare prescription drug benefit provided for in section 209)

On page 53, line 4, after “may change committee allocations” insert “, revenue aggregates for legislation that increases taxes on tobacco or tobacco products (only).”

AMENDMENT NO. 233

(Purpose: To protect taxpayers from retroactive income and estate tax rate increases by creating a point of order)

At the end of title III, add the following:

**SEC. \_\_\_\_ RESTRICTION ON RETROACTIVE INCOME AND ESTATE TAX RATE INCREASES.**

(a) PURPOSE.—The Senate declares that it is essential to ensure taxpayers are protected against retroactive income and estate tax rate increases.

(b) POINT OF ORDER.—

(1) IN GENERAL.—It shall not be in order in the Senate to consider any bill, joint resolution, amendment, motion, or conference report, that includes a retroactive Federal income tax rate increase.

(2) DEFINITION.—In this section—

(A) the term “Federal income tax rate increase” means any amendment to subsection (a), (b), (c), (d), or (e) of section 1, or to section 11(b) or 55(b), of the Internal Revenue Code of 1986, that imposes a new percentage as a rate of tax and thereby increases the amount of tax imposed by any such section; and

(B) a Federal income tax rate increase is retroactive if it applies to a period beginning prior to the enactment of the provision.

(c) SUPERMAJORITY WAIVER.—

(1) WAIVER.—The point of order in subsection (b) may be waived or suspended only by the affirmative vote of three-fifths of the Members, duly chosen and sworn.

(2) APPEALS.—An affirmative vote of three-fifths of the Members, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under subsection (b).

(d) EFFECTIVE DATE.—This section takes effect on January 1, 1999.

AMENDMENT NO. 234

(Purpose: To express the sense of the Senate regarding the need for incentives for low- and middle-income savers and investors and the need for such incentives to be accompanied by an expansion of the lowest personal income tax bracket)

At the end of title III, add the following:

**SEC. \_\_\_\_ SENSE OF THE SENATE REGARDING INCENTIVES FOR SMALL SAVERS.**

(a) FINDINGS.—The Senate finds that—

(1) in general, the Federal budget will accumulate nearly \$800,000,000,000 in non-Social Security surpluses through 2009;

(2) such a level of surplus affords Congress the opportunity to return a portion to the taxpayers in the form of tax relief;

(3) the Federal tax burden is at its highest level in over 50 years;

(4) personal bankruptcy filings reached a record high in 1998 with \$40,000,000,000 in debts discharged;

(5) the personal savings rate is at record lows not seen since the Great Depression;

(6) the personal savings rate was 9 percent of income in 1982;

(7) the personal savings rate was 5.7 percent of income in 1992;

(8) the personal savings rate plummeted to 0.5 percent in 1998;

(9) the personal savings rate could plummet to as low as negative 4.5 percent if current trends do not change;

(10) personal saving is important as a means for the American people to prepare for crisis, such as a job loss, health emergency, or some other personal tragedy, or to prepare for retirement;

(11) President Clinton recently acknowledged the low rate of personal savings as a concern;

(12) raising the starting point for the 28 percent personal income tax bracket by \$10,000 over 5 years would move 7,000,000 middle-income taxpayers into the lowest income tax bracket;

(13) excluding the first \$500 from interest and dividends income, or \$250 for singles, would enable 30,000,000 low- and middle-income taxpayers to save tax-free and would translate into approximately \$1,000,000,000 in savings;

(14) exempting the first \$5,000 in capital gains income from capital gains taxation would mean 10,000,000 low- and middle-income taxpayers would no longer pay capital gains tax;

(15) raising the deductible limit for Individual Retirement Account contributions from \$2,000 to \$3,000, would mean over 5,000,000 taxpayers will be better equipped for retirement; and

(16) tax relief measures to encourage savings and investments for low- and middle-income savers would mean tax relief for nearly 112,000,000 individual taxpayers by—

(A) raising the starting point for the 28 percent personal income tax bracket by \$10,000 over 5 years;

(B) excluding from income the first \$500 in interest and dividend income (\$250 for singles);

(C) exempting from capital gains taxation the first \$5,000 in capital gains taxes; and

(D) raising the deductible limit for Individual Retirement Account contributions from \$2,000 to \$3,000.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this budget resolution and legislation enacted pursuant to this resolution assume that—

(1) Congress will adopt tax relief that provides incentives for savings and investment for low- and middle-income working families that assist in preparing for unexpected emergencies and retirement, such as—

(A) raising the starting point for the 28 percent personal income tax bracket by \$10,000 over 5 years;

(B) excluding from income the first \$500 in interest and dividend income (\$250 for singles);

(C) exempting from capital gains taxation the first \$5,000 in capital gains taxes; and

(D) raising the deductible limit for Individual Retirement Account contributions from \$2,000 to \$3,000; and

(2) tax relief as described in this subsection is fully achievable within the parameters set forth under this budget resolution.

AMENDMENT NO. 235

(Purpose: To reduce the size of the tax cut)

On page 3, line 10, increase the amount by \$3,717,000,000.

On page 3, line 11, increase the amount by \$26,559,000,000.

On page 3, line 12, increase the amount by \$16,152,000,000.

On page 3, line 13, increase the amount by \$24,590,000,000.

On page 3, line 14, increase the amount by \$31,319,000,000.

On page 3, line 15, increase the amount by \$54,638,000,000.

On page 3, line 16, increase the amount by \$67,877,000,000.

On page 3, line 17, increase the amount by \$75,346,000,000.

On page 3, line 18, increase the amount by \$88,598,000,000.

On page 4, line 5, increase the amount by \$3,717,000,000.

On page 4, line 6, increase the amount by \$26,559,000,000.

On page 4, line 7, increase the amount by \$16,152,000,000.

On page 4, line 8, increase the amount by \$24,590,000,000.

On page 4, line 9, increase the amount by \$31,319,000,000.

On page 4, line 10, increase the amount by \$54,638,000,000.

On page 4, line 11, increase the amount by \$67,877,000,000.

On page 4, line 12, increase the amount by \$75,346,000,000.

On page 4, line 13, increase the amount by \$88,598,000,000.

On page 4, line 18, decrease the amount by \$83,000,000.

On page 4, line 19, decrease the amount by \$783,000,000.

On page 4, line 20, decrease the amount by \$1,946,000,000.

On page 4, line 21, decrease the amount by \$3,057,000,000.

On page 4, line 22, decrease the amount by \$4,616,000,000.

On page 4, line 23, decrease the amount by \$6,966,000,000.

On page 4, line 24, decrease the amount by \$10,401,000,000.

On page 4, line 25, decrease the amount by \$14,557,000,000.

On page 5, line 1, decrease the amount by \$19,436,000,000.

On page 5, line 6, decrease the amount by \$83,000,000.

On page 5, line 7, decrease the amount by \$783,000,000.

On page 5, line 8, decrease the amount by \$1,946,000,000.

On page 5, line 9, decrease the amount by \$3,057,000,000.

On page 5, line 10, decrease the amount by \$4,616,000,000.

On page 5, line 11, decrease the amount by \$6,966,000,000.

On page 5, line 12, decrease the amount by \$10,401,000,000.

On page 5, line 13, decrease the amount by \$14,557,000,000.

On page 5, line 14, decrease the amount by \$19,436,000,000.

On page 5, line 19, increase the amount by \$3,800,000,000.

On page 5, line 20, increase the amount by \$27,342,000,000.

On page 5, line 21, increase the amount by \$18,098,000,000.

On page 5, line 22, increase the amount by \$27,647,000,000.

On page 5, line 23, increase the amount by \$35,935,000,000.

On page 5, line 24, increase the amount by \$61,604,000,000.

On page 5, line 25, increase the amount by \$78,278,000,000.

On page 6, line 1, increase the amount by \$89,903,000,000.

On page 6, line 2, increase the amount by \$108,034,000,000.

On page 6, line 6, decrease the amount by \$3,800,000,000.

On page 6, line 7, decrease the amount by \$31,142,000,000.

On page 6, line 8, decrease the amount by \$49,240,000,000.

On page 6, line 9, decrease the amount by \$76,887,000,000.

On page 6, line 10, decrease the amount by \$112,822,000,000.

On page 6, line 11, decrease the amount by \$174,426,000,000.

On page 6, line 12, decrease the amount by \$252,704,000,000.

On page 6, line 13, decrease the amount by \$342,607,000,000.

On page 6, line 14, decrease the amount by \$450,641,000,000.

On page 6, line 18, decrease the amount by \$3,800,000,000.

On page 6, line 19, decrease the amount by \$31,142,000,000.

On page 6, line 20, decrease the amount by \$49,240,000,000.

On page 6, line 21, decrease the amount by \$76,887,000,000.

On page 6, line 22, decrease the amount by \$112,822,000,000.

On page 6, line 23, decrease the amount by \$174,426,000,000.

On page 6, line 24, decrease the amount by \$252,704,000,000.

On page 6, line 25, decrease the amount by \$342,607,000,000.

On page 7, line 1, decrease the amount by \$450,641,000,000.

On page 37, line 2, decrease the amount by \$83,000,000.

On page 37, line 3, decrease the amount by \$83,000,000.

On page 37, line 6, decrease the amount by \$783,000,000.

On page 37, line 7, decrease the amount by \$783,000,000.

On page 37, line 10, decrease the amount by \$1,946,000,000.

On page 37, line 11, decrease the amount by \$1,946,000,000.

On page 37, line 14, decrease the amount by \$3,057,000,000.

On page 37, line 15, decrease the amount by \$3,057,000,000.

On page 37, line 18, decrease the amount by \$4,616,000,000.

On page 37, line 19, decrease the amount by \$4,616,000,000.

On page 37, line 22, decrease the amount by \$6,966,000,000.

On page 37, line 23, decrease the amount by \$6,966,000,000.

On page 38, line 2, decrease the amount by \$10,401,000,000.

On page 38, line 3, decrease the amount by \$10,401,000,000.

On page 38, line 6, decrease the amount by \$14,557,000,000.

On page 38, line 7, decrease the amount by \$14,557,000,000.

On page 38, line 10, decrease the amount by \$19,436,000,000.

On page 38, line 11, decrease the amount by \$19,436,000,000.

On page 42, line 2, strike the amount and insert "\$71,016,000,000".

On page 42, line 4, strike the amount and insert "\$388,791,000,000".

On page 42, line 16, strike the amount and insert "\$71,016,000,000".

On page 42, line 18, strike the amount and insert "\$388,791,000,000".

AMENDMENT NO. 236

(Purpose: To strike section 201)

Strike section 201.

AMENDMENT NO. 237

(Purpose: To express the sense of the Senate on the importance of social security for individuals who become disabled)

At the appropriate place, insert the following:

**SEC. \_\_\_\_ SENSE OF THE SENATE ON THE IMPORTANCE OF SOCIAL SECURITY FOR INDIVIDUALS WHO BECOME DISABLED.**

(a) FINDINGS.—The Senate finds that—

(1) in addition to providing retirement income, Social Security also protects individuals from the loss of income due to disability;

(2) according to the most recent report from the Social Security Board of Trustees nearly 1 in 7 Social Security beneficiaries, 6,000,000 individuals in total, were receiving benefits as a result of disability;

(3) more than 60 percent of workers have no long-term disability insurance protection other than that provided by Social Security;

(4) according to statistics from the Society of Actuaries, the odds of a long-term disability versus death are 2.7 to 1 at age 27, 3.5 to 1 at age 42, and 2.2 to 1 at age 52; and

(5) in 1998, the average monthly benefit for a disabled worker was \$722.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that levels in the resolution assume that—

(1) Social Security plays a vital role in providing adequate income for individuals who become disabled;

(2) individuals who become disabled face circumstances much different than those who rely on Social Security for retirement income;

(3) Social Security reform proposals that focus too heavily on retirement income may adversely affect the income protection provided to individuals with disabilities; and

(4) Congress and the President should take these factors into account when considering proposals to reform the Social Security program.

#### AMENDMENT NO. 238

(Purpose: To provide \$200,000,000 for the State-side program of the land and water conservation fund)

On page 15, line 8, increase the amount by \$200,000,000.

On page 15, line 9, increase the amount by \$200,000,000.

On page 18, line 15, decrease the amount by \$200,000,000.

On page 18, line 16, decrease the amount by \$200,000,000.

At the end of title III, add the following:

#### SEC. 3. SENSE OF THE SENATE CONCERNING FUNDING FOR THE LAND AND WATER CONSERVATION FUND.

(a) FINDINGS.—The Senate finds that—

(1) amounts in the land and water conservation fund finance the primary Federal program for acquiring land for conservation and recreation and for supporting State and local efforts for conservation and recreation;

(2) Congress has appropriated only \$10,000,000,000 out of the more than \$21,000,000,000 covered into the fund from revenues payable to the United States under the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.); and

(3) 38 Senators cosigned 2 letters to the Chairman and Ranking Member of the Committee on the Budget urging that the land and water conservation fund be fully funded.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this resolution and legislation enacted pursuant to this resolution assume that Congress should appropriate \$200,000,000 for fiscal year 2000 to provide financial assistance to the States under section 6 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601-8), in addition to such amounts as are made available for Federal land acquisition under that Act for fiscal year 2000.

Mr. CHAFEE. Mr. President, I rise today to offer an amendment to restore funding to a program that has been dormant for too long, a program that could provide vital funding to assist small municipalities in conserving their resources. I rise today to offer an

amendment to provide \$200 million for funding the State-side program of the Land and Water Conservation Fund (LWCF). I am pleased to be joined by Senators BOB SMITH, FEINGOLD, LEAHY, JEFFORDS, MOYNIHAN, ROTH, ALLARD, COLLINS, and SNOWE in sponsoring this amendment.

The LWCF was started in 1964 to provide funds for land and water conservation through two programs: Federal land acquisitions, and Federal cost-sharing of State conservation and recreation projects. Moneys for the LWCF are derived from revenues obtained through oil and gas drilling in the Outer Continental Shelf. These revenues amount to \$4 billion to \$5 billion annually, which go into the General Treasury. Of this amount, \$900 million is authorized to go specifically to LWCF. However, in recent years, only about \$300 million to \$350 million has been appropriated for LWCF, and since 1995, funding for the State-side program has been entirely eliminated.

The principle behind the LWCF is a simple but noble one: to reinvest the revenues earned from the depletion of offshore oil and gas resources to the conservation of other natural resources. Unfortunately, the promise of the LWCF has never been fully realized because of sporadic funding. Many opportunities to conserve precious lands and to work with our State and local partners have been lost.

People across the country are realizing that they cannot afford to lose more opportunities to protect the lands they consider important. The elections of November 1998 underscored the groundswell of support for these efforts. Voters approved more than 200 State and local ballot initiatives—70 percent of the total initiatives offered—to commit \$7 billion for conservation and related activities.

Congress should play a role in supporting these efforts, and the LWCF was created 35 years ago precisely for this purpose. The two components of the Fund—Federal acquisitions and State-side conservation—provide a perfect complement to one another in a comprehensive package. Just two weeks ago, I spearheaded efforts to encourage 37 of my Senate colleagues to cosign a letter to the Budget Committee supporting full funding for the LWCF.

The State-side program, however, deserves specific attention. It is a grants program, that requires States to contribute 50 percent of the total cost of projects they wish to fund. The Federal Government matches the other 50 percent. States must prepare a comprehensive plan in order to be eligible for the funding, and they receive funds through an allocation formula. In short, the State-side program is a cost-sharing grants program, based on sound planning, with an apolitical distribution formula. What could be better? And yet Congress has not funded it since 1995.

One reason it has not been funded has been a question of priorities among a

long list of conservation needs. Federal land acquisition; operations and maintenance of Federal lands; and assistance to States are all important. Indeed, Mr. President, the Budget Committee explicitly recognizes this in its report for S. Con. Res. 20. However, the State-side program has suffered too long by being completely without funds. It is high time we restore some funding to this program, while recognizing that other needs still exist. My amendment does just that.

In order to increase the LWCF by \$200 million, of course, we need to find an offset with equivalent budget authority and outlays. This is never an easy task, but my amendment takes the funds from Function 370, relating to Commerce and Housing Credit. I believe that there are several programs within that function that can be cut to provide \$200 million for LWCF.

I urge my colleagues to support this amendment. Thank you, Mr. President. I yield the floor.

Ms. SNOWE. Mr. President, I support the CHAFEE amendment that assumes funding of \$200 million specifically for the stateside program of the Land and Water Conservation Fund to come out of Function 370. It is my understanding that no specific program in Function 370 has been designated as an offset for the Chafee amendment, nor do I believe that programs such as the Advanced Technology Program be considered as an offset. The ultimate funding decision of course rests with the appropriators, but I wanted to take this opportunity to cast my support for funds for the LWCF stateside program, which has not received any funding since 1995.

Up until 1995, LWCF stateside program funds were used in my state to assist communities for planning, acquiring and developing outdoor recreation facilities that would not otherwise have been affordable, especially in the smaller communities in Maine.

The LWCF stateside program has funded such local projects in Maine as the community playground in Durham, the Mt. Apatite trails in Auburn, the Dionne Park Playground in Madawaska, the East-West Aroostook Valley trail in Caribou, the Williams Wading Pool in Augusta, multi-purpose fields in St. George, Hampden, Buxton, Calais, and Bradford, the skating rink in Bucksport, and wharf rehabilitation in Greenville.

By leveraging state dollars with critical LWCF stateside funds, Maine's communities have been able to enjoy recreational facilities such as neighborhood parks, swimming pools, and ball fields, and also have had the opportunity to conserve certain highly valued lands that the citizens of the state wish to save for outdoor recreational activities for themselves and for generations to come.

## AMENDMENT NO. 239

(Purpose: To express the sense of the Senate that the Social Security Trust Fund shall be managed in the best interest of current and future beneficiaries)

At the appropriate place, insert the following:

**SEC. . SENSE OF THE SENATE THAT THE SOCIAL SECURITY TRUST FUND SHALL BE MANAGED IN THE BEST INTEREST OF CURRENT AND FUTURE BENEFICIARIES.**

It is the sense of the Senate that the Social Security Trust Fund surplus shall be invested in interest-bearing obligations of the United States in a manner consistent with the best interest of, and payment of benefits to, current and future Social Security beneficiaries.

## AMENDMENT NO. 240

(Purpose: To express the sense of the Senate concerning Federal tax relief)

At the appropriate place, insert the following:

**SEC. . SENSE OF THE SENATE CONCERNING FEDERAL TAX RELIEF.**

(a) FINDINGS.—The Senate makes the following findings:

(1) The Congressional Budget Office has reported that payroll taxes will exceed income taxes for 74 percent of all taxpayers in 1999.

(2) The Federal Government will collect nearly \$50 billion in income taxes this year through its practice of taxing the income Americans sacrifice to the government in the form of Social Security payroll taxes.

(3) American taxpayers are currently shouldering the heaviest tax burden since 1944.

(4) According to the non-partisan Tax Foundation, the median dual-income family sacrificed a record 37.6 percent of its income to the government in 1997.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the assumptions underlying the functional totals in this resolution assume that a significant portion of the tax relief will be devoted to working families who are double-taxed by—

(1) Providing taxpayers with an above-the-line income tax deduction for the Social Security payroll taxes they pay so that they no longer pay income taxes on such payroll taxes, and/or

(2) gradually reducing the lowest marginal income tax rate from 15 percent to 10 percent, and/or

(3) other tax reductions that do not reduce the tax revenue devoted to the Social Security Trust Fund.

## AMENDMENT NO. 241

At the appropriate place, insert:

**SEC. . SENSE OF THE SENATE REGARDING THE CLOSURE OF HOWARD AIR FORCE BASE AND REPOSITIONING OF ASSETS AND OPERATIONAL CAPABILITIES IN FORWARD OPERATING LOCATIONS.**

(A) FINDINGS.—The Senate finds the following—

(1) at noon on the last day of 1999, the Panama Canal and its adjacent lands will revert from U.S. control to that of the government of Panama, as prescribed by the Carter-Torrijos treaties concluded in 1978.

(2) with this act, nearly ninety years of American presence in the Central American isthmus will come to an end.

(3) on September 25, 1998, the United States and Panama announced that talks aimed at establishing a Multinational counter-narcotics Center (MCC) were ended through mutual agreement. The two countries had been engaged in discussions for two years.

(4) plans to meet the deadline are going forward and the U.S. is withdrawing all

forces and proceeding with the return of all military installations to Panamanian control.

(5) Howard Air Force Base is scheduled to return to Panamanian control by May 1, 1999. Howard AFB provides a secure staging for detection, monitoring and intelligence collecting assets on counter-narcotics drug trafficking. Howard Air Force Base was the proposed location for the Multinational Counter-narcotics Center.

(6) AWACS (E-3) aircraft used for counter-drug surveillance is scheduled for relocation from Howard AFB to MacDill AFB in April. The E3's are scheduled to resume this mission in May from MacDill.

(7) USSOUTHCOM and the Department of State have been examining the potential for alternative forward operating locations (FOLs). A potential location would require the operational capacity to house E-3 AWACS KC-135 tankers, Night Hawk F-16s/F-15s, Navy P-3s, U.S. Customs P-3s and Citations, Army Airborne Reconnaissance Low, and Senior Scout C-130s. No agreement has been reached regarding the number of FOLs required, cost of relocating these assets, time to build ensuing facilities, or plans for housing these assets for long-term stays.

(B) SENSE OF THE SENATE.—It is the sense of the Senate that the provisions of this resolution assume that—

(1) the United States is obligated to protect its citizens from the threats posed by illegal drugs crossing our borders. Interdiction in the transit and arrival zones disrupt the drug flow, increases risk to traffickers, drives them to less efficient routes and methods, and prevents significant amounts of drugs from reaching the United States.

(2) there has been an inordinate delay in identifying and securing appropriate alternate sites.

(3) the Senate must pursue every effort to explore, urge the President to arrange long-term agreements with countries that support reducing the flow of drugs, and fully fund forward operating locations so that we continue our balanced strategy of attacking drug smugglers before their deadly cargos reach our borders.

## AMENDMENT NO. 242

(Purpose: To express the sense of the Senate that increased funding for elementary and secondary education should be directed to States and local school districts)

On page 73, after line 10, insert the following:

(c) ADDITIONAL FINDINGS.—Congress makes the following findings:

(1) Children should be the primary beneficiaries of education spending, not bureaucrats.

(2) Parents have the primary responsibility for their children's education. Parents are the first and best educators of their children. Our Nation trusts parents along with teachers and State and local school officials to make the best decisions about the education of our Nation's children.

(3) Congress supports the goal of ensuring that the maximum amount of Federal education dollars are spent directly in the classrooms.

(4) Education initiatives should boost academic achievement for all students. Excellence in American classrooms means having high expectations for all students, teachers, and administrators, and holding schools accountable to the children and parents served by such schools.

(5) Successful schools and school systems are characterized by parental involvement in the education of their children, local control, emphasis on basic academics, emphasis on fundamental skills, and exceptional teachers in the classroom.

(6) Congress rejects a one-size-fits-all approach to education which often creates barriers to innovation and reform initiatives at the local level. America's rural schools face challenges quite different from their urban counterparts. Parents, teachers, and State and local school officials should have the freedom to tailor their education plans and reforms according to the unique educational needs of their children.

(7) The funding levels in this resolution assume that Congress will provide an additional \$2,800,000,000 for fiscal year 2000 and an additional \$33,000,000,000 for the period beginning with fiscal year 2000 and ending with fiscal year 2005 for elementary and secondary education.

(d) ADDITIONAL SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this resolution assume that—

(1) increased Federal funding for elementary and secondary education should be directed to States and local school districts; and

(2) decisionmaking authority should be placed in the hands of States, localities, and families to implement innovative solutions to local educational challenges and to increase the performance of all students, unencumbered by unnecessary Federal rules and regulations.

## AMENDMENT NO. 243

(Purpose: Sense of the Senate to create a task force to pursue the creation of a natural disaster reserve fund)

At the appropriate place, insert:

It is the sense of the Senate that a task force be created for the purpose of creating a reserve fund for natural disasters. The task force should be composed of three Senators appointed by the majority leader, and two Senators appointed by the minority leader. The task force should also be composed of three members appointed by the speaker of the House, and two members appointed by minority leader in the House. It is the sense of the Senate that the task force make a report to the appropriate committees in Congress within 90 days of being convened. The report should be available for the purposes of consideration during comprehensive overhaul of budget procedures.

Mr. LAUTENBERG. I now yield to Senator ROBB from Virginia so that he may offer an amendment.

The PRESIDING OFFICER. The Senator from Virginia.

## AMENDMENT NO. 182

(Purpose: To ensure fiscal discipline by requiring that any tax relief be offset in accordance with current budget rules and practices, and that any surpluses be used for debt reduction, until Congress saves Social Security and strengthens Medicare and pays off the publicly held debt)

Mr. ROBB. Mr. President, I have an amendment at the desk and I ask that the clerk report the amendment.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Virginia [Mr. ROBB], for himself and Mr. GRAHAM of Florida, proposes an amendment numbered 182.

Mr. ROBB. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 46, strike section 204.  
On page 42, strike lines 1 through 5, and strike lines 15 through 19. Insert at the appropriate place the following:

"SEC. . SENSE OF THE SENATE.—It is the sense of the Senate that the provisions of this resolution assume that the savings from this amendment shall be used to reduce publicly held debt and to strengthen and extend the solvency of the Medicare program.

AMENDMENT NO. 178, AS MODIFIED

Mr. LAUTENBERG. Mr. President, I send a modification to amendment No. 178 to the desk.

The PRESIDING OFFICER. The modification will be accepted.

The amendment (No. 178), as modified, follows:

On page 43, strike beginning with line 3 through line 6, page 45, and insert the following:

**SEC. 201. RESERVE FUND FOR AN UPDATED BUDGET FORECAST.**

(a) CONGRESSIONAL BUDGET OFFICE UPDATED BUDGET FORECAST FOR FISCAL YEARS 2000-2004.—Pursuant to section 202(e)(2) of the Congressional Budget Act of 1974, the Congressional Budget Office shall update its economic and budget forecast for fiscal years 1999 through 2009 by July 15, 1999.

(b) REPORTING A SURPLUS.—If the report provided pursuant to subsection (a) estimates an on-budget surplus for fiscal year 2000 or results in additional surpluses beyond those assumed in this resolution in following fiscal years, the Chairman of the Committee on the Budget shall make the appropriate adjustments to revenue and spending as provided in subsection (c).

(c) ADJUSTMENTS.—The Chairman of the Committee on the Budget shall take the amount of the additional on-budget surplus for fiscal years 2000 through 2009 estimated in the report submitted pursuant to subsection (a) and in the following order in each of the fiscal years 2000 through 2009—

(1) increase the allocation to the Senate Committee on Agriculture, Nutrition and Forestry by \$6,000,000,000 in budget authority and outlays in each of the fiscal years 2000 through 2004;

(2) reduce the on-budget revenue aggregate by any remaining amounts for fiscal years 2000;

(3) provide for or increase the on-budget surplus levels used for determining compliance with the pay-as-you-go requirements of section 202 of H. Con. Res. 67 (104th Congress) by those amounts for fiscal year 2000 and all subsequent years; and

(4) adjust the instruction in sections 104(1) and 105(1) of this resolution to—

(A) reduce revenues by amounts in section (c)(2) for fiscal year 2000; and

(B) increase the reduction in revenues for the period of fiscal years 2000 through 2004 and for the period of fiscal years 2000 through 2009 by that amount.

(d) BUDGETARY ENFORCEMENT.—Revised aggregates and other levels under subsection (c) shall be considered for the purposes of the Congressional Budget Act of 1974 as aggregates and other levels contained in this resolution.

**SEC. 202. RESERVE FUND FOR AGRICULTURE.**

(a) ADJUSTMENT.—If legislation is reported by the Senate Committee on Agriculture, Nutrition and Forestry that provides risk management and income assistance for agriculture producers, the Chairman of the Senate Committee on the Budget may increase the allocation of budget authority and outlays to that Committee by an amount that does not exceed—

(1) \$6,500,000,000 in budget authority and in outlays for fiscal year 2000;

(2) \$36,000,000,000 in budget authority and \$35,165,000,000 in outlays for the period of fiscal years 2000 through 2004; and

(3) \$36,000,000,000 in budget authority and in outlays for the period of fiscal years 2000 through 2009.

Mr. DOMENICI. Mr. President, the next amendment will be an amendment offered by Senator ASHCROFT on education. Frankly, I am wondering, with such a short period of time before the vote must occur, whether we should just go ahead and ask him to delay and start with that amendment after the vote.

Mr. ASHCROFT. Will the Senator yield?

Mr. DOMENICI. Yes.

Mr. ASHCROFT. Mr. President, I would be pleased to operate in a way consistent with your wishes. I will begin debate now, or we can defer it until after the vote.

UNANIMOUS CONSENT AGREEMENT

Mr. DOMENICI. Mr. President, I ask unanimous consent that the vote occur on the first of the stacked amendments, and that the first vote be a 20-minute vote instead of 15, thus making up for the 5 minutes we might have misled people on.

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

AMENDMENT NO. 157

Mr. DOMENICI. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

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

The legislative clerk proceeded to call the roll.

Mr. DOMENICI. 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. BUNNING addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. BUNNING. Mr. President, the pending amendment, No. 157, offered by the Senator from Pennsylvania, Senator SPECTER, proposes to create a new entitlement for the NIH funded with increased taxes. This language is not germane to the budget resolution before us; therefore, I raise a point of order under section 305(b)(2) of the Congressional Budget Act of 1974.

MOTION TO WAIVE THE BUDGET ACT

Mr. DOMENICI. Mr. President, Senator SPECTER is not here. I know he would move to waive the point of order. So in his behalf, I move to waive the point of order and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Indiana (Mr. LUGAR), is absent because of a death in family.

The PRESIDING OFFICER. (Mr. FITZGERALD). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 47, nays 52, as follows:

[Rollcall Vote No. 64 Leg.]

YEAS—47

Abraham	Feinstein	Moynihan
Akaka	Graham	Murray
Bayh	Harkin	Reed
Biden	Inouye	Reid
Bingaman	Jeffords	Rockefeller
Boxer	Johnson	Santorum
Bryan	Kennedy	Sarbanes
Byrd	Kerrey	Schumer
Cleland	Kerry	Smith Gordon H
Collins	Kohl	Snowe
Daschle	Lautenberg	Specter
DeWine	Leahy	Thurmond
Dodd	Levin	Torricelli
Dorgan	Lieberman	Wellstone
Durbin	Mack	Wyden
Feingold	Mikulski	

NAYS—52

Allard	Enzi	Lott
Ashcroft	Fitzgerald	McCain
Baucus	Frist	McConnell
Bennett	Gorton	Murkowski
Bond	Gramm	Nickles
Breaux	Grams	Robb
Brownback	Grassley	Roberts
Bunning	Gregg	Roth
Burns	Hagel	Sessions
Campbell	Hatch	Shelby
Chafee	Helms	Smith Bob
Cochran	Hollings	Stevens
Conrad	Hutchinson	Thomas
Coverdell	Hutchison	Thompson
Craig	Inhofe	Voinovich
Crapo	Kyl	Warner
Domenici	Landrieu	
Edwards	Lincoln	

NOT VOTING—1

Lugar

The PRESIDING OFFICER. On this vote the yeas are 46, the nays are 53. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

The point of order is sustained and the amendment falls.

Mr. DOMENICI. Mr. President, I move to reconsider the vote, and I move to lay that motion on the table.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI. Mr. President, before you call up the vote, I remind Senators that vote was supposed to be over 15 minutes ago. It is almost 30 minutes. This one is supposed to be 10 minutes under the unanimous consent agreement. I am going to work very hard to see that we stick to 10. The next one right after it is 10 minutes. If we are here in 10, we will get two of them done in 20 minutes. So if we call the regular order, don't be surprised if you miss a vote.

AMENDMENT NO. 176, AS MODIFIED

The PRESIDING OFFICER. There are 2 minutes equally divided. Who yields time?

Mr. DOMENICI. Senator ROTH has 1 minute and the other side has 1 minute.

The PRESIDING OFFICER. That is correct.

Mr. ROTH. Mr. President, this amendment does not endorse any one course of action. It calls upon the Finance Committee to develop bipartisan legislation to reform the Medicare program. Congress should work in a bipartisan fashion to extend the solvency of

the Medicare program and to ensure that benefits under that program will be available to beneficiaries in the future. Congress should move expeditiously to consider the bipartisan recommendations of the chairman of the National Bipartisan Commission on the Future of Medicare. It urges the President to work with the Congress in fixing the problems in the Medicare program.

I thank my colleagues Senator BREAUX, Senator FRIST, Senator KERREY, Senator DOMENICI, Senator THOMPSON, Senator Bob GRAHAM, Senator ABRAHAM as well as Senators PHIL GRAMM, NICKLES, GRASSLEY, MURKOWSKI, and ASHCROFT for cosponsoring this legislation.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. LAUTENBERG. May we have order, Mr. President?

The PRESIDING OFFICER. The Senate will be in order.

Mr. ROCKEFELLER. Mr. President, I will use my minute in response to simply say this is not a "bipartisan" Commission. The Finance Committee may very well take it up. But people, before they praise what the Bipartisan Commission has done, should understand the sick and disabled are going to have to pay the most. Mr. President, 71 percent of all counties in this country have no HMOs whatsoever. The costs of beneficiaries are going to go up. Medicare prescription drugs are not in any way, shape, or form universal.

Mr. WELLSTONE. Mr. President, can we have order? We cannot hear.

The PRESIDING OFFICER. The Senate will be in order. Senators will take their conferences off the floor. The Senator from West Virginia.

Mr. ROCKEFELLER. Mr. President, I will continue by saying rural seniors and urban seniors are going to be hurt in this process because there will be fewer physicians who are trained because the training of doctors is completely removed from Medicare. It was turned over to the appropriators. I think you will see a diminution of personnel.

The numbers of uninsured seniors are going to be increased, some estimate by 1.4 million. Medicare was begun because the private sector was not able to handle the insurance, was not willing to handle it. I hope Members will vote against this nonbipartisan Commission.

The PRESIDING OFFICER. All time has expired. The question is on agreeing to the amendment.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Indiana (Mr. LUGAR) is absent because of a death in the family.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 56, nays 43, as follows:

[Rollcall Vote No. 65 Leg.]

YEAS—56

Abraham	Fitzgerald	McConnell
Allard	Frist	Murkowski
Ashcroft	Gorton	Nickles
Bennett	Gramm	Roberts
Bond	Grams	Roth
Breaux	Grassley	Santorum
Brownback	Gregg	Sessions
Bunning	Hagel	Shelby
Burns	Hatch	Smith (NH)
Campbell	Helms	Smith (OR)
Chafee	Hutchinson	Snowe
Cochran	Hutchison	Specter
Collins	Inhofe	Stevens
Coverdell	Jeffords	Thomas
Craig	Kerrey	Thompson
Crapo	Kyl	Thurmond
DeWine	Lott	Voinovich
Domenici	Mack	Warner
Enzi	McCain	

NAYS—43

Akaka	Feingold	Lincoln
Baucus	Feinstein	Mikulski
Bayh	Graham	Moynihan
Biden	Harkin	Murray
Bingaman	Hollings	Reed
Boxer	Inouye	Reid
Bryan	Johnson	Robb
Byrd	Kennedy	Rockefeller
Cleland	Kerry	Sarbanes
Conrad	Kohl	Schumer
Daschle	Landrieu	Torricelli
Dodd	Lautenberg	Wellstone
Dorgan	Leahy	Wyden
Durbin	Levin	
Edwards	Lieberman	

NOT VOTING—1

Lugar

The amendment (No. 176), as modified, was agreed to.

Mr. ROTH. I move to reconsider the vote.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 177

The PRESIDING OFFICER. There are 2 minutes on the Kennedy amendment, equally divided.

Mr. DOMENICI. I ask unanimous consent that Senator ASHCROFT be made a cosponsor of the Abraham amendment.

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

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, over the course of the past 2 days of debate, we have seen that there really are no additional funds in this budget proposal before the Senate for the preservation of the financial security of Medicare. But there are proposals for a tax cut of \$778 billion over the period of the next 10 years.

This amendment says we will take \$320 billion of the amount that is reserved for the tax cut and use it for the financial security of Medicare. Effectively, we are saying, with the surplus, which represents the pay-ins by hard-working Americans—hard-working Americans—that we are going to use that money for the preservation of Medicare, and then we can move ahead and really reform Medicare, and give that a priority over tax cuts which are currently in the budget.

It is a simple question. Are we going to favor financial stability and secu-

rity of Medicare or are we going to favor tax cuts? I say we can do both, but let us do the financial security of the Medicare system first. That is what this amendment is all about.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, first, this is an anti-tax-relief amendment. Secondly, compared to the resolution, we increase taxes \$320 billion. And there is absolutely no relationship between this amendment and Medicare, no matter how much the distinguished Senator from Massachusetts wants to say that there is. There is no relationship. This money sits around, can be spent. It is applied to the debt. We already apply more of the surplus to the debt than the President did with the Kennedy amendment. And last, we have already voted on it. We voted on Conrad. It is almost identical.

Having said that, I move to table and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Indiana (Mr. LUGAR), is absent because of a death in the family.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 53, nays 46, as follows:

[Rollcall Vote No. 66 Leg.]

YEAS—53

Abraham	Fitzgerald	McConnell
Allard	Frist	Murkowski
Ashcroft	Gorton	Nickles
Bennett	Gramm	Roberts
Bond	Grams	Roth
Brownback	Grassley	Santorum
Bunning	Gregg	Sessions
Burns	Hagel	Shelby
Campbell	Hatch	Smith (NH)
Chafee	Helms	Smith (OR)
Cochran	Hutchinson	Snowe
Collins	Hutchison	Stevens
Coverdell	Inhofe	Thomas
Craig	Jeffords	Thompson
Crapo	Kyl	Thurmond
DeWine	Lott	Voinovich
Domenici	Mack	Warner
Enzi	McCain	

NAYS—46

Akaka	Feingold	Lincoln
Baucus	Feinstein	Mikulski
Bayh	Graham	Moynihan
Biden	Harkin	Murray
Bingaman	Hollings	Reed
Boxer	Inouye	Reid
Breaux	Johnson	Robb
Bryan	Kennedy	Rockefeller
Byrd	Kerrey	Sarbanes
Cleland	Kerry	Schumer
Conrad	Kohl	Specter
Daschle	Landrieu	Torricelli
Dodd	Lautenberg	Wellstone
Dorgan	Leahy	Wyden
Durbin	Levin	
Edwards	Lieberman	

NOT VOTING—1

Lugar

The motion to lay on the table the amendment (No. 177) was agreed to.

Mr. GORTON. Mr. President, I move to reconsider the vote.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## PRIVILEGES OF THE FLOOR

Mr. GORTON. Mr. President, I ask unanimous consent that full floor privileges be granted to the following staff persons for the duration of the budget resolution debate: Mark Prater, Brig Pari, Tom Roesser, Bill Sweetnam, Jeff Kupfer, Ed McClellan, Alec Vachon, Kathy Means, DeDe Spitznagel, Monica Tencate, Marc Hahn, and Jennifer Baxendell.

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

## AMENDMENT NO. 242

Mr. GORTON. Mr. President, I believe it is now in order to consider an amendment previously offered by the Senator from Missouri.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Missouri [Mr. ASHCROFT], for himself, and Mr. GORTON, proposes an amendment numbered 242, as previously offered.

Mr. ASHCROFT. Mr. President, this amendment relates to the education funding included in this budget proposal. I have joined with other Republican Senators in calling for an increase in Federal spending for education and urging that those additional dollars go directly to the classroom. This is a proposed sense-of-the-Senate amendment, and I am offering this measure with Senator GORTON. It is a measure which already is at the desk.

Mr. President, as I mentioned earlier, this budget is very generous in terms of education, providing additional resources for the purpose of enhancing the capacity of our students to perform.

This budget provides, for instance, for my own State—I think if the money were to be divided equally between the States, Missouri would get \$56 million next year, more than it gets now. Over the next 5 years, it would get about \$660 million more. So that is a substantial increase in the resource.

I have joined with Senator GORTON of Washington to say that when we have that kind of resource flowing to the States, it is important for us that this increased resource in Federal education dollars be directed to the States and local schools out of the Federal budget and not to the Federal bureaucracy.

You see, our intention with this resource is to elevate the capacity of students to perform, not to elevate the capacity or the propensity of the bureaucracy to intermeddle in directing, and sometimes misdirecting, the resources that would otherwise be best directed at the local level.

Our hope is that this additional resource will give States and local communities, will give teachers and principals, and will give people at the classroom level—places where decisions can be made effectively about allocation of the resources—the maximum flexibility to design and run education programs that will literally elevate performance of our students.

One of our Nation's highest priorities is that every child would have the opportunity to receive the kind of challenging, rigorous education that would prepare them for not only success personally, but would also prepare them as team members of Team U.S.A. to keep America where it ought to be—leading the world.

Congress should develop and support Federal policy that will best promote education practices that succeed in our States and schools. Sometimes those practices are different in one State than they would be in other States. So we really want to invite the States, the school boards, the parents, and the teachers, those whose children are in the schools, to participate in developing the right deployment of these resources—spending the money wisely in ways that will help the students.

Successful school systems are characterized by parental involvement, where parents really care, where parents get involved with the school system, where they energize their children, where they assign a high value to achievement in education. That is where our children soar. We should have Federal policy that gives the parents, the schools, the school boards, the school districts, the local governments, and the States the right to tailor the expenditure of resources so as to meet the needs of our children. Successful schools are also characterized by fundamental skills, excellent teachers, dollars spent in the classroom, and not dollars wasted in the bureaucracy. So many of our current Federal educational resources are misspent. They drive a demand for paperwork. They don't drive a demand for performance. They don't contain elements that further our goal of giving our children a world-class education. A number of our Federal education programs contain these mountainous paperwork burdens—regulations and restrictions that hinder States' and local schools' ability to design programs.

Here are a couple of examples about the bureaucracy. Listen to these numbers. They are almost mind staggering.

In Florida, 374 employees administer \$8 billion in State funds. So it takes 374 to administer the \$8 billion in State funds. However, there are 297 State employees needed to oversee only \$1 billion in Federal funds, six times as many employees, six times as much bureaucracy, six times as much administration per dollar of funds spent in Federal dollars as there are for State dollars.

I think if we want to avoid that kind of overlay of inefficiency, if we want to

avoid the weight of paper that is weighing down the educational system that keeps teachers writing reports to bureaucrats instead of teaching our students, we ought to be working for this amendment which says that resources should go to State and local efforts; they should be tailored to meet the needs of the schools and to elevate student performance. The enhanced resources in this bill should not be devoted to the Federal bureaucracy where we have that 6-to-1 ratio demonstrated in the Florida experience where there are six times as many administrators for federal dollars as there are for State dollars.

The Federal Department of Education requires over 48.6 million hours of paperwork each year just to receive the Federal dollars. That translates into the equivalent of 25,000 full-time employees every year just doing the paperwork. This bureaucratic maze for Federal education bureaucracy takes up to 35 percent of Federal education dollars.

If I were to hand my son \$1 and before it got from my hand to his it changed from \$1 to 65 cents, I would hear about it. I would hear about it with justification—"You say you are giving me a dollar. You are only giving me 65 cents." That is what has been happening with Federal education dollars.

The Governors of the country know about it. That is why they were so adamant in unanimously supporting the Ed-Flex bill which we passed in the Senate. Flexibility is important. That is what we would be providing to support student achievement if we are able to support this amendment.

A recent example of inflexible Federal funding is the \$1.2 billion earmarked exclusively for classroom size reduction for early elementary grades. It may have been a noble aspiration, but it may not be what some schools need.

Listen to what Gov. Gray Davis, a Democratic Governor of California, recently said. He said it this way. His State had already achieved smaller classroom sizes in the early grades and needed to use the new Federal funds for reducing class size in 10th grade math and English classes. But no. The Federal bureaucrats and we, in conjunction with them, said no; this is only to be used in another specific arena.

Let's give the flexibility to a school district, to the Governors, to teachers, to principals, to people at the local level. Let's give them the flexibility to meet student needs instead of to satisfy the bureaucratic demand. Why should we handcuff States and local schools from using money in the way they best see fit?

According to the 1998 National Assessment of Educational Progress Reading Report Card, nearly 40 percent of our fourth grade students cannot even read at a basic level. United States 12th graders outperformed only 2 out of 21 nations in mathematics on a recent Third International Math and Science Study Test.

The Brookings Institution has reported that public institutions of higher education have to spend \$1 billion each year on remedial education for students who want to go to college. They have to have remedial work because it didn't happen at the elementary and secondary level.

Let's not continue to spend money, Federal funds, in the old way of running it through the bureaucracy, first shrinking it and then allowing it to go from the bureaucracy forward in ways that aren't serving students. We should direct any new and existing Federal education resources to States and local schools to design and implement education programs that work, and that they know can work, because they are working with the program. And they also know what programs they need for their students.

When Governor Gray Davis said he didn't need the money for smaller class sizes in early grades, he wasn't saying the program wouldn't work. He is just saying we already did that; we need to use the resource for something else.

We cannot afford to keep spending our dollars in the same way that we have been doing for years. A profound friend of mine said, "Your system is perfectly designed to give you what you are getting. If you do not like what you are getting, you had better change your system."

We can't do it the same way. It has been giving us the wrong results. Let's let States and local communities decide how to spend dollars to improve performance—not give us the same result but give us an elevated outcome.

I think we should give States and local schools the kind of flexibility they need to spend Federal dollars on programs that are needed at the local level rather than programs that are mandated from the bureaucracy. I think we need programs that boost student achievement, and that somehow foster academic excellence, giving local individuals the right to deploy the resources to do that.

Under this approach, schools will be able to deploy resources to hire new teachers and to raise teachers' salaries. They could buy textbooks, or new computers, enhance the library, or even build—do all kinds of things, whatever they believe is most important in order to achieve that fundamental goal that we will all agree we want to pursue: that is, elevated student performance.

That is what education is for—not for the bureaucracy in Washington. It is not really even for the bureaucracies at the State level, or the school boards, or even for the teachers. Our education effort is designed to elevate the performance and capacity to build the future of the United States by enhancing the future of individual students.

In conclusion, parents, teachers, school boards, and administrators are in the best position to say what is needed. You wouldn't think of going to a doctor who is 1,000 miles away who is prescribing only one thing for all the

people in the country regardless of their symptoms. We would say that is the most foolish thing of all. Yet we go to the bureaucracy in Washington, have them prescribe what we are going to do with our educational resources, no matter what the situation is in the State, or the school, or the local school area, or in the classroom. We need the capacity to say, here is what is wrong. Let's make the diagnosis at the local level, and then let's get at the problem at the local level.

We can provide those resources. The resources in this budget should be devoted to that. Senator GORTON of Washington has been a champion of this idea. Several years ago, really in a breakthrough in the Senate, we voted for this concept, and it was on his motion that we did so. I am pleased to join with him in this sense-of-the-Senate resolution.

I ask unanimous consent to add Senator SESSIONS as a cosponsor of this amendment. There may be others as well.

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

Mr. ASHCROFT. Mr. President, I am pleased to have the opportunity to join my colleague from Washington State, SLADE GORTON, in making sure that we give the Senate an opportunity to express itself clearly in favor of the kind of funding for schools that boosts student achievement.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, it is almost 35 years since Congress passed the first Elementary and Secondary Education Act. That marked a fundamental change in the relationship between the Federal Government and local school districts in the management of education policy. That act in 1965 was 30 pages long. Today the Elementary and Secondary Education Act takes up 400 pages of our statute books. The regulations passed pursuant to that act and other education acts literally occupy thousands of pages of the Federal regulations.

For a third of a century, Washington, DC—often Congress but most particularly the people who work in the Department of Education—has been dominated by the thought that centralized decisions and centralized control exercised here in Washington, DC, was the best way to solve problems relating to the education of our young people.

Mr. President, 35 years of that experience has been demonstrably shown not to work. Test scores have not improved anything like the degree that centralized control has been imposed from Washington, DC. In addition, of course, the Congress has not really kept its promise with respect to education. Only 7 or 8 percent of the money that our schools spend comes from appropriations from the Congress of the United States, but a good 50 percent of the rules and regulations do. A failed experiment should be abandoned, and we should try something else.

To focus on a particular incident in my own State of Washington, a team of researchers at the University of Washington found that it wasn't more money that improved test scores in 26 elementary schools in Seattle. It was better people and more freedom. The schools that showed the greatest improvements had principals who motivated teachers to work together, parents who cared and were involved, and the flexibility to do things differently among these various schools. Those principals had more control over the moneys that their schools spent, and it allowed them to custom build programs tailored to their particular school's needs.

The idea has caught on in my State to the point at which our Governor has proposed the creation of "opportunity schools," school districts that would choose to send their funding directly to the schoolhouse and thus free themselves from many regulations at the State level.

This amendment, this sense-of-the-Senate resolution, suggests that we here in Washington, DC, abandon the failed pattern of more and more Federal rules and regulations and repose more trust in parents, in teachers, in principals, and in elected school board members all across the United States.

My friend, the Senator from Missouri, dramatically illustrated how much more money goes into administration when you deal with Federal dollars than is the case with State dollars. He talked about the thousands of school employees throughout the United States who must occupy their time filling out Federal forms. We believe that we should provide more in the way of dollars to our students across the United States, and in fact, this budget resolution is far more generous than the budget proposed by the President of the United States, but we believe that we should impose far fewer controls with those dollars and impose more trust in those people who spend their full time caring about the education of our children.

In the Presiding Officer's State of Ohio and in mine, Washington State, and the State represented by the Senator from Missouri, the electors who were wise enough to elect us to this position are certainly wise enough to elect school board members who care passionately about the kids in their school districts and about the success of their education.

Later in this year, we will deal with the renewal of the Elementary and Secondary Education Act. Then our voices and our votes will carry even more weight because we will be voting on real policies. In this budget resolution, however, we are making a promise of more resources for our schools and for our schoolchildren, and we should accompany that promise with the promise to trust our parents and teachers and principals and school board members to spend that money wisely.

The Senator from Missouri was very complimentary with respect to my efforts in this regard. Twice in the last 2 years the Senate has voted to move in exactly that direction. We have not yet been successful. We have not gotten this all the way through Congress and past the President of the United States. In fact, the President's budget underfunds the programs that we have already established without removing the regulations that accompany those programs and establishes a whole new series of categorical programs in which we tell the schools what their priorities ought to be and how they ought to spend their money.

What does that do in the real world? The Seattle Times recently reported remarks by the superintendent of the Snoqualmie Valley School District, Rich McCullough, who said:

It's a little discouraging, but I think there is a lack of trust implicit in almost all Federal funding programs we deal with. They don't trust us to spend the money right, so they force us to do whatever they think is best. It's not always best for every school.

I think that Mr. McCullough knows more about what the students in the Snoqualmie Valley School District in Washington need and how the money he has should be spent on their education than does any Member of Congress, myself included, or any bureaucrat in the Department of Education in downtown Washington, DC.

Dwayne Slate, the executive director of the Washington State School Board, made a similar point in a recent letter that he wrote to me:

At some point elected officials in Washington, DC simply must trust local education officials to do what's in the best interests of kids in their communities. We all have their best interests at heart.

Mr. President, this sense-of-the-Senate resolution will follow that advice and will allow these superintendents, these teachers, these parents, more in the way of decisionmaking authority as to the kids to whom they are devoting their lives and their careers.

I have every hope that the Senate will accept this amendment.

I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, how much time do we have?

The PRESIDING OFFICER. The Senator has 30 minutes.

Mr. KENNEDY. Thirty minutes.

Mr. President, I yield myself 7 minutes.

As has been pointed out by our friends and colleagues on the other side of the aisle, the importance of providing resources and help and assistance to local communities and then having a degree of flexibility within those communities is basically a con-

cept which this body has gone on record supporting as long as we have some accountability for those funds. That is incorporated in the amendments which I cosponsored with Senator Hatfield in 1994, providing States with flexibility, and now we see that legislation is in conference with the House of Representatives.

We did not have the resolution of our friends until just a few moments ago, but after a quick look at the sense-of-the-Senate, I urge our colleagues on this side to support it. The point that I think is always well worth understanding is that education is basically a local responsibility as has been pointed out by the two speakers on the other side of the aisle. Only about 5 to 6 cents out of every dollar that is spent locally comes from the Federal Government. The rest is raised locally and by the States. So whatever success or failure we have out there in local communities obviously is attributable to the local communities.

We have had some success. We have other challenges. What I think the American people want today is a partnership between the local community and the State and the Feds to try to enhance academic achievement. What we have heard from those schoolteachers and what we have heard from parents and what we have heard from students is a series of recommendations. They had talked about smaller class size, better trained teachers, afterschool programs. They talked about technology in the classroom and some other recommendations—literacy programs as well. That is what they have been telling us, and we have developed legislative proposals to respond to those ideas.

I point out for the benefit of the RECORD that currently, according to the Department of Education—and I will include their study in the RECORD—95 cents of every dollar is actually appropriated for local schools, 95.5 percent of the Federal funds actually go to local districts; a half of 1 percent stays at the Federal level, 4 percent stays at the State level.

So, this is a pretty good indication that whatever we do—and it is very modest when you look at the Nation—it is getting to the community. We can always do better with what we are providing there, but we are, at least with regard to getting the funds into the local communities, doing pretty well, I think. It is certainly better than the kind of bureaucracy that exists at the State level.

Having said that, we will have an opportunity this afternoon to do something which I consider to be very significant in the area of education—a real choice. The proposal we have today indicates the importance of supporting local desires and local interest in the community, and I am certainly going to recommend we all support that. But, later on this afternoon, we will have a measure which the Senator from Connecticut and I will send to the

desk, and which we will vote on, which will say: Let's really do something, provide some additional resources to help assist those local communities.

It is all nice and well to agree to a resolution that, as this resolution does, encourages further flexibility at the local level. We are going to embrace and support that. But we will have an opportunity this afternoon to say the following: Before we have the tax breaks for the wealthiest individuals, let us go ahead and fully fund the IDEA program at 40 percent.

We heard a great deal of debate about that in the earlier debate on education. Now, this afternoon, we will have an opportunity to fully fund, at 40 percent, the IDEA program—the special needs programs of help and assistance for the local communities that have special needs children—and meet for the first time our responsibility of funding it at 40 percent, prior to the time we have tax breaks for the wealthy. That will be the significance of the vote on our amendment this afternoon. We will say that we will support a program for smaller class size from K-3, we will support the afterschool programs, we will as a result of this particular amendment see an expansion of the Pell grants and an expansion of the work/study programs, and we will see an expansion of the Head Start programs.

We are effectively saying, instead of \$778 billion in tax breaks, we are going to take \$156 billion of that over the next 10 years and put it where it will make a difference for children in our country at the local level, in the local community—in smaller class sizes, in helping and assisting in modernizing buildings, in upgrading the skills of our teachers, in effective afterschool programs, in additional technology, in helping and assisting in bringing the Pell Program up to date in a more effective way, and in work/study programs which in many instances are used to expand literacy training and fund the literacy program.

It will be very easy later on this afternoon when we vote on this; the choice will be very clear. After all the pronouncements, all the speeches, all the declarations, all the press releases, this afternoon this Senate will have an opportunity to say we are, over the next 10 years, going to have the most serious support for local improvement, raising the standards of education, that we will have had in the last 35 years. That will be before the Senate this afternoon in our amendment.

There still will be ample resources, over \$500 billion, that will be available for the tax breaks.

So I hope when the time comes we will have the support of those who have been speaking in support of local schools and districts involving parents, involving local decisions. I hope we are going to have their help and their support. Do they want to really put their vote where their voice has been and where their press releases have been in

supporting education? Or are they going to vote and say: We will do that at another day, but I am going to vote for tax breaks for wealthy individuals? That is the choice. That will be the choice when the Senate considers the amendment that Senator DODD and I will introduce at the first available opportunity.

Mr. DODD addressed the Chair.

Mr. KENNEDY. I yield 10 minutes to the Senator from Connecticut.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, they are not here on the floor at this moment, but let me say to my colleagues from Missouri and Washington, that I appreciate the sense-of-the-Senate resolution in which they called for increased Federal funding for elementary and secondary education to be directed to the States and local school districts, granting decisionmaking authority in the hands of the States. I have no difficulty with that assertion. But, as my colleague from Massachusetts has just pointed out, there is not a single dime that flows to the States as a result of this amendment.

I commend the distinguished chairman of the Budget Committee, Senator DOMENICI, and the members of the committee, both Democrats and Republicans, for earmarking additional funds for education. This was a long overdue but welcome addition to the budget process. But, as the Senator from Massachusetts has pointed out, there are some significant differences in what we should do with those dollars because we are competing within the educational function, in effect, on some very critical needs.

Many times Members stand on the floor of the Senate and tell you what message the American public may be sending. Two Senators can get up on the same subject matter, take entirely different positions, and tell you they are speaking on behalf of the American people. On education, Mr. President, we hear one message. We hear, I think, very loudly and very clearly, regardless of geography, economics, ethnicity, gender, or age, that education is a major concern of the American people. There has been a deep and abiding appreciation throughout the long history of our Nation for the importance of education, the fundamental understanding that the subtleties of our democracy and our Constitution can only be perpetuated in time because each succeeding generation is an educated generation. We prosper economically, we grow culturally and intellectually, because we are an educated people. That has been ingrained from the founding days of this Republic.

Earlier today I heard our new colleague from Indiana give his maiden speech on the floor of the Senate. It was a fine speech in which he talked about this being the last budget of the 20th century. I would like to take that in a different direction, in a sense, and remind our colleagues, that this is the

first budget of the 21st century. What we are adopting here today, tonight, or tomorrow by noon will be the first budget that will apply to the first year of the coming millennium.

I suppose historians looking back, as they are apt to, will want to know what we were saying about our society as we left the 20th century and began this new millennium. Where were our priorities? What was our agenda? What did we want to see envisioned for our country? Again, I think the voice of the American public is pretty loud and clear and pretty uniform on the issue that education ought to be paramount on our agenda.

For those reasons, the Senator from Massachusetts and I will offer an amendment later today—we will not be able to debate it so we are doing it now—which will say that 80 percent of the tax cut that we are talking debating today will stay in place, if, in fact, that is the will of the majority. Twenty percent of that proposed tax cut we would like to take and deal with the educational needs of America over the next 10 years.

We would like to do something about the commitment we made almost a generation ago, when it came to the Individuals with Disabilities Education Act. I do not know of a mayor, Mr. President, or a Governor, I say to the Presiding Officer, who knows what I am talking about, in my State or across the country, who has not begged me to do something about us living up to that 40-percent level that we said we would fulfill when it came to the educational needs of special needs children.

We have gone from 8 to about 11 percent of special education funding. I offered an amendment 5 or 6 years ago, Mr. President, in the Budget Committee, which I lost on a tie vote on the IDEA budget that would have increased our commitment to special education.

What Senator KENNEDY and I are offering this afternoon is an opportunity for us to do that over the next 10 years and fulfill that commitment by merely saying, let's slightly modify the tax cut proposal. We are also proposing to take some of those funds, and apply them to deal with the issue of class size—again, a subject matter that I think all Americans agree is important—to have an additional 100,000 teachers, to reduce the ratio of student to teachers in our classrooms; thus, obviously, as I think we all appreciate, increasing the opportunity for learning. Those are the two things we do in this amendment we plan to offer.

There are other questions, obviously, including both school construction and student loans. The Senator from Massachusetts made reference to Pell grants. Does anyone doubt in the 21st century that there is going to be an increasing cost in higher education for families? What a signal to send on the first budget of the 21st century that we recognize that need and that growing

cost, and we are going to commit some resources to provide for the higher educational cost needs of average American working families.

School construction: Again, it is incredible to me that in the most affluent nation in the world, we have school buildings that are falling down within blocks of this building. Within blocks of where we are speaking today, there are school buildings that were built in the early part of the 20th century, facilities in which we are training and educating young people who will be the leaders of the 21st century. We somehow have not yet been able to find the resources to make sure those schools are going to be well constructed, are going to be wired with the technology that they need.

The problem with the budget resolution that our good friend from New Mexico and others have crafted is that while it increases spending for education, it does so at the expense of the very programs I have just identified, and others.

It says, in order to do that, we are going to take it from Head Start and higher education, and we are going to take it from other areas. Further, it says we are not going to do something about special education costs at the local community level.

So on the one hand, I commend my colleagues for raising the ante, if you will, on education. Simultaneously, they are squeezing the other programs that are absolutely critical, so that we can attempt to provide for the educational needs of the Americans of the 21st century.

We have a way of paying for this. Again, I think our colleagues earlier today talked about a balance in this budget. There is a need for tax cuts. I am looking forward to supporting some good tax cut proposals—child care, the marriage penalty tax, investment in small business, innovation and technology, housing. I can think of a dozen areas where good, strong tax cuts make sense.

But that is not the only need in this country. There is a need to do something about the educational improvement of American schools. There is something valuable in assisting our communities and local governments with the cost of special education. What we will offer in our amendment will do that.

New school construction, classroom size, special education: why not also provide for that and simultaneously provide the resources for some of the tax cuts people are proposing?

The resolution before us, the sense of the Senate which says we ought to do more about elementary and secondary education, if Senators vote for that, and I hope they will, then they are going to get a chance momentarily, right after that, to fulfill that commitment. Rarely do we get to do that. We make a promise with one resolution, and within minutes we will be given a

chance to actually fulfill that commitment and that promise with the amendment that we will offer.

We hope, Mr. President, that our colleagues will support the resolution by the Senator from Missouri. In doing so, we also hope that when the amendment is offered by the Senator from Massachusetts and myself, to fulfill our commitment on IDEA and do something about classroom size by reducing marginally the tax cut proposal, that we will also put real dollars and real meaning behind the commitments made in the resolution before us.

Mr. President, with that, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Ms. SNOWE. Mr. President, how much time is available?

The PRESIDING OFFICER. The sponsor of the amendment has 10 minutes 5 seconds, and the opponents, 11½ minutes.

Ms. SNOWE. Mr. President, I will take the remaining 10 minutes.

First of all, I ask unanimous consent that at 4 p.m. today, all remaining debate time on the budget resolution be considered yielded back and, further, that the Senate proceed to a stacked series of votes on the remaining pending amendments.

I further ask that the first vote be 15 minutes in length, with the remaining votes in the sequence limited to 10 minutes in length, with 2 minutes equally divided between each vote for brief explanations of the amendments.

Finally, I ask that the votes alternate between Republican and Democrat amendments.

Mr. KERRY. Reserving the right to object, I want to make sure I understood that correctly, Mr. President. Was that request, again, as of 4 to begin the process of serial votes?

Ms. SNOWE. That is correct.

Mr. DODD. Further reserving the right to object, Mr. President—

Mr. KERRY. Mr. President, I do object.

The PRESIDING OFFICER. Objection is heard.

The Senator from Maine.

Ms. SNOWE. Thank you, Mr. President.

I wanted to make a few comments on an amendment that the Senator from Oregon and I have introduced already. It has already been brought up.

I wanted to offer a few words of explanation, because we think this is a very important amendment that would expand the reserve fund in the budget resolution for Medicare and the prescription drug benefit program. Specifically, our amendment would allow for new tobacco taxes to be used as an offset for the new Medicare prescription drug benefit that this reserve fund would create.

As I stated on the floor yesterday, I believe that one of the most critical items included in this year's Senate budget resolution is the reserve fund for Medicare and prescription drugs.

This reserve fund received support from virtually all the members of the committee, both Democrats and most Republicans, which would address the prescription drug benefit program by allowing the use of onbudget surpluses.

We know that the Bipartisan Commission did not report out a majority report, but we do know that the Senate Finance Committee will be considering the Commission's recommendations nevertheless. So in this proposal, in the bipartisan resolution, it does include, in the reserve fund in the budget resolution, language that in the event that the Senate Finance Committee reports out a reform package of the Medicare program that extends the solvency of the program, then we would also include a prescription drug benefit program.

To the credit of the chairman of the Budget Committee, he proposed, when we were trying to work out exactly how this would be funded, whether or not to use tobacco taxes or other sources of revenue, we decided that the onbudget surplus was one means of supporting a prescription drug benefit program. But we also know that could also be tenuous depending on the surpluses that develop over the next 5 to 10 years. We want to provide certainty to the funding of this prescription drug benefit program.

So the Senator from Oregon and I have proposed an amendment that would provide an additional means of funding for this prescription drug benefit program so that we provide the continuity and the stability for funding by raising tobacco taxes in order to fund the program.

In fact, the President includes a 55-cent tax increase in his own budget for a tobacco tax increase. He talks about a prescription drug benefit program but does not provide a plan nor does he provide any sources for funding. We think this is an important step forward.

I appreciate being able to work with the Senator from Oregon in a bipartisan fashion to address this most critical issue, critical problem that is facing our Nation's senior citizens. Twelve percent of our Nation's elderly account for more than a third of the drug expenditures that occur in this country. Clearly, it is a real problem for seniors. It certainly is the black hole in the Medicare program because of the absence of support for a drug benefit program.

We want to provide the means by which it can happen and can happen this year. So the reserve fund in the budget resolution, contrary to what has been said, does provide the means for a prescription drug benefit program. If that reserve fund and that line item was not in the budget resolution, we would have a 60-vote hurdle to bring it to the floor.

So it guarantees the prospects of having a prescription drug benefit program with use of onbudget surpluses. We are just adding another option to

the funding of that program because we think it is so important.

HCFA will say 65 percent of the Nation's elderly who are on Medicare have support of prescription drug benefits through other insurance policies. Well, not exactly. When you start to look at the Medigap policies, the cost of the deductibles and the caps, it is a very expensive proposition, and very few seniors have the option of using it in a way that can help them given the enormous costs that prescription drugs represent to their families.

So we realize this is a necessity. That is why we wanted to develop this bipartisan approach on funding, and ultimately the Senator from Oregon and I are going to develop bipartisan legislation to move this process forward.

I want to yield to the Senator from Oregon, because I know there is very little time left, to be able to address this issue as well. I think it is important. It makes sense to use tobacco taxes. The Columbia University did a study on this issue.

And there is no question that tobacco-related illnesses has cost the Medicare program to a tremendous extent, in fact, more than \$34 billion. And 80 percent of the \$32 billion in total substance abuse costs in 1994 were as a result of tobacco-related illnesses, as this chart will illustrate right here. So \$25 billion alone in 1994.

So Mr. President, there is no question that it makes sense to link a tobacco tax increase to financing a prescription drug program when you consider the costs and the impact of tobacco-related illnesses on the Medicare program. And that is only going to get worse in the future.

Now I would like to yield to the Senator from Oregon for any comments he would like to make on our amendment.

Mr. WYDEN. I thank my colleague from Maine. Thank you, Mr. President.

Mr. KENNEDY. Mr. President, whose time is being used now?

The PRESIDING OFFICER. If the Senators have submitted an amendment, they have 30 minutes as proponents on the amendment. The Chair has accepted the proposition that an amendment has been accepted.

Mr. KERRY. Mr. President, parliamentary point of inquiry. Which amendment is, in fact, the amendment that is currently under controlled time?

The PRESIDING OFFICER. There are more than 80 amendments.

Mr. KERRY. No. It is my understanding, Mr. President, that the Ashcroft amendment is the pending business.

The PRESIDING OFFICER. That was the last amendment that was proposed.

Mr. KERRY. The Ashcroft amendment is being debated under controlled time; is that correct? There is a unanimous consent request as to the order of amendments. Excuse me. There is a unanimous consent order that has set up the order of amendments now. So the order is the Ashcroft amendment.

Subsequent to the Ashcroft amendment, there is an additional Daschle amendment, and then it is going back and forth. So we are on the Ashcroft amendment. If debate on that is finished, under the consent order, we would move to a separate order. This amendment, if it is separate, would not be in order at this time.

Mr. DOMENICI. That is correct.

Mr. LAUTENBERG. If you will give me a moment, I have an inquiry. I ask the Parliamentarian, is there a UC now that lists amendments in order?

The PRESIDING OFFICER. No, there is not.

Mr. DOMENICI. We did not get a UC.

Mr. KENNEDY. Point of inquiry. Can I try to clarify this issue? If I could have the attention of the Parliamentarian. As I understood, we had the Ashcroft amendment. And then we had 12 minutes left on our side; 12 minutes on the other side. And as someone who was interested in our side, the Democratic side, I thought the Senator from Maine asked to take the 10 minutes—it was on the other side—to talk about an amendment that was going to come up, just as we talked about an amendment we hoped would be considered later in the afternoon. I do not remember a consent request that we set that aside. I have been sitting here, Senator DODD has been sitting here, ready to debate the Ashcroft amendment.

Mr. KERRY. Further inquiry, Mr. President. Last night I stood here in this very chair when the distinguished manager—

Mr. DOMENICI. I was not here.

Mr. REID. I was here.

Mr. KERRY. Senator REID. And we propounded a unanimous consent request at that time which the Chair, in fact, did rule on, saying there would be six amendments, three on each side; and the three on our side were specifically listed at that point in time. And I think the distinguished minority whip will confirm what I am saying.

Mr. REID. There was an order entered last night with names of Senators on this side mentioned. Senator DOMENICI indicated he would fill in the names of the Republican Senators, for the three amendments to be offered on their side.

Mr. DOMENICI. Mr. President and Senators, I was not here, but I do not challenge what anybody has said. Somebody else was here in my stead. I think it was—no. Was I here?

Mr. REID. You were here.

Mr. DOMENICI. OK. My recollection is getting weaker by the hour here.

Mr. DODD. Join the club.

Mr. DOMENICI. But if you let me try to fix it, just give me a moment.

How much time is left on the amendment that is known as the Ashcroft-Gorton?

The PRESIDING OFFICER. There is 10 minutes to the sponsors and 11½ minutes to the opponents—

Mr. DOMENICI. What is the argument?

The PRESIDING OFFICER. On the Ashcroft amendment. So we are still on Ashcroft.

Mr. DOMENICI. They are supposed to have that time. Why not give them that time? What is wrong with that?

Mr. KERRY. The Snowe amendment is a separate amendment, and not in order.

Mr. DOMENICI. Could you clarify, what is the status of Senator SNOWE's amendment?

The PRESIDING OFFICER. There have been submitted in excess of 80 amendments. Under the Senate's precedents, each of those amendments can be brought up on the call of the regular order.

Mr. KERRY. Mr. President, again—

Mr. DOMENICI. She did not ask for regular order. Her amendment isn't pending. Is it pending or not?

Mr. WYDEN. Parliamentary inquiry.

The PRESIDING OFFICER. That is what we are trying to get to right now.

Mr. DOMENICI. Could we ask Senator SNOWE, what do you desire to do? Do you want to talk about your amendment?

Ms. SNOWE. That is correct. Yes, Mr. Chairman, I want to talk about my amendment.

Mr. DOMENICI. How long would you like to talk about your amendment?

Ms. SNOWE. Not too much longer, perhaps another 10 minutes. The Senator from Oregon could finish up his remarks and then any concluding remarks.

Mr. DOMENICI. Ten minutes between the two Senators?

Mr. WYDEN. Mr. President, I think we can be finished with this in probably 15 minutes.

The Senator from Maine and I, as well as our colleague from Massachusetts, have been here for the last few hours. If I had 10 minutes and Senator SNOWE could wrap up briefly, we could be done.

Mr. DOMENICI. We will make time for you.

Mr. KERRY. Mr. President, I am absolutely confident that we can work this out appropriately with the help of the distinguished manager. I make it clear that no call for regular order was made. We were in the middle of the process of debating the Ashcroft amendment which is under controlled time. In the course of that debate of controlled time, the Senator from Maine—and I have no objection to this—stood up to speak on a separate amendment without calling for regular order.

So that is not the pending business before the Senate.

Now, I am delighted to have the Senator from Maine and the Senator from Oregon be able to debate their amendment, but there is, in fact, an order setting up a line of amendments here.

I am happy to enter into a new unanimous consent agreement that adequately protects those people in line and the time of the Senator from Maine's, and then we can proceed. I would be willing to lift my objection to having the serial votes follow at that point in time. I do think we ought to follow the procedures of the Senate.

The PRESIDING OFFICER. The Senator from New Mexico.

UNANIMOUS CONSENT AGREEMENT

Mr. DOMENICI. Mr. President, I ask unanimous consent that Senators SNOWE and WYDEN be permitted to speak without calling up their amendment for 15 minutes, after which time the regular order will be the Ashcroft amendment, which will then vest in the respective Senators the remaining time under the hour that they had. As soon as that is over, we will proceed with the Daschle-Dorgan amendment, and they will have 1 hour equally divided, after which we will move to a Republican amendment for Grams-Roth, which will be one half-hour equally divided. Then we will have Senator JOHN KERRY of Massachusetts to follow that with one half-hour equally divided.

We can stay on that path for just a while and then we will do something else.

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

Who yields time on the pending Ashcroft amendment?

Ms. SNOWE. Mr. President, I have the time.

Mr. DOMENICI. Mr. President, we just entered into a unanimous consent agreement. What do we need the Parliamentarian for? He can sit there. Senators SNOWE and WYDEN are to proceed under the UC now for 15 minutes, and we just stated what is to follow.

You don't have to ask the Parliamentarian anything; just call on Senator SNOWE.

You are the Parliamentarian; you run the Senate.

The PRESIDING OFFICER. The Chair rules that we will have 15 minutes divided between the Senator from Maine and the Senator from Oregon.

The Senator from Maine.

Ms. SNOWE. Mr. President, I yield 10 minutes to the Senator from Oregon.

Mr. WYDEN. Mr. President, first let me thank my colleague from Maine and say that the reason we have come to the floor at this time is there would be an opportunity today for the Senate, after all of the frustrations surrounding the Medicare Commission, to take a major step forward in the cause of Medicare reform, and finance it in a responsible way.

What the Senator from Maine and I have done, both in the Budget Committee and with this amendment, is sought to ensure that the Senate would have an opportunity in this bipartisan amendment to ensure for the first time in this session the Senate could make a significant addition to the Medicare program: Start covering prescription drugs for vulnerable older people and pay for it in a responsible fashion.

More than 20 percent of the Nation's elderly spend over \$1,000 a year out of pocket on their prescription medicine. These are older folks who are walking on an economic tightrope. They balance their food bills against their medical bills, their medical bills

against their housing expenses, and many of these older people end up with a prescription that would involve their taking three pills a day which they cannot afford. So they end up taking two pills at the beginning and then maybe they take one. They get sicker. As a result, this country's inability to finance prescription drug coverage for older people under Medicare, this results in a lot of those older folks having to face hospitalizations, unnecessary surgeries, institutional health care.

The reason Senator SNOWE and I have acted as we have: First, to ensure that part of the onbudget surplus could be used for this additional benefit; and, second, to raise the opportunity for additional revenue through new tobacco taxes. We believe that a significant portion of Medicare expenses are due to tobacco-related illnesses. In fact, the evidence shows that perhaps 15 percent of all Medicare costs are tobacco related.

In this amendment we have provided a two-step process for ensuring that we will have the opportunity to finance a decent pharmaceutical benefit for low-income older people. The first is the proposition that many Democrats have felt strongly about, and that is to ensure that a portion of the onbudget surplus could be used for this benefit. Second, we have felt that it may take additional funds, which is why we are saying that the Senate Finance Committee would have the opportunity, should they choose to do so, to add to the reserve fund money that would come from a new tobacco tax.

I believe, having seen the frustrations of the Medicare Commission and their inability to come up with a bipartisan agreement, the Snowe-Wyden amendment, the amendment that we will vote on today, is a major step forward.

When we talk with our older constituents, they tell us that the great gap today in Medicare is prescription drugs. More than 37 percent of older people are responsible for their prescription drug bill. On average, they pay twice as much as those without coverage. The AARP has estimated that fee-for-service beneficiaries with annual incomes below \$10,000 are estimated to be spending about 10 percent of their entire income on prescription drugs.

I am very pleased to have a chance, after some of the bickering that has surrounded this Medicare issue, to come to the floor of the Senate today and say that with the Snowe-Wyden amendment we are in a position to add coverage for the vulnerable older people of this country and to pay for it in a responsible way.

Many of our colleagues know that Medicare offers very little in the way of preventive benefits. We have finally been able to add some mammography coverage, some coverage for those with diabetes. But the fact of the matter is, this drug coverage benefit is perhaps

the next best step we can take in terms of preventive health care.

What we are seeing with these new drugs and new therapies, they are absolutely key to keeping older people out of the hospital, to making sure we are avoiding unnecessary surgeries. I submit that this legislation, which meets an enormous need in our country, is also a major step forward in terms of preventive health services.

I know that there are going to be some on the Republican side and some on the Democratic side who will say that this is not perfection in terms of Medicare reform. Well, I would agree with that. But I also say that the opportunity to take a major step now to helping those 20 percent of the Nation's senior citizens who pay more than \$1,000 out of pocket for their prescription drugs is certainly an opportunity that the Senate should move to take advantage of.

It isn't a perfect amendment. The Senate Finance Committee is going to have an opportunity to make refinements in it. But for the vulnerable older people, 37 percent of the Nation's elderly that are responsible for their prescription drug bill, this is going to mean that some of those folks are actually going to be able to pay for three pills a day when the doctor tells them that is needed.

I want to wrap up by thanking my colleague from Maine. She, like myself, has worked on this issue for many years—really, since our House days. I am so pleased that now we can, after there have been the frustrations surrounding the Medicare Commission, come to the floor of the Senate with a significant Medicare reform that is responsibly financed. We got a 21-1 vote in the Senate Budget Committee, and the addition that we have made today, with the opportunity for additional revenue to be generated for this program with any new tobacco tax, is another step forward.

I thank my colleague from Maine for this time. I know she would like to wrap up, and I tell her I very much appreciate the opportunity to, with her, address Medicare reform now in a bipartisan fashion and to meet the needs of some of the Nation's most vulnerable citizens, our elderly. I thank her for this time to speak.

Ms. SNOWE addressed the Chair.

The PRESIDING OFFICER. The Senator from Maine.

Ms. SNOWE. Mr. President, I want to commend my colleague, Senator WYDEN, for his leadership on this issue, not only here in the Senate, but as he referred to, during our days in the House of Representatives. I know he has worked considerably on the issues of senior citizens in this country, and in his service on the Aging Committee as well in the House of Representatives.

I want to also commend the chairman of the Budget Committee because at a time when I was discussing the idea of creating a reserve fund for the

prescription drug benefit program, Senator DOMENICI came up with the idea of including onbudget surpluses of which there is probably more than \$132 billion estimated over the next 5 years, and that that could be a potential source for funding for the prescription drug management program.

So this amendment is to build on that leadership, to ensure that there will be continuity and funding in the event that those surpluses do not materialize. Also, this is a carrot-and-stick approach because the reserve fund in the budget resolution includes a prescription drug benefit program contingent on a reform package being passed out by the Senate Finance Committee that extends the solvency of the Medicare program.

We think that is important, but we don't want to overlook the significance of providing this benefit to senior citizens because it has constituted a crisis in this country for our Nation's elderly, without a doubt. As Senator WYDEN has indicated, it has consumed most of their income when it comes to the cost of prescription drugs. We think it is an appropriate linkage between a tobacco tax increase and the impact on the Medicare program. Again, if you look at this chart, \$25 billion is the cost to the Medicare program in 1995 as a result of tobacco-related illnesses. Well, if you take that even further, it represents 14 percent of Medicare costs in that year alone. That is all going to grow exponentially. It will get worse. It could be more than a \$400 billion problem over the next 10 to 15 years.

So that is why it is important, I think, to look at the source of revenue through a tobacco tax increase, in the event the surpluses don't materialize, but that we have a permanency in terms of coverage. That is what we are attempting to do in this amendment. That is why we think it is so important because to do otherwise is failing to acknowledge the reality of the impact of not having this kind of benefit program currently in the Medicare system.

Finally, I should say, Mr. President, that in the reserve fund in the budget resolution we prohibit any transfer of IOUs to the Medicare program. We do not artificially address the Medicare program. We are doing it in a real way, and that is also the case with the prescription drug benefit program.

I might also just mention, in talking about Medicare, as one quote that came out of the President's book—the OMB fiscal year 2000 budget—what it said with respect to the President's Medicare proposal is:

Trust fund balances are available to finance future benefit payments and other trust fund expenditures—but only in a book-keeping sense. . . . They do not consist of real economic assets that can be drawn down in the future to fund benefits. Instead, they are claims on the Treasury that, when redeemed, will have to be financed by raising taxes, borrowing from the public, or reducing benefits or other expenditures. The existence of large trust fund balances, therefore, does not, by itself, have any impact on the Government's ability to pay benefits.

What that means, in a nutshell, is that the President's proposal, contrary to what is suggested on the floor, isn't putting a penny of real money into these programs, and the same is true for the prescription drug benefit program. They talk about the State of the Union Address, but did not propose a plan, did not provide one penny for a prescription drug benefit program. The budget resolution, on a bipartisan basis—21-1—supported the reserve fund I offered with the onbudget surpluses to pay for it. That is a step in the right direction that is going to ensure that the Nation's senior citizens have that benefit. In addition, on this amendment offered by the Senator from Oregon and myself, I should also mention that Senator SMITH from Oregon is a cosponsor.

Mr. WYDEN. Will the Senator yield?  
Ms. SNOWE. Yes.

Mr. WYDEN. I thank my colleague for yielding. I want to come back to how bipartisan this amendment has been—

Mr. KENNEDY. Will the Senator yield?

Mr. WYDEN. In a moment, I will. In the Budget Committee, this received a 21-1 vote. Suffice it to say, for an issue that has been this controversial, which generated so much discussion in the Medicare Commission, to be able to come to the Senate today with a 21-1 vote from the Senate Budget Committee and then to take the additional step that the Senator from Maine and I and many of our other colleagues have taken, like Senator KENNEDY who has fought this battle valiantly for so many years—we have now taken the additional step of saying that any new tobacco tax money could be used for this program, and that strikes me as the kind of bipartisan work that the Senate ought to be doing. It would be one thing if this was a narrowly fought battle in the Senate Budget Committee. Instead, we got a 21-1 vote.

Now we come to the Senate floor and say that onbudget surpluses could be used to finance this program for the vulnerable, No. 1. The second is to say that any new tobacco tax revenue could be generated for this program. That is the kind of bipartisan approach we ought to be taking. I thank my colleague from Maine. I know my friend from Massachusetts wants to speak.

Mr. KENNEDY. May I ask a question, please? On this trust fund, the reserve fund, on page 90, which describes the fund, there are also the words that the committee report would not allow the reserve to be funded by the intergovernmental transfers. That would be the part that the President talked about—any of the funding from the surpluses. And then, on page 90, it indicates that you can't have the funds from other revenues, as it talks about being adjusted for legislation that extends the solvency of the fund.

How are we going to extend the solvency without additional funds in order to trigger this program? You

have the solvency mentioned, and 9 years and 12 years. We don't want to create a program that says we are going to do something on prescription drugs and then, on the other hand, which says we are only going to do it if we extend solvency, and then we don't have additional funds to extend solvency. I am interested in what kind of a commitment or promise this is really going to be.

Ms. SNOWE. Mr. President, the answer to the Senator's question is, that is occurring through the Part A program of Medicare. The prescription drug benefit will be in Part B of the program.

Mr. KENNEDY. The provision here talks about now allowing transfer of new subsidies from the general fund. That is not applicable to Part B. It says right here on page 90. That is prohibited without the use of transfers of new subsidies from the general fund. And it also talks about prohibition of intergovernmental transfers.

Can the Senator tell us how she foresees the solvency being worked out, if it isn't going to be higher premiums, or reduced benefits?

The PRESIDING OFFICER. The time that has been allocated to the Senator has expired.

Mr. KENNEDY. May I ask for a minute so the Senator can respond?

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Ms. SNOWE. Mr. President, if I may respond, I would be glad to respond. We are not proposing any reforms to solvency. That will be determined by the Senate Finance Committee with respect to Part A. With respect to the prescription drug benefit program, that would come under Part B. And that is why we will be using onbudget surpluses, plus the tobacco tax increase, if it is necessary.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. First, Mr. President, to the Parliamentarian, I apologize for my statements a while ago. I guess I have been here too long.

Anyhow, let me see who is under the order. Is not the Daschle amendment up? We understand there is time remaining on other amendments. That is bothering you. So why don't we just say whatever time remains on amendments that have been set aside, or otherwise are not disturbed, by unanimous consent will not be changed or altered by setting them aside, reserving that time, and going to the Daschle amendment as ordered a few moments ago.

The PRESIDING OFFICER. Daschle-Dorgan. There was a unanimous consent on three amendments that are going to be made, and this is the beginning of that with the Daschle amendment. The clerk will report that amendment.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Parliamentary inquiry: After the amendments are called up,

are you going to ask unanimous consent that they be entered?

Mr. KENNEDY. Mr. President, I have just been back here now distracted. Are we going to just finish up now the amendment? We have been here with Senator DODD all during the lunch hour since 1 o'clock, which I am glad to do to accommodate others. And the chairman has been enormously accommodating. But I thought we would have Senator DODD next. Senator MURRAY is here and wanted to speak. Senators HARKIN and DODD wanted to speak on it and to do the last 10 minutes. The chairman has been extremely courteous in accommodating everyone's interest. Both of them are here. What I would like to do is to have some idea.

Mr. DOMENICI. What amendments are they speaking to?

Mr. KENNEDY. Ashcroft. We have 10 minutes remaining on the Ashcroft amendment.

The PRESIDING OFFICER. The Chair's recollection is that there was a unanimous consent ordered to give the Senator from Maine and the Senator from Oregon 15 minutes, and then we would proceed under an order in regard to specific amendments.

Mr. LAUTENBERG. Regular order is the Ashcroft amendment.

Mr. KENNEDY. Ashcroft is pending.

Mr. LAUTENBERG. That is the pending amendment. I think the Parliamentarian will agree.

Mr. DOMENICI. Mr. President, if there is any confusion, might I modify the previous unanimous consent request and say that there are 10 minutes remaining on each side on the Ashcroft amendment, 10 under the control of Senator KENNEDY, 10 under the control of Senator ASHCROFT, and that we proceed to do that now, and then follow the sequence that we just agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered. We will proceed. There being no objection, the Senator from Massachusetts.

Mr. KENNEDY. I yield to the Senator from Washington.

Mrs. MURRAY addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Thank you, Mr. President.

Mr. President, before the body at this time is an amendment on education. We have heard from this floor many times over the course of this Congress that education is a priority. And that is a fact; it is a priority here in the Senate. I am delighted to say that. It is certainly a priority for thousands of families across the country who have children in school who want them to get a good education. But it is also a priority for many businesses who want to make sure that we are educating young people today in order to give them the skills they need to be able to hire them. It is a priority for our police officers and the community leaders, because they know that investing in education and making sure that young people get what they need in our

schools means the safety, the health, and the viability of our country for many years to come.

The pending amendment talks about education. But talking about education is not what our constituents are asking for. They are asking for us to invest in education. We can all talk about quality, but unless we provide the resources for those schools out there, we will not be providing them with the kind of education they have to have in order for our country to be strong in the future. The amendment that my colleagues, Senator KENNEDY and Senator DODD, have introduced offers us a way to do that.

Too often on this floor we have set up challenges between different funding. We can either support IDEA funding for special education, or we can support teacher quality, or class size. The amendment that Senator KENNEDY will offer at a later time provides us with the alternative to make sure that we do provide the funds for special education under IDEA and complete the promise we have made to young students and teachers and communities to reduce class size. It simply says that this is an investment we are going to make.

I urge my colleagues to support this amendment. It will make a difference in our classrooms across this country.

Mr. President, too often we are told that we are providing a tax cut and returning money to the people. I can think of no better way to return money to our constituents than by investing it in education so that our young people get the skills they need, so they can get jobs and become a viable part of our economy in the future. A budget is not just about putting dollars out there today, it is making good investments so that our budgets will be strong in the future.

That is why I am going to support the Kennedy amendment, which gives actual real resources to our students, and not just another empty promise and another way of moving bureaucratic paper around.

Thank you, Mr. President. I yield my time back to the Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I yield myself 4 minutes.

Mr. President, I want to just mention to the Members again what we are basically talking about is funding, meeting our responsibility under IDEA, which this Nation is committed to offer the next 10 years, and also funding the smaller class program and providing a significant increase in the Head Start Program, the Pell grants, the work/study programs, afterschool programs, school dropout programs.

These are the groups that support our program: American Association of School Administrators, the National Education Association, Parent-Teachers, Council of Greater City Schools, Chief of State School Offices, Federa-

tion of Teachers, Committee on Education Funding, the National Parent Network on Disabilities, the Disability Rights Education Fund, Easter Seals, Consortium of Citizens with Disabilities, National Federation of Children with Special Needs.

Virtually every children's group and every education group understands that this is our best opportunity in this Congress to really make a downpayment in terms of the partnership among local, State, and Federal in terms of enhancing academic achievement and accomplishment in the schools across our country.

We have a chance now to fulfill our commitments that we have all made in statements and speeches and press releases to do something now. That is what this vote is about. It says we will fund these programs before we go for tax breaks for wealthy individuals. That is the choice. It is as clear as can be. That is what the issue is. We are hopeful that we will get strong support for that program.

Mr. President, I yield what time remains to my colleague and cosponsor, Senator DODD.

Mr. DODD. Mr. President, this is a letter that I think the Presiding Officer will be very familiar with. This is a letter from the National Governors' Association.

Let me quote this letter, if I may. So my colleagues will be aware, this is signed by Michael Leavitt, Republican Governor of Utah; Mike Huckabee, Republican Governor of Arkansas; Tom Carper, Democratic Governor of Delaware; and Jim Hunt, Democratic Governor of North Carolina. They say in their letter to us, to the chairman of the Budget Committee, "Governors urge Congress to live up to the agreements already made to meet current funding commitments" regarding education before adopting "new initiatives or tax cuts in the Federal budget."

It goes on in the letter to say that they are already cutting existing funds locally to provide for special needs students. They are asking unanimously, Democratic and Republican Governors across this country, to do exactly what Senator KENNEDY and I will be asking our colleagues to do in the amendment when we vote on it, and that is to place the special education needs of children ahead of a tax cuts. Our commitment to special education ought to come before tax cuts. There will still be plenty of room financially for the tax cuts. But here is Mike Leavitt, Mike Huckabee, Tom Carper, and Jim Hunt speaking on behalf of the National Governors' Association telling us to fund IDEA before enact tax cuts. What clearer message could we have?

I hope our colleagues today, after they vote on the Ashcroft amendment and say that we ought to provide more for education, and then quickly thereafter have a chance to vote on the Kennedy-Dodd amendment, will remind themselves—and I will see that each Member gets a copy of the NGA letter

regarding IDEA funding—to live up to the commitment in the Ashcroft amendment by fulfilling the request of the National Governors' Association to support this program as crafted by this amendment.

With that, Mr. President, I yield the floor.

How much time remains?

The PRESIDING OFFICER. Three minutes 5 seconds to the opponents and 10 minutes to the proponents.

Who yields time?

Mr. DODD. Mr. President, I do not know if there are—Senator HARKIN of Iowa wanted to be heard, but I don't see him in the Chamber at this time. I don't know, are there any further requests for time on this side?

We reserve the remainder of our time, unless the distinguished chairman of the committee wants to be heard.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I am going to argue for 2 minutes and yield back the remainder of my time so we can get going. If Senator HARKIN isn't here, I hope Senators will cooperate with me.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I am very pleased that a Governor occupies the Chair while I make this statement.

Those Governors are friends of ours. The Republicans have been increasing the funding for special education. We do not need a lecture from the Governors about it. What we need is help from the Democrats who have resisted it every time. The President didn't even put an increase in his budget last year. We put the whole increase in. I don't remember if he did much this year, but it is mighty small. It is Senator JUDD GREGG and others who have been leading the parade around here on IDEA.

Now, frankly, we would like to ask those Governors who signed that letter, would you like us to cut the extra \$3 billion in this budget that we put in and the extra \$27 billion that we put in here? If you would like that cut, we will make room for more IDEA money for you. That is an increase in education, and it is left up to the committees to do what they would like, except we would like to make a sense-of-the-Senate resolution binding, adopted by us, that says, let's reform the Federal program and let's make sure that they are more responsive by focusing them in at the local level with local control.

Now, we ought to pass that, because it is time we reform it. There is no IDEA issue in this amendment. They are going to raise IDEA in a later amendment. They are going to raise something on special education.

So with that, I wish their amendment well when they bring it up. It is high time that they are for significantly increasing funding under special education, but for now we have raised it and we ask that the local control be attached to that with one of the qualities being that it be accountable, that there be accountability in those laws.

I yield back the remainder of time so we can move on.

Mr. KENNEDY. Mr. President, may we have 30 seconds?

Mr. DODD. We have more time remaining.

Mr. KENNEDY. Mr. President, the Ashcroft amendment is a sense-of-the-Senate. Our amendment is real dollars, real dollars. We are saying fund the education programs before the tax cut. That is what the issue is. I am interested in what the Governors say, but I care most about those parents who are supporting this program. Every child group, every education group supports it.

Mr. DODD. Mr. President, in response to my good friend from New Mexico, I served on the Budget Committee for a number of years. Back in 1992 or 1993, I offered the IDEA amendment. I lost on a tie vote. I must say, the majority leader, TRENT LOTT, a member of the Budget Committee, voted with me. That was the only vote I got on the other side, so I lost on the tie vote. The amendment failed. I commend the chairman and others who have wanted to increase this. We have funded IDEA at about \$500 million a year. I think there is \$500 million this year, I say to the chairman of the committee, on the IDEA funding. They deserve credit for doing that.

What we are saying here is that we have all tried different ways over the last number of years. I don't think you necessarily want to turn around and say to Head Start or to Pell grants or to school construction, fine, you can do IDEA but we are going to cut your budget.

We are not saying that. We are saying, look, with an \$800 billion tax cut, that is a big tax cut, keep 80 to 85 percent of the tax cut; how about 10 or 15 percent of that to do what the Governors have asked us to do here? That is specifically what we have said. Do this before you do the tax cut.

All we are suggesting is their request is well founded. When Republican and Democratic Governors ask the Congress to set some priorities so they can have the resources to do the job, I think we in this body ought to take note of it. That is the reason I offer the argument.

Mr. President, I ask unanimous consent that the letter from the National Governors' Association be printed in the RECORD.

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

NATIONAL GOVERNORS ASSOCIATION,  
Washington, DC, March 9, 1999.

Hon. PETE V. DOMENICI,  
Chairman, Committee on the Budget,  
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: As you prepare the budget resolution for the coming fiscal year, the nation's Governors urge Congress to live up to agreements already made to meet current funding commitments to states before funding new initiatives or tax cuts in the federal budget.

The federal government committed to fully fund—defined as 40 percent of the

costs—the Individuals with Disabilities Education Act (IDEA) when the law, formerly known as Education of the Handicapped Act, was passed in 1975. Currently, the federal government's contribution amounts to only 11 percent, and states are funding the balance to assist school districts in providing special education and related services. Although we strongly support providing the necessary services and support to help all students succeed, the costs associated with implementing IDEA are placing an increased burden on states.

We are currently reallocating existing state funds from other programs or committing new funds to ensure that students with disabilities are provided a "fee and appropriate public education." In some cases, we are taking funds from existing education programs to pay for the costs of educating our students with disabilities because we believe that all students deserve an equal opportunity to learn. Therefore, Governors urge Congress to honor its original commitment and fully fund 40 percent of Part B services as authorized by IDEA so the goals of the act can be achieved.

This is such a high priority for Governors, that at the recent National Governors' Association Winter Meeting, it was a topic of discussion with the President as well as the subject of an adopted, revised policy attached. Many thanks for your consideration of this request.

Sincerely,

GOV. THOMAS R. CARPER.

GOV. JAMES B. HUNT, Jr.,

Chair, Committee on Human Resources.

GOV. MICHAEL O. LEAVITT.

GOV. MIKE HUCKABEE,

Vice Chair, Committee on Human Resources.

Mr. DODD. Mr. President, I will be glad to yield back the remainder of our time.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I yield back my time.

The PRESIDING OFFICER. All time is yielded back.

Mr. DORGAN addressed the Chair.

AMENDMENT NO. 178, AS MODIFIED

The PRESIDING OFFICER. Who yields time on the Daschle amendment?

The Senator from North Dakota.

Mr. DORGAN. Mr. President, it is my understanding that we have 1 hour equally divided.

The PRESIDING OFFICER. The Senator is correct.

Mr. DORGAN. That amendment is an amendment that I have introduced with a number of my colleagues, including Mr. DASCHLE. So let me begin by describing the amendment and the reason that we are here. I will then call on my colleague from North Dakota, Senator CONRAD, Senator DASCHLE, and others.

Mr. President, first, let me tell you that I am offering an amendment for my colleagues to try to strengthen rural America, and to try to provide some better price supports for family farmers.

I want to tell you about a 90-year-old woman I talked to this morning. Her name is Margaret Hansen. A few weeks ago, Margaret, age 90, got in her car in the rural part of North Dakota and got stuck in a snow bank. This 90-year-old

lady got out of her car and began to walk. She walked a mile and a half when her legs gave out. Then this 90-year-old woman began to crawl on this gravel road. She crawled for a half mile, and then she couldn't crawl any longer. She laid there huddled on that road apparently for about 8 hours before someone came along in a pickup truck and stopped to wonder what was lying on the road. He found this 90-year-old woman. She wasn't dead. They took her to a hospital.

I am happy to report that Margaret is doing quite well. She said to me, yeah, I am doing fine, but my legs aren't so good. She was remarkably upbeat.

Why would it take 7 or 8 hours before a 90-year-old woman is found lying on a gravel road in the middle of winter? That's because there aren't many people living in rural America anymore.

I want to show you a chart. This chart shows, blocked out in red, the counties in this country that are losing population. If you look at the farm belt in the Great Plains, up and down the middle part of America, you will see a part of our country that is being depopulated. And some of these counties have lost half their population in a relatively short period of time.

Now, why is that? The overriding reason is we have a farm program that doesn't work. We have a farm program that doesn't allow family farmers to stay on the land and work the land. We have a miserable farm program that pulls the rug out from under family farmers.

Let me show you a chart that shows what has happened to the price of wheat. The price of wheat has dropped 53 percent since the passage of the farm law. It was \$5.75 a bushel. Last, month prices received by farmers nationwide average \$2.72. Now, ask yourself, if instead of the price of wheat it were your salary or your profit, your wages, your minimum wage, your Social Security check, were cut in half? If this was your income, how do you think you would be doing?

We have folks in the Senate who said some years ago within budget debate that we are going to change the farm program. In making those changes, in essence they told rural America that they were going to pull the rug out from underneath family farmers. They were going to have farmers operate in the marketplace and, when prices collapse, the nation won't care. If farmers go out of business, they wouldn't care. They basically said they don't care whether there are family farmers in this country's future. Boy, you talk about a wrongheaded public policy for America. That was it.

What my colleagues and I are suggesting today is that it is time to decide that family farmers matter in this country. It is time to provide the resources to get some price protection so that when commodity prices collapse, those folks operating out on America's farms have the underpinnings so that

they are going to be able to get across those price valleys. That way, they will be able to continue working the land, continue a rural lifestyle. Other countries do it. But, our country has decided that, gee, if things are fine on Wall Street, they are fine everywhere.

That is not true. This country has a very strong economy. Things are going well in this country. But our family farmers face a very serious crisis. This is a serious emergency on the family farm, and we must do something to respond to it.

Mr. DOMENICI. I ask my friend if he will yield for a unanimous consent request?

Mr. DORGAN. I will be happy to yield.

Mr. DOMENICI. I might say to Senators, we have been working on this for a long time. We will see if we can't put ourselves in a position where we might finish a little earlier, perhaps even tonight. I am not sure. This has been worked out by the majority leader, minority leader, and those of us on the floor. I assume there has been consultation elsewhere.

#### UNANIMOUS CONSENT AGREEMENT

Mr. DOMENICI. Mr. President, on behalf of the leader I ask unanimous consent that following the previously allotted debate times, the following debate times be in order: Hollings amendment on debt reduction; Craig amendment No. 146; Durbin amendment, emergencies; Crapo amendment No. 163; Boxer amendment No. 175; Sessions amendment No. 210—I ask each of the above-listed amendments be limited to 7½ minutes equally divided in the usual form. I ask unanimous consent that, following the conclusion of those debates, I be recognized in order to yield back all remaining debate time on the budget resolution.

Therefore, the Senate will then proceed to a stacked series of votes on the remaining pending amendments. I further ask that the first vote be 15 minutes in length, with remaining votes in sequence limited to 10 minutes each, with 2 minutes equally divided between each vote for brief explanations of the amendments.

Finally, I ask the votes alternate between Republicans and Democrat amendments.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DOMENICI. I thank all Senators.

Mr. DORGAN. Mr. President, how much time have I consumed?

The PRESIDING OFFICER. The Senator has 4 minutes 11 seconds.

Mr. DORGAN. Mr. President, let me continue briefly and then call on my colleague from North Dakota, Senator CONRAD, and I believe the Democratic leader, Senator DASCHLE, will be here as well.

Imagine for a moment that corporate profits were cut by 50 percent, or 75 percent, or 90 percent, as farm income was cut one year recently in my State. Imagine what would happen in this

country if that were the case, and corporate profits were slashed. We would have an apoplectic seizure here in Congress trying to figure out what happened and what can we do about it.

The question is what do we do about the economic all-stars, the families out there on our family farms that produce, raise crops, and take the risks? What about when their income collapses? Again, we have people here who say that doesn't matter and that corporations can farm America from the California coast to Maine. It doesn't matter, they say. I cannot describe how wrong they are. So we come to the floor to say we propose this amendment to add \$6 billion a year, which would provide the opportunity for real, significant price support increases when commodity prices collapse for family farmers. Is that a lot to ask?

We hear folks come to the floor and say defense needs more. So, we stick in money for defense. We want to build a missile system. You put \$1 billion in for a missile system last fall that the Defense Department said it did not want and could not use. Money for tax cuts? There's plenty of money for that. But what about money for mom and pop out there on the family farm who are ravaged by collapsed prices? No, they say, we are out of money.

I would say this. This Congress is out of ideas when it comes to family farming, if it believes the current farm program is the road to prosperity for these producers who are this country's real economic all-stars. We need to backtrack just a bit and decide that family farmers matter to this country's future. We need to say to them that we are going to reconnect a reasonable price protection program. So, when prices collapse our country will say to farmers that we will give them a chance to make it across those price valleys.

I started by talking about Margaret Hansen, the 90-year-old woman from North Dakota. We are a sparsely populated State. Half of our economy is agriculture. But that is also true with respect to a major part of this farm belt. This Congress should understand that America's economy is never going to be doing well in the long term if the middle part of its farm belt is being depopulated. Food production is important to this country's future and the health of family farming is important in producing America's food.

Let me call on my colleague from North Dakota and allocate 7 minutes to my colleague, Senator CONRAD.

Mr. CONRAD. Mr. President, I thank Senator DORGAN and I thank our colleagues. This is a matter of sheer survival. I want to say to my colleagues, we are on the brink of a depression in farm country in this Nation. If you come to North Dakota today and go with me to community farms, what you find people want to talk about is the collapse of farm income because it is threatening the survival of literally

tens of thousands of family farmers just in our State of North Dakota. In fact, this year, unless something happens and happens quickly, we anticipate we will lose one-third of all the farmers in the State.

The reason that is occurring is really very simple. This chart shows what happened from 1996 to 1997, as farm income was washed away: In 1 year, a 98 percent reduction in farm income in our State. The reason we have seen this collapsing income is really three factors: Bad prices, bad weather, and bad policy.

The bad prices are stunning. This shows what has happened to farm prices over a 52-year period. We now have the lowest prices for our major commodities in 52 years. We have wheat selling for \$2.60 a bushel. Mr. President, \$2.60 a bushel. That is 5 cents a pound. There is no way anybody can make it at those prices. The cost of production is about double that. So what we have is a hemorrhaging, a loss of income, and farmers' livelihoods being threatened. That is what we are faced with.

When I talk about bad policy, when we passed the last farm bill—which is, frankly, a disaster itself—the support for farmers was cut in half. Under the previous legislation we averaged \$10 billion a year. Under the new legislation, \$5 billion a year. This makes it virtually impossible to write any kind of decent farm legislation. The current farm legislation cuts support for farmers each and every year and cuts it sharply, without regard to what happens to prices. In previous legislation we used to make an adjustment. When prices fell there was more assistance.

But look what our major competitors are doing. It is very interesting, because if we look at what they are doing we see that they are spending almost 10 times as much as we are to support their producers. In Europe, they are spending nearly \$50 billion a year to support their farmers. We are spending \$5 billion. This is not a fair fight. This is unilateral disarmament in a trade confrontation. We would never do it in a military confrontation. Why ever are we doing it in a trade confrontation? This says to our farmers: You go out there and compete against the French farmer and the German farmer. And, oh, while you are at it, you take on the French Government and the German Government as well. That is not a fair fight. You have to say to our farmers it is pretty amazing you are able to survive in a circumstance like this one, when our major competitors are spending 10 times as much to support them.

When we look at what they are doing for support of exports, it is even more dramatic. Instead of a factor of 10 to 1, they are outspending us by a factor of more than 100 to 1. In fact, it is about 130-to-1 to support their farm exports versus what we are doing. Then some say just leave it to the market. That is not what our competitors are doing. If that is what we do, we are going to

consign our farmers to a life of economic hardship and economic collapse. That is what is happening in farm country today. That is why it is absolutely critical that an amendment like this one pass to help farmers through this period of collapsed commodity values. If we do not do it, we will see literally thousands of farm families forced off the land. The stakes are high. I urge my colleagues to support this amendment.

Mr. DORGAN. Mr. President, I yield 2 minutes to the Senator from Minnesota.

PRIVILEGE OF THE FLOOR

Mr. WELLSTONE. Mr. President, before I start, I ask unanimous consent that Jodi Niehoff, who works in my office, be granted the privilege of the floor during the duration of this debate.

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

Mr. WELLSTONE. I thank the Chair.

Mr. President, I make this appeal to my colleagues as a Senator from Minnesota: First of all, please get this disaster relief bill through, at least get the agricultural part of it through.

If we don't get that, our FSA offices run out of loan money. They will have to let people go, and we will not be able to provide people with the loan money that they need and they are going to go under. Please make that happen. We should not go home without that happening.

Second of all, I rise to support this amendment. Time is not neutral. It rushes on. It is not on the side of family farmers in our States. I have never seen it this bad in all the years we have lived in Minnesota. People are in real economic pain.

It was the wheat farmers in the northwest. Now it is the other grain farmers. It is the dairy farmers in southern Minnesota. The hog producers are facing extinction while the packers are in hog heaven. We have to get the price up. We have to get farm income up.

I think this amendment, which speaks to taking the cap off the loan rate, is the right thing to do. Price, price, price. Get farm income up and get it up now.

This is a critically important crisis amendment. If Senators are on the side of family farmers and a family farm structure of agriculture, which is good for farmers and rural America and consumers, they will vote for this amendment.

I yield the floor.

Mr. DORGAN. Mr. President, I yield 2 minutes to the Senator from Arkansas.

The PRESIDING OFFICER. The Senator from Arkansas.

Mrs. LINCOLN. I thank the Senator for yielding.

Mr. President, I appreciate my colleagues being on the floor today to talk about this important issue. I am pleased to be here in support, and I am pleased to see these Senators helping to educate our other colleagues in this

body about the importance of this issue.

It is not just to educate. It is also to impress upon them the urgency of this issue. I come from a seventh-generation Arkansas farm family. We are in dire straits. All farmers across this Nation are in dire straits. It is so very important for us to act in this body and in this Congress in a timely fashion.

I believe my colleagues have expressed it, but it is so absolutely critical. Our farmers have been in dire straits for the past year, with bad weather, bad prices, and bad markets. This is the last straw. It is absolutely essential that we do something before we go home for this recess.

Our farmers right now are looking at the equivalent of 1970 prices. What industry could make it with the increase in production costs, the increase of keeping the business going, surviving on what people were making in the 1970s? It is absolutely impossible to survive in today's agriculture economic climate.

We produce the safest, most abundant, and most affordable food supply in the world. It is not going to be there for the future of this Nation and for the world if we do not support our farmers at this critical time. It is simply a desperate time.

I spent the last recess looking at the worry on the faces of Arkansas farmers as they have talked about this crisis. These farmers are ready to throw in the towel; many of them already have. I applaud Senator DORGAN's efforts and hope my colleagues will join him in addressing the needs of our agricultural community.

I thank the Senator for yielding.

Mr. DORGAN. Mr. President, I yield 3 minutes to the Senator from Iowa, Mr. HARKIN.

Mr. HARKIN. I thank the Senator for yielding me this time. I thank him for his leadership on this amendment, and I thank our Democratic leader also for his leadership.

Mr. President, last Saturday was National Agriculture Day. Each year on the first day of spring, we celebrate the success and the accomplishment of American agriculture. U.S. consumers today spend less than any country in the world, as a percent of their disposable income, on food. Nine cents out of a dollar, that is all. Think about this, the productivity of American farmers, what it has done for us. In the 1960s, one farmer in America supplied food for 25 people. Now they supply food for over 130 people. Tremendous.

Isn't it a cruel irony that we set aside the first day of spring every year to recognize agriculture and the American farmer, yet tens of thousands of American farm families are going under right now? They are on the verge of losing their livelihoods and their life savings. It is devastation in the agricultural sector.

What this amendment basically says is that with the expected budget surplus for fiscal year 2000 and greater

surpluses in years to follow, we will apply \$6 billion of that extra surplus to putting a safety net underneath agriculture. In other words, if we have extra money in the years 2000 to 2004, that money will be made available to agriculture. Of course, if the farm economy improved, then it wouldn't be needed.

This chart here kind of tells it all. People say, why do you need \$6 billion? Here is last year, 1998. This is all of the farm income; that is, the crop receipts, their AMTA payments, their aid, their loan deficiency payments—\$69.5 billion. Expected this year, \$64 billion. That is about a \$5 billion, \$5.5 to \$6 billion decrease. But last year this was 17 percent lower than the average 5 years before. This year it is expected to be 27 percent less in income for farmers. That is why this amendment is sorely needed. Those who have much in our society, to whom the Republicans want to give these tax breaks, they are doing well. They are doing well on Wall Street. They are doing well in Palm Beach. They are doing well on Rodeo Drive in Beverly Hills. In the farm sector of America, our families are struggling to survive. All we are asking for is a decent safety net. That is why this amendment is sorely needed.

Mr. DORGAN. Mr. President, I yield 5 minutes to the Democratic leader, Senator DASCHLE.

Mr. DASCHLE. Mr. President, I thank my friend from North Dakota for his leadership on this matter.

Let me say, you can't say it better than what the ranking member of our committee, Senator HARKIN, has just said. The fact is that you can look at virtually any commodity in agriculture today, and the situation continues to worsen. Whether it is in livestock or in grain, the commodity doesn't matter.

The fact is, our circumstances are so dire that in spite of all the help we have attempted to provide through disaster assistance over the last 6 months, we are still going to lose millions of farmers and millions of rural Americans in the next couple of years. That is fact.

All we are simply saying is this: If we are going to be of any assistance as we go through this extraordinary transition, we need to recreate the safety net that we once had. We need to recognize that farmers and ranchers cannot do it alone. We need to recognize that if there is going to be a surplus, one of the single best investments we can make is to ensure that those farmers and ranchers can survive with what meager tools they are going to have to manage their risks more effectively.

That is what the Senator from North Dakota is saying. We are not going to specify and delineate each and every tool today. We will work that out. But we have got to set the parameters. We have got to send the message. We have to ensure that the priority is there.

I have to say, Mr. President, this is a very important amendment. I applaud

the Senator from North Dakota for his willingness to take the leadership in ensuring that we are at this point. I am hopeful that we can get a broad bipartisan consensus in passing it. It sends as clear a message as we can send out to agriculture across this country: We hear you. We are as concerned as you are, and we want to do something about it.

I yield the floor.

Mr. DORGAN. Mr. President, I send a modification to my amendment to the desk.

The PRESIDING OFFICER. Is there objection to the modification?

Mr. DOMENICI. Mr. President, may we have a copy, please?

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

Mr. DOMENICI. Mr. President, I suggest the absence of a quorum and ask that the time be charged to me for the next 5 minutes.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. DOMENICI. Mr. President, I rise with great empathy and sympathy and heartfelt concern about the farmers of the United States. That is why in the budget before you we put \$6 billion of new money for crop insurance and other things which was, indeed, modified in the committee so as to accommodate farm Senators by even making sure it was available this coming year.

Now, I guess there is an adage around that it is harder to manage the surplus than it was a deficit. I agree with that statement without a question. And here today it is very, very interesting. My wonderful friends on the other side of the aisle, I am sure joined by some on my side of the aisle, are here on the floor about 2½ months after the President of the United States sends his budget to us, and they are lamenting the terrible state of economics for the farmers of America.

I did not ask any of them, as they spoke—and I do not know that I will—but frankly, the President of the United States knew about all this. Isn't it interesting he asked for not one red cent for the farmers—zero. Typical. Typical. There is a crisis prevailing. If there is one, the President ought to know about it. He puts nothing in the budget. We put \$6 billion in thinking we are being helpful. The President claims he lives within the caps, he isn't breaking any budget. Of course he is not. He did not even provide the \$6 billion we did in our budget resolution.

Now, \$6 billion isn't enough. Hold on, everybody. This is \$6 billion a year. This is \$30 billion. When is enough enough? So \$30 billion of new money on top of the \$6 billion we put in is \$36 billion in 5 years in new money for agriculture.

Frankly, I am fully aware that there is a problem. There are some other sectors of America with problems, big problems—steel, oil and gas. All kinds of pieces of the American economy are having trouble because of the world economy. We are doing a little bit here and there, but we cannot go in and make everybody whole everywhere in America when we are having a downturn that adversely affects their business.

If the Senators proposing this want to spend more money because they want a new agriculture program, then I submit they ought to go to the Agriculture Committee and get a new agriculture program written into the laws of this land. I believe they would not get it done. I believe that is why they did not do it.

So each year they come along and add a few more billions, and while saying we still have a law around they, little by little, destroy it. If that is what they want, they ought to say it. If they think this amendment is repealing the law we have on the books, let them say it, so then we can at least add this as an amendment to repeal the competitive agricultural reforms that we put in place not too many years ago.

Frankly, it will be difficult for some not to vote for \$30 billion more in support money for farmers when there is already \$6 billion in the bill and when the President of the United States asks for none—zero—zip. No. It is kind of interesting. When is enough enough? It seems to me that this amendment is an indication that for some it does not matter what you put in a budget resolution because it will not be enough.

I believe \$6 billion in new money for agriculture, addressing the most significant issue they have, crop insurance, is sufficient at this point. Maybe we have an emergency, maybe the President should have looked at the emergency before he sends us a budget with nothing in it for farmers so we have to come along and put it in, cut other programs in our arsenal, or in this case reduce the tax cuts that we planned for the American people.

I just do not think that is right. I would hope some would listen today. I am not sure how many. Normally I try to accommodate, but I don't think, as one trying to write budgets, that I can accommodate today. Either they win or my position prevails. If I could find another way, I would try it. I just do not think there is one.

Either we decide that in an era of surpluses the American taxpayer does not matter a bit—you remember what some of us said, why it would be difficult to manage a surplus. You remember? Because we will spend it all; we will spend it all. Why did the Senator from New Mexico say, "Yes, you can claim you put it all on the surplus and it's sitting there to get rid of the debt." Why did I say, I do not choose that method. I choose it for all the Social Security money, but I do not choose it for everything. I said, "Be-

cause you know what, we'll spend it. Then we'll have bigger Government, the public will be paying for bigger Government, and they'll be paying more and more taxes." And that isn't the right kind of America.

So, Mr. President, I have some additional time, and depending upon what is said in the remaining 5 minutes that they have on the other side, that the proponents have, I may yield back the remainder of my time. But for now I reserve it.

Mr. DORGAN. I yield 1 minute to the Senator from South Dakota, Senator JOHNSON.

Mr. JOHNSON. I thank the Senator from North Dakota. I thank my colleague from South Dakota, Senator DASCHLE, for his great work on this amendment.

What we have here is a very fundamental priority decision that this Congress needs to make. The question is not whether we will have tax relief or not. Certainly we will have tax relief. The question is whether we have a commonsense kind of budget that also allows for some key investments, in this case in agriculture. Are we going to preserve the strongest agricultural system in the world that provides the highest quality, most affordable food in the world or not?

To say that we have an \$800 billion tax relief package and there is no room for \$6 billion of investment in our ag sector simply makes no sense. The American people see through the budget resolution on the floor. They know that they want some tax relief, especially if it is targeted to middle-class and working families. But they also know that we need to make some key strategic investments in important sectors of our economy. Nothing is more important than agriculture as we craft ways to get a better price out of the market, as we craft ways to keep a fine meshed system of family farms and ranches all across America. But as things are going right now, we are headed for a catastrophic train wreck in agriculture.

The PRESIDING OFFICER. The Senator has used 1 minute.

Mr. JOHNSON. I yield such time as I have back to the Senator from North Dakota.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Would the Presiding Officer notify me when I have 1 minute remaining?

Mr. President, this is about priorities. We just heard my colleague say: "Well, this isn't a priority. We don't have resources for this." Gosh, we have resources for some very large tax cuts. If that is their priority, then there is money for that. Or, what about the \$1 billion for national missile defense which the Department of Defense says it does not want, does not need, and cannot spend. They have money for that. And, then there is \$110 billion or so for readiness in defense. They have money for that.

The question is, What is a priority? We do have a surplus of empathy and sympathy. I do not disagree with that. Everybody empathizes and sympathizes.

The fact is, we have farmers going broke in record numbers.

How would you feel I would ask if any of you listening or watching or participating had your income cut by 98 percent? All of a sudden you have 98 percent less income. Would that be a catastrophe? I think it would. That is what happened to our farmers. I had a fellow at a forum, a big, husky guy with a beard. He said, "My dad farmed, my granddad farmed on the same place. I farmed for 23 years." Then he got tears in his eyes and his chin began to quiver. He said, "I am quitting, I can't continue. I am being forced off the farm."

That is what this amendment is about. We need to consider the human toll of farm failures all across this country. What will be left when only the corporate agrifactories are producing America's food. Some people think that would be great because they love big corporations—the bigger the better. Of course, there will be no yardlights lighting farmsteads. There will be nobody living in the country, because all the farmers who risked their money will have found that the auction block served as the final resting place for their dreams and their hopes.

We can do something about that if we decide it is a priority.

I say to my colleague from New Mexico, this is where the current farm bill started in 1995. It started right here in the budget. It is where it ought to stop. It is where we ought to make the modifications and changes. It is where we, as a Congress, ought to say this is a priority, and that family farmers are a priority. But, it is not just about farm families. It is also about Main Streets and small towns. It is about the economic and social fabric in a part of our country that is now being depopulated.

Let me again refer to this chart. The red on the chart shows the middle part of the country, which is full of rural counties that are losing population. This little place right here is where I grew up in Hettinger County, North Dakota. When I left, there were 5,000 people in that county. Today, there are 3,000 people. That county is symbolic of so much of the farm belt that is now being depopulated because we have a farm program that doesn't work.

There is a whole range of other programs that we must address. It is not enough to say that things will work out, or that this doesn't matter. This matters very much to a significant part of America. We have a right to be standing here on the floor of the Senate saying, this too is a priority. This is a priority for us, for our part of the country, and for family farmers.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, how much time do we have remaining?

The PRESIDING OFFICER. The Senator from New Mexico has 21½ minutes and the sponsor has 3 minutes 24 seconds.

Mr. DOMENICI. Mr. President, I think the Senator is right, that this is a question of priority.

The Senator mentioned missile defense. He said it will cost \$1.5 billion. We don't need it; we shouldn't pay for it. What would be prioritizing would be if he would move to strike the missile defense system. The problem is, if he did that, he would find that not only the American people would say no, but 65 or 70 Senators would say no. He picked the wrong program, because most Americans think we have a missile defense system. They think if a rogue country or North Korea or China sent a missile to the United States that we could destroy it. The truth of the matter is, whoever thinks that is wrong. We don't.

Republicans have been saying, and now we are joined by Democrats, use every single technological achievement end to get a missile defense system started. That is a high priority, too.

I don't know what else the Senator mentioned, but whatever he mentioned, the truth of the matter is he could come to the floor and say farmers have a higher priority than this whole list of things in the Government. That is not what is being done; it is just making the Government bigger.

In fact, it is very interesting. It is a tax-and-spend proposal. It is increasing the taxes on the people of this country because we intend to give them back some to pay for more Government. I think Government is about as big as it ought to be. I remind everyone, the President put nothing in for the state of emergency. For a President who is worried about Main Street, and everything else alluded to on the floor, isn't that interesting?

We did what we thought was right and put in \$6 billion. The first amendment that was sent to the desk would have cost \$60 billion. I was in error—now it is \$30, it has been modified. The price is cut in half in about 26 minutes. I laud the Senator for modifying it. I wish it were still at 60—we could argue about 60. That sounded like a good, round number.

Having said that, I reserve my time.

The PRESIDING OFFICER. Who yields time?

Mr. DORGAN. Mr. President, I prefer to close for a minute, but if the Senator wishes to keep it open I assume he will want to move along here and be able to get as much done as is possible.

Let me have the attention of the Senator from New Mexico. If I finish our time, would the Senator then yield back his time so we can proceed?

Mr. DOMENICI. I am pleased to do that.

Mr. DORGAN. Let me respond to a couple points.

First, let's talk about national missile defense. He makes an interesting

argument, but the Senator misunderstood what I said. I talked about the \$1 billion last fall that was stuck into the omnibus appropriations bill. No one asked for it and the Defense Department said they couldn't use it. Go track the money and find out what happened to it. They didn't want it, but Congress said, "We demand you take it." My point is, if it is a priority, then the sky is the limit. It doesn't matter that it is not needed. That is the point I was making.

The tax-and-spend cliché is such an old argument it is calcified. I thought I heard the last of that some years ago. This debate is about what is important and what are our priorities.

I want to talk about the big print and the little print which got us to this mess. Some years ago, we had people in Congress who said we should change the farm program. In the big print in the 1996 farm law it says that we will provide a marketing loan and it will be at 85 percent of the Olympic average of the prices received by farmers in the previous five years. That was the big print. Then they put the little print in the bill. It said, by the way, although we promised you that marketing loan at 85 percent, we are going to cap it at \$2.58 a bushel for wheat. What the big print giveth, the little print taketh away.

Does it matter? Does it cost? Of course. It matters in terms of the failure of hopes and dreams for family farmers who are bankrupted by these little print policies. These little print policies really say that family farming doesn't matter too much to this country anymore. It says that we would rather have big corporate agrifactories. It says we like corporate agriculture, and corporate farming. It says that mom and pop don't have to live out there so the yardlights don't have to be on. It says we can mechanically milk all the cows and have 3,000-head dairy herds. That is a very different version of America than I have and a different sense of priorities than I think should exist for this country.

That is what this debate is about. The Senator from New Mexico says this should go to the Agriculture Committee. This started in 1995 in the Budget Committee. That is where it started. The budget resolution prescribed the Freedom to Farm bill. If you can start the farm bill in 1995 in the Budget Committee, we can, it seems to me, debate it in 1999 as we debate the budget resolution.

Today, we face depression-era prices on the farm. Family farmers are going belly up on a wholesale basis out there in the country and this Congress must do something about it.

Did the President's budget address this? No. Does this budget resolution address it in an appropriate way? No. Do I appreciate that the Budget Committee put in \$6 billion over 6 years or so for crop insurance? Of course I do. I appreciate that. But it is so far short of what is needed. We are about \$5 billion

a year short of what we used to do to provide to fund price protection for family farmers.

Today we need to repair that by deciding our priority in this budget resolution is to stand up and help family farmers during this time of trouble.

The PRESIDING OFFICER. The time of the Senator from North Dakota has expired.

Mr. DOMENICI. I yield back any time I have.

AMENDMENT NO. 178, AS FURTHER MODIFIED

The PRESIDING OFFICER. Previously, the Senator sought modification.

The amendment is so modified.

The amendment (No. 178), as further modified, is as follows:

On page 43, strike beginning with line 3 through line 15, page 44, and insert the following:

**SEC. 201. RESERVE FUND FOR AN UPDATED BUDGET FORECAST.**

(a) CONGRESSIONAL BUDGET OFFICE UPDATED BUDGET FORECAST FOR FISCAL YEARS 2000-2004.—Pursuant to section 202(e)(2) of the Congressional Budget Act of 1974, the Congressional Budget Office shall update its economic and budget forecast for fiscal years 1999 through 2009 by July 15, 1999.

(b) REPORTING A SURPLUS.—If the report provided pursuant to subsection (a) estimates an on-budget surplus for fiscal year 2000 or results in additional surpluses beyond those assumed in this resolution in following fiscal years, the Chairman of the Committee on the Budget shall make the appropriate adjustments to revenue and spending as provided in subsection (c).

(c) ADJUSTMENTS.—The Chairman of the Committee on the Budget shall take the amount of the additional on-budget surplus for fiscal years 2000 through 2009 estimated in the report submitted pursuant to subsection (a) and in the following order in each of the fiscal years 2000 through 2009—

(1) increase the allocation to the Senate Committee on Agriculture, Nutrition and Forestry by \$6,000,000,000 in budget authority and outlays in each of the fiscal years 2000 through 2004 for legislation that provides risk management and income assistance for agricultural producers;

(2) reduce the on-budget revenue aggregate by any remaining amounts for fiscal years 2000;

(3) provide for or increase the on-budget surplus levels used for determining compliance with the pay-as-you-go requirements of section 202 of H. Con. Res. 67 (104th Congress) by those amounts for fiscal year 2000, and all subsequent years; and

(4) adjust the instruction in sections 104(1) and 105(1) of this resolution to—

(A) reduce revenues by amounts in section (c)(2) for fiscal year 2000; and

(B) increase the reduction in revenues for the period of fiscal years 2000 through 2004 and for the period of fiscal years 2000 through 2009 by that amount.

(d) BUDGETARY ENFORCEMENT.—Revised aggregates and other levels under subsection (c) shall be considered for the purposes of the Congressional Budget Act of 1974 as aggregates and other levels contained in this resolution.

Mr. DORGAN. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 231

The PRESIDING OFFICER. Under the previous order, the Senator from Minnesota is to be recognized to speak on his amendment.

The clerk will report.

The legislative clerk read as follows:

The Senator from Minnesota [Mr. GRAMS], for himself, Mr. ROTH, Mr. COVERDELL, and Mr. ABRAHAM proposes an amendment numbered 231, as previously offered.

Mr. GRAMS. Mr. President, I rise today to offer this sense-of-the-Senate amendment with Senators ROTH, COVERDELL and ABRAHAM.

I ask unanimous consent to add the names of Senators HAGEL, BURNS, MCCAIN and CRAIG as original cosponsors as well.

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

Mr. GRAMS. Mr. President, again, what I am talking about is supporting the middle-income tax relief included in this budget resolution. This is a crucial amendment that we all should support.

This amendment says that the Senate Budget Resolution places a priority not only on protecting Social Security and Medicare and reducing the Federal debt, but also on middle-income tax relief by returning nearly \$800 billion of the non-Social Security surplus to those from whom it was taken. It discusses options for middle-income tax relief such as broad-based tax relief, marriage penalty relief, retirement savings incentives, death tax relief, health care-related tax relief, and education-related tax relief.

This amendment does not put us on record as supporting any one form of tax relief, or any particular combination. That is the task of the Finance Committee under the able leadership of Senator ROTH.

While many of us will discuss our own preferences for the tax relief, our job today is to support the nearly \$800 billion total, recognizing the need for tax relief, and then to ask the Finance Committee to come up with specific tax relief proposals.

Again, Mr. President, the purpose of this amendment is to assure the American people that we've made a commitment to major tax relief, and that there is room in this budget to fulfill this commitment while protecting Social Security and Medicare, providing debt relief and respecting some new spending priorities.

I just heard it said in the last debate on the farm issues, "if there is something for a tax cut," or "if that is a priority"—it should be a priority. There would not be a surplus if American taxpayers had not been overcharged and paid more in taxes than they should have. What they are doing is fighting over how can they spend those dollars, rather than trying to find a way to give those overcharges back to the people who paid them.

Mr. President, let me highlight a few points as to why we must provide a major tax relief this year.

Polls showed many Americans were skeptical about whether they would ever get meaningful tax relief this year. They have good reason to be skeptical about President Clinton's rhetoric on tax relief.

Despite a huge on-budget surplus over the next 10 years, President Clinton has failed to secure a single significant tax cut for working Americans. Instead, he has proposed to increase our taxes by at least \$50 billion in his budget over the next five years and \$90 billion over 10 years. He also spends \$158 billion right out of the Social Security surplus he claims to protect. President Clinton talks about helping the American people build retirement security but to offset his new spending, he has proposed many new taxes including taxing life insurance products, which will hurt the retirement annuities of millions of Americans. The President talked about helping small business, but he has proposed to tax the income of non-profit trade associations and change the tax treatment for ESOPs, which will adversely affect millions of small businesses. These are just some of his new taxes that will hurt hard-working Americans.

Unlike President Clinton, our budget resolution has reserved nearly \$800 billion of the non-Social Security budget surplus over the next 10 years for tax relief. This is in fact the largest tax relief since President Reagan's. This amendment has once again proved the Republican majority is committed to providing meaningful tax relief in 1999 as well as protecting Social Security, Medicare, reducing the debt, and funding important priorities.

Mr. President, with more middle-income workers being thrown into higher tax brackets, the "middle class tax squeeze" is devastating. There are over 20 million workers today with annual earnings between \$20,000 and \$50,000. Before 1993, they paid income tax at the 15 percent rate. But most of them have now been pushed into the 28 percent tax bracket due to inflation and economic growth. Worse still, they have to pay the 28 percent federal income tax rate on top of a 15.3 percent payroll tax. This adds up to a tax rate of 43 percent, without counting state, local tax, and other taxes. So any gains they made in wages have been taken by Washington. The bigger tax bite continues to eat up more of their wages.

Again, my point, Mr. President, is that this non-Social Security surplus is nothing but tax overpayments, and it should be returned to the taxpayers, not spent, as you are going to hear argued here on the floor day after day, hour after hour—"let's spend it." It should be given back to the taxpayers.

How to use the remaining surplus once we wall off Social Security has been the central focus of this year's budget debate. The Democrats want Washington to spend it because they don't believe the American people can be trusted to use it responsibly. We've heard it before, but let me remind you

what the President said about the surplus during a speech in Buffalo in January: "We could give it all back to you and hope you spend it right, [but] if you don't \* \* \*." You are smart enough to earn the money, but you are not quite smart enough to know how to spend it.

A top aide to the President, Paul Begala, said, "We could squander the surplus by giving a tax cut."

So, in other words, we have overcharged you and taken more money from you than we should have, or you have paid more in, but to give it back would be squandering it. Washington thinks they should spend it.

Republicans want to give the surplus back to working Americans—those who paid too much taxes in the first place.

We've recently heard some claims on the Senate floor that the American people today aren't interested in tax relief. That's not what I'm seeing and hearing. Those who don't care about tax relief are a minority, especially in my state. Tax relief continues to be a major interest of Minnesotans.

Mr. President, let me read to you letters from just three of the many Minnesotans who have taken time to contact me: Ken Ebensteiner from Audubon, Minnesota wrote: " \* \* \* please understand that the silent majority are sick and tired of all the taxes and regulations. We're just too busy working to voice our opinions." Taxpayers are working, and don't have the time to come to Washington. They can't afford to defend themselves because the government takes so much of their income. Washington's philosophy is apparently, "Keep them poor, keep them quiet, keep them home."

Rev. Craig Palach of Fergus Falls wrote: "With four children—two soon to be in college, one beginning to think about college, and one in a parochial school—I could sure use some of the money that goes to taxes." But again, the President says Rev. Craig Palach wouldn't spend it right.

The third letter, this one by Alicia Jones of White Bear Lake, is right on target with the story she shared. She wrote:

Last year, both my husband and I had graduated from college and had just begun working full time. I have never written a letter like this before, but after completing my taxes for 1998, I felt that this was my only option.

I can't do anything about the amount of money my husband and I will have to pay to both the federal and state governments, but I hope that you can be active in making changes for next year.

During 1998, my husband and I both worked full time in professional careers. We have no children and we are renting an apartment, saving to buy a house. Based on the fact that we both work, we are married, we have no children, and that we do not own a house—when we filed our taxes this year we owed approximately \$700 more in federal income taxes, on top of the over \$10,000 that we have already had taken out of our paychecks \* \* \*.

I am frustrated by this, I'm frustrated for the future—how do we get ahead, when each

year we have to take money from our savings to pay more for our taxes. I hope that you will remember my concern.

But again, presidential aide Paul Begala says Alicia would "squander" any tax cut.

Working people have good reason to ask for a tax cut. Since 1993, Federal taxes have increased by 50 percent—50 percent. That is a tax increase of nearly \$4,000 a year for a Alicia and her husband—50 percent; \$4,000 more in the last 6 years. As a result, Americans today have the largest tax burden since World War II, and it is still growing.

Federal taxes consume now 21 percent of the total national income. A typical American family pays nearly 40 percent in total taxes. And that is more than it spends on food, clothing, and shelter combined.

People should go home and look at their pay stubs and find out exactly how much of their money is going to support Government, and how much they have left. And then figure out whether they should have a tax cut.

Mr. President, why should we continue taxing middle-class Americans at such a high rate? Who can rightfully argue that they don't need a tax cut? Who can argue that it is fair to take more than 40 percent of a person's income so Government can spend it?

That is why I, along with Senator ROTH and others, introduced bill No. S. 3, the Tax Cuts for All Americans Act. Our bill calls for a 10-percent across-the-board income tax for working Americans.

It is simple, fair, profamily, and progrowth. It will help millions of middle-income families to avoid the middle-income "real income bracket creep" that they have been subjected to since 1993.

Although I prefer broad-based tax relief, I understand this is just one of many tax relief proposals that are on the table. Again, there is nothing in this budget that endorses one proposal over the others. All we have done is to reserve some of the non-Social Security surplus for tax relief.

The Finance Committee will consider all tax relief proposals and decide how this reserved onbudget surplus should be distributed.

It is my hope that we can use the surplus to provide broad-based tax relief as well as other tax relief I support which would give families a break, and encourage savings, encourage investment, and provide incentives for higher education.

I remember vividly when I first proposed the \$500-per-child tax credit back in 1993. The naysayers called it bad policy, even dangerous. Democrats accused us of cutting taxes for the rich. That sounds familiar, doesn't it? Every time it is a tax cut, it is for somebody else.

Some in Congress contended it was too costly, and others argued that we should balance the budget first. I argued then repeatedly that we could, and should, do both. And we did. As a

result, we now have a balanced budget, and the largest non-Social Security surplus in U.S. history.

Cutting taxes, reducing the national debt, and reforming and protecting Social Security and Medicare at the same time are all possible. We can do it again. Mr. President, we must do it again.

That is what this budget is about, and that is what this amendment is about. I urge my colleagues to strongly support reserving this money for tax relief for working Americans.

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

The PRESIDING OFFICER. Who yields time?

Mr. LAUTENBERG. Mr. President, what is the time situation on this amendment?

The PRESIDING OFFICER. There is a total of a half hour equally divided. The sponsor has 3 minutes remaining. There are 15 minutes in opposition.

Mr. LAUTENBERG. Thank you.

The PRESIDING OFFICER. Who yields time in opposition?

Mr. LAUTENBERG. Mr. President, I stand here, and I request recognition.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Thank you, Mr. President.

Mr. President, I was, obviously, very much interested—I will not say moved—by the discussion that I just heard on this amendment, because the drill is a familiar one. The drill is the people who earned it want it back; and, why not give it to them? Of course, we want to give it to them. But whether you give it to them in direct tax cuts or you shore up Social Security, you say that no matter when you retire, for the next 75 years, you will know that the retirement program is going to be there for you. Or you say, "Well, we are going to take the Medicare fund, and we are going to increase its solvency from 2008 to 2020, 12 years more, during which time, or during this time, because we are looking at something 21 years away. We want to institute the reforms that are so often talked about so that health care can be provided in a reasonable fashion with longevity, with the solvency that is required.

I heard the distinguished Senator from Minnesota in our Budget Committee the other day presenting a poll in which he said 63 percent of the people—I think I have it accurately and fairly—polled wanted a tax cut. I read a newspaper story about that poll. Once the question was put as to whether you would rather have a tax cut, or pay down the debt, or make sure that Social Security is there for you, or make sure that Medicare is there when you need it, the numbers changed radically. The numbers that said pay down the debt, increase the longevity for Social Security, increase the longevity and solvency of Medicare, and, boy, they went the other way.

When I hear that the typical American family pays 40 percent in taxes—I

don't know what the income is for the typical American family, but I can tell you that almost 60 percent of the people are in the \$38,000 or below income strata. They are not paying 40 percent taxes. Come on. Let's be reasonably direct and accurate about these things.

Look at what happened. If we use the GOP tax program as outlined by the distinguished Senator, the chairman of the Finance Committee, he says that if you are in the top 1 percent of the income, over \$300,000 or more, an average of \$800,000 a year, you get a \$20,000 tax cut. But if you make \$38,000, which is the bottom 60 percent of the people in this country, \$38,000, you save \$99. The guy on the top who gets a \$20,000 refund could buy another car for that, or add a wing to his house. But the family that is earning \$38,000 is not going to do a lot with 100 bucks—\$99 to be precise.

I think we ought to be fairly clear when we have this debate. Yes, everyone is entitled to offer amendments they think are appropriate, but we ought not to color the facts such that we ignore the reality of what it is we are talking about.

Mr. President, I think that it is quite obvious that this gets back to the essential dispute between the parties with the Republicans wanting tax breaks primarily for the wealthy, ignoring the fact that they can improve the condition of Medicare.

We on this side want to have as our principal programs: save Social Security; extend the life of Medicare; make sure there are targeted tax breaks so that families who have an elderly parent can take care of that parent and get a tax deduction, a tax break for that responsibility; or who needs day care for their children, and get a tax break so that mama can work. That is what we are talking about. We are talking about things that pertain to the average American.

I am one of the people lucky enough to be in the top 1 percent. I was in business before I was here. I will tell you something. I am so happy every time I have the ability to earn that kind of money to pay my taxes, because I belong to the best club in the whole world, the club called "America," where everything is available to you. Opportunity should be—education should be—everything should be available for those who want to climb the ladder and who are clever enough to do it.

That is what I am paying for when I send in my tax bill. I don't think it is being squandered by a bunch of bureaucrats. Some, maybe. That happens in corporate life. I ran a big corporation. I can tell you. What I want is a secure country. I want a country where people feel good about themselves and aren't looking at the guys on top and saying they are getting all the breaks. That is not a stable society. The stable society says, I want a chance to educate my children, I want a chance to have a roof over my head, and I want a chance to

have a job. That is what I want. I want to know that when I am of retirement age that Social Security is going to be there for me. And I am happy to pay my dues. That is what it is—dues. We are so lucky to be here. People are willing to die, and are fleeing in inner tubes across the straits near Cuba, near Florida, to get to this country, and risk death coming out of ships' holds and things such as that to get to this country. We are not talking about squandering money and throwing away the citizens' dollars.

I think we ought to defeat this amendment.

Mr. GRAMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. GRAMS. Mr. President, I yield the remainder of my time to Senator ROTH.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, as we turn our attention to the Budget Resolution, pondering the course government is going to take—the philosophy and policies that are going to lead us into a new millennium—I want my colleagues to consider that rather than a time for acrimony and partisan politics, this is a time of great opportunity.

In fact, few times in history have been so rich with the opportunities that are before us—opportunities to set a future where the needs of taxpayers, families, students, and communities come before the insatiable appetite of the federal government. Because of policies we began to implement in the early 1980s, we are the beneficiaries of the longest peacetime economic expansion in history.

Our efforts to support the home—to provide incentives to save and invest—as well as our work to encourage risk-taking businessmen and -women, researchers and developers, our agricultural and educational communities—these efforts have paid tremendous dividends.

Now the question, as we face the final hours of the 20th century, is simple: Do we move forward, embracing economic policies that are proven to increase prosperity and economic opportunity for all Americans, or do we abandon them for proposals that will raise taxes on the most vulnerable among us, proposals that will fill government coffers, swell federal programs, and risk shutting down the tremendous engine of growth that we have successfully created?

It seems that the answer to this question is clear, and therefore I rise today to support a Sense of the Senate amendment to the Budget Resolution—a Sense of the Senate amendment that is bipartisan in nature—one that makes it clear that in the choice between a tax cut, as authorized in the resolution, or a tax increase, as provided in the Administration's budget, we are resolved and choose to be consistent as to the direction we want to go.

Today the federal government is collecting more taxes than ever before. Because of our entrepreneurs, our farmers, laborers, and families preparing for the future, we are witnessing strong economic growth, and this has been very beneficial for the government's income. These individuals have been encouraged by our efforts to dramatically cut taxes in the 1980s, to create incentives for saving and investing in the 1990s, and by our work to reduce government interference in their lives.

Unfortunately, and despite the fact that government is collecting more revenue than ever, the Administration's budget reverses this important trend. It represents another in a series of large tax increases this Administration has tried to impose on Americans. In fact, this proposal is a net tax increase of \$50 billion over five years and \$90 billion over ten years. It is not a targeted tax cut as its proponents claim. Rather, it is a tax increase that dramatically hits lower-income Americans the hardest. For example, under the Administration's budget, taxpayers with incomes of \$25,000 and under will bear almost 40 percent of the net tax increase. Taxpayers with incomes of \$75,000 and under will bear over 75 percent of the burden.

One might ask, with all the talk about targeted tax breaks in the Administration's budget, how can it be a tax increase on America's most vulnerable. The simple answer is that the Administration's budget relies to a great degree on a 55 cents per pack cigarette tax increase. That tax increase, which largely goes for new spending, far outweighs any tax cutting provisions in the budget, and it hits lower-income Americans the hardest.

On the other hand, Mr. President, the budget resolution proposed by Senator DOMENICI does not unfairly penalize one group of Americans. In fact it does not penalize any group. Rather, it provides the Senate Finance Committee with the authority to cut taxes, not increase them. And it allows us to cut taxes in a way that will continue to energize the economic growth our nation is enjoying. This is what America needs as we look to the opportunities before us.

I reject any argument that tries to raise the old worn-out issue of class warfare—those who might try to suggest that this resolution will provide tax cuts for the rich. First, I reject it because this resolution does not actually cut taxes, but only authorizes the Finance Committee to proceed to cut taxes. And second, I reject it because the kind of across-the-board tax cuts that are being discussed are just that—fairly applied across-the-board tax cuts that go to everyone. They are just like the tax cuts that President Kennedy implemented in the 1960s and the tax cuts that President Reagan implemented in the 1980s. On both occasions these bipartisan tax cuts led to record-setting economic growth, so not only were they fairly applied, but they benefited everyone.

Mr. President, I also reject the argument that the federal revenue windfall, or budget surplus, will be used by the Administration to retire the debt. For years, there were many among us who argued that tax increases were needed to reduce deficit spending and retire the debt. On occasion, they prevailed and taxes were raised, but then something interesting happened. Deficit spending did not stop, the debt was not retired. The increased taxes actually placed a damper on the economy, and the government spent more than \$1.50 for every \$1.00 it increased taxes. In other words, the government actually taxed itself into higher deficit spending. It wasn't until Congress insisted on holding the line on spending that the growing economy actually brought about a balanced budget.

According to a new study by the Joint Economic Committee, in the post-war period, sixty cents of every dollar of surplus taken into government coffers has been spent by government within a year. Does anyone doubt the taxpayer overpayments that are now contributing to surplus revenue will not be spent by future Congresses? Of course they will. The way to reduce the debt is to keep the economy growing—to keep an environment of opportunity available to all Americans. And the way to keep the economy growing is to cut taxes and minimize government interference in the lives of Americans. This is the message of the Grams Sense of the Senate amendment. It reaffirms support for the tax cut authorized under the resolution offered by Senator DOMENICI. The tax cut provided in that resolution is \$142 billion over five years and \$778 billion over ten.

This resolution will empower the Finance Committee, Republicans and Democrats, to work together and provide comprehensive tax relief. The Finance Committee can provide across-the-board tax relief, over the long-term—relief that is simple, fair, and meaningful to all taxpayers. With the authority given us by this resolution, the Finance Committee can provide tax relief in the short term for many good purposes—purposes supported by Republicans and Democrats alike.

For example, we could enhance retirement security. By this I mean improving small business pension plans, making IRAs more accessible, and simplifying employer 401(k) plans. Also, we should address the needs of women returning to the workforce. Every worker has a stake in a better retirement that these incentives could provide.

Second, we could enhance family tax relief. For instance, we could ensure that the \$500 per child tax credit, dependent care tax credit, and education credits are available to middle income families by exempting these credits from the alternative minimum tax ("AMT"). If we do not provide these exemptions, millions of families could be adversely affected. In addition, the Budget Committee, on a bipartisan

basis, has emphasized the importance of providing marriage penalty relief.

Third, we could do more to correct our abysmal national savings rate. Chairman Alan Greenspan says this is the number one economic problem confronting America. To this end, in addition to the retirement plan and IRA expansion mentioned above, we could do something for small savers. For instance, we could simplify the tax system by providing an exclusion for small savers of \$200 for singles and \$400 for married couples.

This bipartisan tax cut would benefit more than 60 million taxpayers. It would also allow up to 11 million Americans to file the 1040 EZ—which is the simplest federal tax form there is.

Fourth, we could provide greater tax relief to improve educational opportunities for students and their families. We could provide incentives for families and students to seek higher education and avoid large debt burdens. For instance, nearly every state has a prepaid college tuition plan, and those plans could be made tax-free under a bipartisan proposal.

Fifth, we could address the expiring provisions in the current tax code, and we could look at real tax code simplification. The Finance Committee could eliminate needless complexity that results from income limits, phase-outs, and the alternative minimum tax. Again, these are bipartisan objectives.

And finally, Mr. President, we could continue to push for proper taxpayer protections. Reform of the IRS is in its infant stages. Elimination of unjust penalties and interest scores as revenue loss. In order to continue meaningful reform of the Internal Revenue Service, we must realize that our efforts will be scored as revenue losses and we must consequently address them in the context of tax cuts.

This Sense of the Senate amendment makes clear that without the authority provided in the budget resolution, the Finance Committee will not be able to provide significant tax relief—we will not be able to address these important bi-partisan issues and fix problems in the current code.

The resolution will allow us to move forward. And let me conclude by explaining how important it is that we move forward.

Working together, we have delivered on a bold promise to the American people—the promise of a balanced budget and a dynamic economy where jobs, opportunity, and growth are available to all. Since 1995, we have worked for tax relief for families, savings and investment incentives, health care-related tax relief, relief for small business, and tax simplification. As we moved forward in these areas, not everyone was supportive at first, but they were eventually adopted by Congress and signed into law by the President. Among the items enacted were tax deductible treatment for long-term care insurance and raising the deductible portion of

health insurance for self-employed small businesses and farmers. In addition, pension plan reforms, especially for small business, were enacted.

In 1997, we pushed for tax relief in the context of a balanced budget. The President agreed to tax relief he had previously vetoed. Among the tax relief proposals enacted was a \$500 per child tax credit that is now providing relief to millions of taxpaying families. We also expanded individual retirement accounts and created the new Roth IRA. Millions of taxpayers now have tax-favored savings vehicles open to them. We reduced the top capital gains rate from 28% to 20%. This provision helped unlock investment dollars for the economy and provided relief to farmers and small business.

Beyond this, Mr. President, we have worked together to offer education-related tax relief, including educational IRAs, prepaid college tuition plans, an extension of the tax-free treatment of employer-provided educational assistance, and a revival of the student loan interest deduction.

We have passed estate tax relief, including relief for small businesses and farmers. And we have succeeded with historic reform of the Internal Revenue Service, including new taxpayer protections regarding the collection activities of the IRS.

The Grams Sense of the Senate amendment makes clear that once again, we are at the crossroads on the question of tax relief or tax increases. The Sense of the Senate clarifies that the resolution continues Congress on the same tax relief path begun in 1995. It can be summarized into three points:

First, the Administration's budget, though described by its supporters as targeted tax cuts, is a tax increase.

Second, if you are serious about tax relief, it must be accommodated in the resolution. The Finance Committee must have the tools to provide meaningful relief. To oppose the tax cut in the resolution is to deny the Finance Committee the tools to do the job.

Third, a vote for the tax cut in the resolution is a vote for tax relief that is consistent with tax cuts that have been enacted over the past four years.

Mr. President, I urge my colleagues to support the Grams Sense of the Senate amendment and I ask unanimous consent to insert into the RECORD a copy of the Tax Foundation's analysis of the Administration's budget, as well as a copy of a revenue table, prepared by the Joint Committee on Taxation, which scores the Administration's budget.

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

[From the Tax Foundation Special Report,  
March 1999]

THE PRESIDENT'S FISCAL YEAR 2000 BUDGET—  
LOW- AND MIDDLE-INCOME TAXPAYERS TO  
PAY LION'S SHARE OF NEW REVENUE DE-  
SPITE RECORD SURPLUS

(By Patrick Fleener)

President Clinton's newly proposed budget plans on a steadily growing series of budget

surpluses over at least the next ten years. To ensure the surpluses, the Administration plans to hold the line on most types of federal spending while increasing the current record peace-time level of federal taxation.

Ostensibly to bolster the failing Social Security and Medicare programs, the Clinton plan would use more than three quarters of the projected surplus to reduce federal debt. Another 12 percent would be used to fund private savings accounts, and the balance would fund new spending initiatives.

Some programs would see an increase over the next five years, notably education and training programs as well as funding for roads and other transportation projects. The budget also calls for additional spending for more teachers, after-school programs, and Head Start. The Administration's plan to use surplus funds to pay down the national debt would significantly lower interest expenses while entitlement spending remains essentially unchanged under the plan.

On the revenue side of the ledger the Clinton plan contains a mix of tax and fee increases as well as a host of tax credits. These would, on net, boost federal revenues by \$45.8 billion over the next five years. Revenue raisers include a 55-cent-per-pack hike in the federal cigarette tax and higher corporate income taxes. The revenue reducers are a myriad of tax credits that would subsidize activities ranging from long-term medical care to first-time home purchases in the District of Columbia.

WHICH INCOME GROUPS WILL PAY THE NEW TAXES

Figure 1 shows the net distributional effects of the Clinton plan. Individuals with adjusted gross incomes of less than \$25,000 would bear 38.5 percent of the increased tax burden, or \$17.7 billion. People in the \$25,000-\$50,000 range would pay 22.4 percent of the new revenue, or \$10.2 billion. Taxpayers making \$50,000-\$75,000 would pay \$6.7 billion in additional taxes, or approximately 14.6 percent of the total. In sum, then, over 75 percent of the President's new tax revenue would be paid by people whose tax returns report less than \$75,000.

Upper-income taxpayers would not escape entirely, but as Figure 1 illustrates, their share of the increased tax burden is much smaller. Cumulatively, individuals in these three categories would bear only 24.5 percent of the increased tax burden. This regressive slant against low- and middle-income taxpayers results largely from the Administration's proposal to boost the federal cigarette tax. Probably the most regressive of all federal taxes, the cigarette tax would be the largest revenue raiser in the President's budget proposal.

THE BUDGET OUTLOOK

Figure 2 illustrates federal receipts and outlays as a percentage of GDP under the Clinton plan, given in historical context.

Federal receipts would grow 4.2 percent from \$1,806.3 billion in 1999 to \$1,883.0 billion in 2000. That is an uptick from 20.6 percent to

20.7 percent of GDP. By 2004, federal receipts would grow to \$2,165.5 billion, or 20.0 percent of GDP. By 2009, federal receipts would rise to \$2,707.7 billion, or 20.1 percent of GDP.

Only twice in American history—during the two closing years of World War II—did federal receipts ever exceed 20 percent of GDP. From this perspective, the Clinton proposal is truly historic in that it would fix federal receipts at this extraordinary level.

Federal outlays would rise from \$1,727.1 billion in FY 1999 to \$1,765.7 billion in FY 2000. They would rise to \$1,992.0 billion in 2004. As a percentage of GDP, however, federal outlays would fall steadily from 19.4 percent in FY 2000 to 18.4 percent in 2004, then even further to around 17 percent in FY 2009.

FEDERAL EXPENDITURES

The budget shares of the major categories of federal spending under the Clinton plan are illustrated by the five columns of Figure 3 corresponding with fiscal years 2000-2004. Historical data is provided for context. (See also Tables 1 and 2.)

Federal outlays are divided into two broad categories, discretionary and mandatory/net interest. Discretionary spending is determined by the annual appropriations process, while so-called mandatory outlays are predetermined by statute. To alter mandatory spending levels, the program's authorizing legislation must be amended.

\*Illustrations not reproducible in the RECORD.

TABLE 1.—FEDERAL OUTLAYS BY TYPE

[Fiscal Years 1962-99; dollar amounts in billions]

Year	Total Outlays	Discretionary			Mandatory					Memo: GDP	
		Total	Defense	Non-Defense	Total	Social Security	Medicare	Medicaid	Other		Net Interest
1962	\$106.8	\$72.1	\$52.6	\$19.5	\$27.9	\$14.0	\$0.0	\$0.1	\$13.8	\$6.9	\$567.5
1963	111.3	75.3	53.7	21.5	28.3	15.5	0.0	0.2	12.6	7.7	598.3
1964	118.5	79.1	55.0	24.1	31.2	16.2	0.0	0.2	14.8	8.2	640.0
1965	118.2	77.8	51.0	26.8	31.8	17.1	0.0	0.3	14.4	8.6	686.7
1966	134.5	90.1	59.0	31.2	35.0	20.3	0.0	0.8	13.9	9.4	752.8
1967	157.5	106.4	72.0	34.4	40.7	21.3	2.5	1.2	15.7	10.3	811.9
1968	178.1	117.9	82.2	35.8	49.1	23.3	4.4	1.8	19.6	11.1	868.1
1969	183.6	117.3	82.7	34.6	53.7	26.7	5.4	2.3	19.3	12.7	947.9
1970	195.6	120.2	81.9	38.3	61.1	29.6	5.8	2.7	22.9	14.4	1,009.0
1971	210.2	122.5	79.0	43.5	72.9	35.1	6.2	3.4	28.2	14.8	1,077.7
1972	230.7	128.4	79.3	49.1	86.8	39.4	7.0	4.6	35.8	15.5	1,176.9
1973	245.7	130.2	77.1	53.1	98.1	48.2	7.6	4.6	37.7	17.3	1,306.8
1974	269.4	138.1	80.7	57.3	109.8	55.0	9.0	5.8	40.0	21.4	1,438.1
1975	332.3	157.8	87.6	70.2	151.3	63.6	12.2	6.8	68.6	23.2	1,554.5
1976	371.8	175.3	89.9	85.4	169.8	72.7	15.0	8.6	73.5	26.7	1,730.4
1977	409.2	196.8	97.5	99.3	182.5	83.7	18.6	9.9	70.3	29.9	1,971.4
1978	458.7	218.5	104.6	113.8	204.8	92.4	21.8	10.7	79.9	35.5	2,212.6
1979	504.0	239.7	116.8	122.9	221.7	102.6	25.5	12.4	81.2	42.6	2,495.9
1980	590.9	276.1	134.6	141.5	262.3	117.1	31.0	14.0	100.2	52.5	2,718.9
1981	678.2	307.8	158.0	149.7	301.7	137.9	37.9	16.8	109.0	68.8	3,049.1
1982	745.8	325.8	185.9	139.9	334.9	153.9	45.3	17.4	118.3	85.0	3,211.3
1983	808.4	353.1	209.9	143.3	365.4	168.5	51.2	19.0	126.7	89.8	3,421.9
1984	851.9	379.2	228.0	151.2	361.5	176.1	56.0	20.1	109.3	111.1	3,812.0
1985	946.4	415.7	253.1	162.6	401.3	186.4	64.1	22.7	128.2	129.5	4,102.1
1986	990.5	438.3	273.8	164.5	416.1	196.5	68.4	25.0	126.2	136.0	4,374.3
1987	1,004.1	444.0	282.5	161.4	421.5	205.1	73.4	27.4	115.6	138.7	4,605.1
1988	1,064.5	464.2	290.9	173.2	448.5	216.8	76.9	30.5	124.3	151.8	4,953.5
1989	1,143.7	488.6	304.0	184.5	485.9	230.4	82.7	34.6	138.2	169.3	5,351.8
1990	1,253.2	500.3	300.1	200.2	568.7	246.5	95.8	41.1	185.3	184.2	5,684.5
1991	1,324.4	533.0	319.7	213.3	596.8	266.8	102.0	52.5	175.4	194.5	5,858.8
1992	1,381.7	534.3	302.6	231.7	648.0	285.2	116.2	67.8	178.8	199.4	6,143.2
1993	1,409.4	540.7	292.4	248.3	669.9	302.0	127.9	75.8	164.2	198.8	6,475.1
1994	1,461.7	543.6	282.3	261.3	715.2	316.9	141.8	82.0	174.4	203.0	6,845.7
1995	1,515.7	545.4	273.6	271.8	738.2	333.3	156.9	89.1	158.9	232.2	7,197.7
1996	1,560.5	534.2	266.0	268.2	785.3	347.1	171.3	92.0	174.9	241.1	7,549.2
1997	1,601.2	548.6	271.7	276.9	808.6	362.3	187.4	95.6	163.3	244.0	7,996.5
1998	1,652.6	554.7	270.2	284.4	854.5	376.1	190.2	101.2	186.9	243.4	8,404.5
1999e	1,727.1	581.2	277.5	303.6	918.6	389.2	202.0	108.5	218.8	227.2	8,747.9

Source: Tax Foundation, Office of Management and Budget.

[From the Committee on Ways and Means, Mar. 22, 1999]

NEW STUDY: AVERAGE HOUSEHOLD WILL PAY \$5,307 MORE IN TAXES THAN NEEDED—CRS ESTIMATES 10-YEAR TAX OVERPAYMENT FOR U.S. HOUSEHOLDS

WASHINGTON.—With no changes to current law, the average American household will pay \$5,307 more in taxes than the government needs to operate over the next ten years, according to a new study by the non-partisan Congressional Research Service

(CRS) released today by Ways and Means Committee Chairman Bill Archer (R-TX). Of particular importance is that CRS calculated the tax overpayment using the non-Social Security budget surplus. *The CRS study follows this release.*

"After we reserve Social Security dollars for Social Security, Americans will still overpay their taxes. There are a lot of politicians in Washington who want to keep this money and spend it on more government programs, but I think Americans should keep it for themselves and their families.

Five thousand dollars is a lot of money for hardworking taxpayers who deserve to keep more of what they earn," said Chairman Archer.

CRS calculated the annual overpayment per household based on the non-Social Security budget surplus as follows:

Fiscal year:	Amount
2000	.....
2001	..... \$42
2002	..... 385
2003	..... 331

	<i>Amount</i>
2004 .....	432
2005 .....	486
2006 .....	758
2007 .....	867
2008 .....	941
2009 .....	1,065
Total .....	5,307

[Memorandum from the Congressional Research Service, Library of Congress, Mar. 16, 1999]

To: Committee on Ways and Means, Attention: Trent Duffy.  
 From: Gregg A. Esenwein, Specialist in Public Finance, Government and Finance.  
 Subject: Per household tax cut financed by the on-budget surplus.

The following table has been prepared in response to your recent request concerning the effects of a federal tax cut using only the non-social security budget surplus. It is intended to provide only a rough estimate of the per household in federal income taxes that could be funded using only the on-budget surplus.

The first column of the table shows fiscal years, the second column shows the baseline unified total budget surplus, the third column shows the on-budget deficit/surplus (the budget deficit/surplus excluding social security and the Postal Service), the fourth column shows the projected number of households for each year, and the fifth column is the dollar amount of tax cut per filing unit (column three divided by column four).

I hope this information meets your needs in this matter. If you have any questions or need further assistance, please let me know (7-7812).

AVERAGE FEDERAL INCOME TAX CUT PER HOUSEHOLD THAT COULD BE FUNDED USING ONLY THE ON-BUDGET SURPLUS

Fiscal year	Surplus/deficit in billions of dollars <sup>1</sup>		Projected number of households (millions) <sup>2</sup>	Average tax cut per household <sup>3</sup>
	Unified Budget	On-budget (excludes Social Security and the Postal Service)		
1999 .....	\$107	-\$19		
2000 .....	131	-7		
2001 .....	151	6	142	\$42
2002 .....	209	55	143	385
2003 .....	209	48	145	331
2004 .....	234	63	146	432
2005 .....	256	72	148	486
2006 .....	306	113	149	758
2007 .....	333	130	150	867
2008 .....	355	143	152	941
2009 .....	381	164	154	1,065

<sup>1</sup> Source: Congressional Budget Office. The Economic and Budget Outlook: Fiscal Years 2000-2009, January 1999, Page 33.

<sup>2</sup> Source: Joint Committee on Taxation.

<sup>3</sup> Column 3 divided by column 4.

Mr. ROTH. Mr. President, I yield the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I ask Senator LAUTENBERG if he would give me 2 minutes of his time.

Mr. LAUTENBERG. I am pleased to do that.

Mr. DOMENICI. He said he will yield me 2 minutes.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Let me just say that I believe, after talking to Senator LAUTENBERG, the staffs can work together on this and that the sense-of-the-Senate part of this amendment, advocating

the kind of tax cuts that were referred to by the Senator in his sense-of-the-Senate paragraph, might be acceptable to Senator LAUTENBERG, and we can then accept it without a vote. But I would just like to make an observation while we wait to see whether that will happen. I hope it doesn't make the Senator from New Jersey change his mind. I don't think it will.

Frankly, I said a while ago it is easier to manage a budget when we are not in surplus. I am almost prepared to say it is easier for the taxpayer to get a tax cut when we do not have a surplus than when we do.

Now, I haven't checked the history of the last six or seven tax cut bills, but obviously we were not in balance because we just got in balance. We gave tax cuts because we thought they were necessary, prudent. To the American people, our businesses, large and small, others—maybe those who have their businesses at home—ought to be able to deduct their health care like everyone else. We come around and say those things ought to be done.

Now we have a surplus, and I will be darned; it is tougher to get concurrence that we ought to give some of it back to the people than when we borrowed it to give it back to them. So I was thinking as the debate occurred, who has been forgotten by this Government? Who is looked upon as sort of a silent partner in all this but shouldn't be terribly worried about it? It seems to me it is the taxpayer.

Asked on our side, we would say reducing taxes, making sure Social Security is fixed—and we have done that. Everybody is now joining us on 100 percent of the surplus when held for that—Medicare; we have had a bipartisan approach here saying let's get it done—and that leaves the taxpayer. I kind of say, poor taxpayers. We ought to put them right up at the top, and that is sort of what the intention of my friend from Minnesota was. Whatever the language, laudatory or, as Senator NICKLES said the other day, precatory—if you want to look it up in the dictionary, it is pretty much like laudatory. And if you don't know what that means, I don't know what to tell you. But there is a lot of that. In any event, the sense of the Senate at the bottom says we recognize the taxpayers are very important and we ought to look at them just as we look at new programs. I certainly say it is important that we do that.

I yield back whatever of the 2 minutes I did not use.

Mr. LAUTENBERG. Mr. President, I just heard, I think I will call it the chairman's lament, and that is here we have all this money and we can't give tax breaks. But I see the tax breaks as having a funny shape to them. They are big for the guy at the top and they are little for the people who need it most. But I would say this, that the only people who can add a new room to the house, get a child some special assistance with education, prepare retire-

ment, ensure health care is available are those who have some surplus. That is when you do the good things. And the good things to me are not to take care of the guys at the top, who would get another 20 grand, to use the expression, on top of the \$800,000 they make. I don't think they need help. But the person who is making \$38,000, a family of four, they are struggling. They are struggling. They are trying to find a way to take care of all the needs as the kids grow, and it is a difficult, difficult problem.

So I do not object to appropriate tax breaks. I don't object to tax breaks for long-term health care. I don't object to tax breaks for child care so that mom can go to work and help dad support the family, or vice versa. I don't object to any of those things.

So with that I think we have probably heard each other enough. Can we yield back all the time?

Mr. DOMENICI. I don't think they have any time left.

Mr. LAUTENBERG. No. I have some time on my side, I think.

The PRESIDING OFFICER. The Senator has 4 minutes remaining.

Mr. LAUTENBERG. I feel benevolent, and I am going to yield back my time and we will try to resolve our problem so that we can accept the amendment of the Senator from Minnesota.

AMENDMENT NO. 231, AS MODIFIED

Mr. GRAMS. Mr. President, I send a modification of the amendment to the desk. With a few changes, hopefully, it has been accepted on both sides. We submit this amendment and hope to get it approved.

Mr. DOMENICI. We have no objection and we have no time remaining.

Mr. LAUTENBERG. We are all set.

The PRESIDING OFFICER. Is there objection to the proposed modification? Without objection, the amendment is so modified.

The amendment (No. 231), as modified, is as follows:

At the appropriate place, insert:

**SEC. \_\_\_\_ SENSE OF SENATE ON PROVIDING TAX RELIEF TO ALL AMERICANS BY RETURNING NON-SOCIAL SECURITY SURPLUS TO TAXPAYERS.**

(a) FINDINGS.—The Senate finds the following:

(1) Every cent of Social Security surplus should be reserved to pay Social Security benefits, for Social Security reform, or to pay down the debt held by the public and not be used for other purposes.

(2) Medicare should be fully funded.

(3) Even after safeguarding Social Security and Medicare, a recent Congressional Research Service study found that an average American family will pay \$5,307 more in taxes over the next 10 years than the government needs to operate.

(4) The Administration's budget returns none of the excess surplus back to the taxpayers and instead increases net taxes and fees by \$96,000,000,000 over 10 years.

(5) The burden of the Administration's tax increases falls disproportionately on low- and middle-income taxpayers. A recent Tax Foundation study found that individuals with incomes of less than \$25,000 would bear 38.5 percent of the increased tax burden,

while taxpayers with incomes between \$25,000 and \$50,000 would pay 22.4 percent of the new taxes.

(6) The budget resolution returns most of the non-Social Security surplus to those who worked so hard to produce it by providing \$142,000,000,000 in real tax relief over 5 years and almost \$800,000,000,000 in tax relief over 10 years.

(7) The budget resolution builds on the following tax relief since 1995:

(B) In 1996, Congress provided, and the President signed, tax relief for small business and health care-related tax relief.

(C) In 1997, Congress once again pushed for tax relief in the context of a balanced budget, and President Clinton signed into law a \$500 per child tax credit, expanded individual retirement accounts and the new Roth IRA, a cut in the capital gains tax rate, education tax relief, and estate tax relief.

(D) In 1998, Congress pushed for reform of the Internal Revenue Service, and provided tax relief for America's farmers.

(8) Americans deserve further tax relief because they are still overpaying. They deserve a refund. Federal taxes currently consume nearly 21 percent of national income, the highest percentage since World War II. Families are paying more in Federal, State, and local taxes than for food, clothing, and shelter combined.

(b) SENSE OF SENATE.—It is the sense of the Senate that—

(1) the levels in this resolution assume that the Senate not only puts a priority on protecting Social Security and Medicare and reducing the Federal debt, but also on middle-class tax relief by returning some of the non-Social Security surplus to those from whom it was taken; and

(2) such middle-class tax relief could include broad-based tax relief, marriage penalty relief, retirement savings incentives, estate tax relief, savings and investment incentives, health care-related tax relief, education-related tax relief, and tax simplification proposals.

Mr. GRAMS. I thank the Chair. And approved?

Mr. LAUTENBERG. And it is accepted.

They can urge adoption of the amendment.

Mr. DOMENICI. There is no time left on the amendment.

The PRESIDING OFFICER. All time has expired. The question is on agreeing to the amendment.

The amendment (No. 231), as modified, was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion was agreed to.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I believe the regular order is to proceed now to my amendment; is that correct?

The PRESIDING OFFICER. The Senator is correct.

AMENDMENT NO. 190

Mr. KERRY. I call up amendment No. 190.

The PRESIDING OFFICER. The amendment is pending.

Mr. KERRY. Mr. President, I ask unanimous consent I add as original cosponsors Senator LAUTENBERG, Senator REED of Rhode Island, Senator JOHNSON, Senator HOLLINGS, Senator

KERREY of Nebraska, and Senator CONRAD.

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

Mr. KERRY. Mr. President, this is an amendment, really, of common sense and I think fiscal responsibility. It is a very simple amendment that I believe is a safeguard, an important safeguard, against our returning to an era of deficit spending. This amendment includes no new spending, no new programs, it does not touch the budget authority, it does not touch outlays as proposed in the budget resolution. Neither does it affect in any way whatsoever the Social Security trust funds.

Perhaps most important to many Members on the other side of the aisle, this amendment does not eliminate any of the tax relief that is provided in the budget resolution. Indeed, Congress can and Congress should consider sensible tax cuts which are targeted towards helping working families to meet their growing needs, whether it is health care or child care or buying a first home or any number of other things—saving to send a child to college—there are a number of tax cuts I think all of us can agree on. Those tax incentives will help Americans to plan and to save for retirement and to build the economy of the country.

My amendment simply directs that the tax cuts we authorize, that we pass today in the budget resolution, will not rely on deficit spending to fund them. That is it. It is a very simple proposition: We should not pass a tax cut that will rely on deficit spending in order to fund it.

In the Budget Committee's report accompanying this resolution, Chairman DOMENICI and his colleagues say the following, and I quote Chairman DOMENICI:

The whole premise of this resolution is to ensure that the onbudget deficit is eliminated and to prohibit consideration of legislation resulting in an on-budget deficit in the future.

So the chairman and his colleagues who have voted for this budget have brought it to the floor of the Senate with the statement that it is their purpose to prevent a future onbudget deficit by having any legislation that would create that deficit. I applaud the chairman and his colleagues for that effort to maintain the course of fiscal discipline which we began in 1993 with the Deficit Reduction Act, which has put us on this path. To keep on that path is both progrowth and fiscally responsible. I am offering my amendment to ensure this year's tax provisions cannot and will not result in deficit spending.

Under my amendment, if the non-partisan Congressional Budget Office determines that the tax cut passed in this year's reconciliation bill would result in an onbudget deficit in the future, under the scoring periods we are currently applying for budget purposes, then all I would do is simply delay that tax cut for 1 year. We do not repeal it.

We do not end it. We do not take it away. We simply delay it for the purposes of not being confronted with deficit spending in order to fund it.

The amendment itself would not affect the tax cuts once they become effective.

The budget we have before us sets aside the Social Security surplus for debt reduction, but, as every single one of my colleagues knows, the Social Security surplus is only one portion of the projected surplus over the next 10 years. The Congressional Budget Office projects an onbudget, obviously non-Social Security, surplus that will be more than \$800 billion over the next 10 years. That is the projection.

If the Finance Committee reports out a tax bill later this year, those tax provisions will become law, and they become law not just for this year but they become law for the next year and the next year and the outyears. They will take effect regardless of what happens to the current projections on the economy. But most of them will not be effective until the year 2005.

All of us in this institution understand that our predictive capacities are not so honed that we are going to guarantee we have the revenues in the year 2005 in order to pay for the new tax breaks while still doing the other things the budget requires. So the last thing I think any of us would want to do is set up an equation where we put into law today \$800 billion worth of projected surplus, therefore tax cuts, but, lo and behold, the surplus is not there but the tax cuts are still in law. The question then will be, How do we fund them?

It seems to me there ought to be precautions taken against this kind of fiscal irresponsibility. If the projected onbudget surplus suddenly disappears during the intervening years, we want to avoid the crisis that will occur when those tax provisions are in law. If we were to create an automatic push onto the next year, we would wind up in a situation where we have not promised a tax cut that cannot be delivered, we have not promised a tax cut that is going to force us into deficit spending or into other choices that are similarly unpalatable.

That is the simplicity of this budget amendment. Under this amendment, we can guarantee if the surplus actually materializes, tax cuts passed this year will not be affected, they will go into effect. But if the current economic projections change for the worse and the surplus turns out to be considerably smaller or nonexistent, we will delay the effect of the tax cuts and avoid the crisis of that moment. I think it is common sense. It is a sound way to budget. It is an appropriate way to make a determination instead of promising a tax cut that can either never materialize or that takes you into a position of fiscal irresponsibility.

I reserve the remainder of my time.

Mr. DOMENICI. Mr. President, how much time does Senator KERRY have?

The PRESIDING OFFICER. Seven minutes 49 seconds.

Mr. DOMENICI. And 15?

The PRESIDING OFFICER. Fifteen minutes.

Mr. DOMENICI. I do not want to use very much time.

Mr. President, first of all, as I read the amendment, I wondered, I could not quite figure out what was going wrong. Essentially this amendment is subject to a point of order, because we do not have authority to tell the Finance Committee in a reconciliation instruction to do this. The law says what we can do in a reconciliation bill, and it does not include ordering them to trigger taxes. It says reduce taxes by a given amount over the period of time reflected in the reconciliation agreement. So it is subject to a point of order which I will raise when we come around to voting.

But aside from that, it seems to me if you write a tax law for the Nation, that any tax law you write is an ongoing tax law. Once you put it in, it is ongoing, at least the general tax provisions, unless you want to sunset it or the like. Frankly, I do not believe it would be appropriate to trigger a tax on and off depending upon what the onbudget surplus is.

In addition, I do not want to say too much about this, but our lockbox is a pretty good safeguard that we will not be spending Social Security surpluses in the future, because if you have to borrow any extra money, then you need a 60-vote point of order. So I think the Senator can rest assured if we vote for the lockbox as contemplated wherein the debt limit is going to be affected and you will have to raise it, I think it will be a pretty good indication we cannot go significantly in the red in future years, even with a tax cut that occurs in years prior to that. Something will have to be done.

I compliment the Senator for his concern about fiscal responsibility. I am sure inherent in this is his concurrence we ought to have some tax cuts. I am not sure which of the various amendments he has agreed to heretofore on how much. But I compliment him for being concerned, but I could not accept it and I do not think it would be valid if we did.

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

Mr. KERRY. Mr. President, I yield myself 1 minute and then I will yield to the distinguished ranking member.

Mr. President, let me say to my colleague who really understands budget well and understands fiscal matters well, this is not about Social Security. Indeed, the lockbox will protect Social Security. I am not here in this amendment worried about Social Security. I am talking about the onbudget surplus predicted today. That onbudget surplus could disappear. Indeed, the budget resolution claims to save \$133 billion of the onbudget surplus over 10 years, but only \$14 billion is saved in the first 5 years.

They are going to write in some \$600 billion of tax cuts in the outyears without any capacity to predict that this country will have a surplus or have the capacity to support that.

What happens when that is in the law, the chairman sits down in 5 years, if he is still chairman, and he says, oh, we have these big tax cuts we have to fund, but we don't have the money for it? Where will it come from? That is when we are going to have a battle over every other program, or the tax cuts are phony.

I am not taking the tax cut away. I am simply saying, if CBO tells us in that year there is no money to fund it, you delay it a year. That seems to be the most fundamental common sense of how most Americans would decide to handle their budgets. If you cannot afford it, you don't do it. That is what we are trying to ask for, fiscal responsibility, not a flimflam show.

Mr. President, I yield 3½ minutes to the Senator from New Jersey.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. I thank my colleague from Massachusetts.

Mr. President, I support Senator KERRY's amendment to delay new tax cuts if projected surpluses do not materialize. Medicare has a compelling need for revenues in the future that should not be jeopardized by tax cuts, especially knowing that these costs for tax cuts would explode substantially in the outyears.

I want to mention for my colleagues some history. The fiscal year 1982 budget projected surpluses were just around the corner. We all know what happened to those projected surpluses after the massive 1982 tax cut. We have also seen in recent years how wrong both CBO and OMB estimates have been as the economy has consistently outperformed all projections. Projecting long-term budget results is really an art, not a science.

This budget resolution relies heavily on estimates of surpluses going so far out as to adjust them during the summer. If such short-term estimates are being taken into account, we also ought to take into account the long-term realities. If the surpluses do not materialize, the tax cuts they are based on should be delayed until the surpluses are there.

We just heard the distinguished chairman of the Budget Committee talk about tax cuts being permanently in law. We still do not fully understand why the commonly referred to "revenue surprise" has occurred, and we don't know honestly how long it is going to last.

My Republican colleagues often say, we are returning excess revenues to the taxpayers. I put it to them, if the tax revenues are not there in the future, should we drain away resources from Medicare to provide tax cuts?

Today we are phasing in tax cuts over long periods to obscure their revenue effects. If we implement tax

breaks which create huge outyear revenue losses and the economy fails to perform as well as predicted, we could return to the world of deficits as far as the eye can see, just in time for the baby boomers to begin retiring.

Very simply, Mr. President, I think this is a sound amendment. It says, don't give it away unless you know very well that you are on target.

I think it is a reasonable position. I think it is fiscally sound. I hope that our colleagues will vote for the Kerry amendment.

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

Mr. DOMENICI. Mr. President, I will use 1 minute and yield back my time so the Senator can have the rest of the time.

Frankly, many years ago I came to the floor—Senator Nunn helped me; he wasn't even on the Budget Committee—and I did something like this for entitlement programs.

I said, if the projections in the outyears are that it is going up so high that it creates a bigger deficit, then maybe we ought not spend the money, having programs that we spend money on automatic pilot. Maybe when we come around and say we are going to do that to taxes, we are going to do that to entitlements, we are going to do that to everything we spend on, we are going to trigger them all and, if we get a deficit, we cut them all so we are right back down to zero and incurring no debt.

Why should we do this to the taxpayer on the most important thing they can ask of their Government, and that is that they not be taxed too much? That is what they are looking up here asking us for. The big broad base that keeps America going and pays for all these programs, they would like some tax relief. We say, we will trigger you, we will give you some, but in case the deficit goes up, we will take it away from you, or at least it won't continue to grow, even though we passed it and it is in the law.

I think maybe that would be a great idea so we could stay in balance forever. Let's apply that to everything. Just think of that. We are in balance. Nothing could ever grow, if it puts us in the red again. Everything would get stopped that year. No entitlements could grow, nothing could. That would be treating everybody kind of fairly.

We would never do that. We shouldn't do that to the taxpayer.

Mr. President, I yield my time.

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

The PRESIDING OFFICER. Three minutes 23 seconds.

Mr. KERRY. Mr. President, let me just say quickly to my colleague from New Mexico, he has been a real deficit hawk, and I admire the way in which he has fought it over the years he has been here. But he knows as well as I do that we have actually changed significantly our attitude and our approach towards entitlements. We have changed

significantly the entire budget structure from those years when he tried to do that with Senator Nunn.

The fact is, we now operate under very strict caps. I think for the last 10 or 12 years of the 15 I have been here, we have been cutting in most places, except a couple of areas where, in order to hold Social Security whole, we made some changes in the revenue stream.

The fact is, we have made significant reductions. All I am asking for here is—in 1993, we had the biggest turn-around of all. I remember my colleagues arguing that you had to have a balanced budget amendment to the Constitution of the United States. If you didn't do that, you couldn't change the economy of this country or our budgeting practice. Well, the fact is, we proved them wrong. In 1993, we changed the entire budgeting process and turned it around so that we now have the balanced budget and the surplus that we are talking about.

The American people would like us to apply the same discipline now going forward that we applied to get to this position. The fact is that Americans do not want us to create a deficit to give them a tax cut. Ask any American: Do you want me to add to the debt of the country so I can give you back some money today? They would say: That is absurd. Why would you add to the debt of the country in order to put a few dollars into my pocket?

Americans overwhelmingly want the surplus applied to debt reduction. That is what they say. All I am doing in this amendment is asking my colleagues to exercise the same responsibility about tax cuts that they have asked everybody to exercise about every other part of the budget.

This is about deficit spending to support a tax cut. The vast majority of Americans would say, don't be so crazy, don't promise me some great big tax cut that actually adds to the debt of the country and maybe even deprives my mother or father of Medicare payments and maybe even deprives my kid of a loan to go to college or a number of other things.

There is no way in that balance that that is the choice Americans would make. I ask my colleagues today to join in making a responsible vote on the issue of this budget. We should not fund a tax cut we can't afford down the road. Nothing in my amendment would deny us the ability to have a tax cut if the surplus is there. If you have a surplus, you will have a tax cut. That is about as decent and fiscally responsible an equation as you could ask for.

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

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, has all time been yielded back on the Kerry amendment?

The PRESIDING OFFICER. The Senator still has 14 seconds.

Mr. KERRY. Mr. President, I yielded back my time.

## AMENDMENT NO. 242

Mr. DOMENICI. Mr. President, there was an amendment which was known as Ashcroft-Gorton, No. 242. We understand that it is acceptable on the other side. We do not think it ought to be held in the package here. No vote is needed.

I ask unanimous consent that it be in order that the amendment be accepted by the Senate without objection.

The PRESIDING OFFICER. Without objection, it is so ordered. The yeas and nays are vitiated.

The question is on agreeing to the amendment.

The amendment (No. 242) was agreed to.

Mr. DOMENICI. I move to reconsider the vote.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI. I thank Senator LAUTENBERG for clearing the amendment.

Now we can proceed to the next amendment, Senator CRAIG's amendment.

Mr. CRAIG. Mr. President, may I inquire, what are the time constraints in relation to the debate on this amendment?

Mr. DOMENICI. I say to Senator CRAIG, I made a mistake. Senator HOLLINGS was next. It is 3 and a half minutes. Would you let him proceed?

Mr. CRAIG. Yes, I will. I yield the floor.

Mr. DOMENICI. He was listed next. Mr. LAUTENBERG. By unanimous consent, Mr. President, I ask that Senator HOLLINGS be given 5 minutes instead of 3 and a half to present his case.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from South Carolina is recognized for 5 minutes.

## AMENDMENT NO. 174

Mr. HOLLINGS. I call up amendment No. 174 offered by myself and the distinguished Senator from Nebraska, Senator KERREY.

The PRESIDING OFFICER. That amendment is pending.

Mr. HOLLINGS. Mr. President, we just heard the word "surplus." We have seen a lot of charts. But the truth of the matter is that we are spending \$100 billion more than we are taking in this year. And the Congressional Budget Office projects that we will spend \$89.9 billion or \$90 billion more next year just under current policy, in the face of that current policy, taking care of inflation.

We hear all kinds of "visions of sugar plums dancing in their heads" on this floor. We have turned the Senate Chamber into a recording studio for campaign 2000. And everybody is saying, "Well, \$2 billion more for the veterans and \$8 billion more for the farmers, and \$15 billion more for the military pay, and so much more for education. And, by the way, we ought to

have a tax cut. But remember, we have spending caps, and we have to stay within the caps." They know, of course, that we exceeded the caps last year by \$12 billion and this year by \$21 billion. So already we have exceeded the caps by \$33 billion, plus the \$18 billion that we voted for the military pay. We ought to be looking for \$50 billion to make up for this, but we are adding on all of these fanciful figures.

So what we really ought to do is bring a note of reality, a note of what the situation actually is, to the debate and get a budget that we can vote on.

Here is the lead editorial of USA Today. And I quote it:

If your member of Congress comes home this weekend bragging about having adopted a responsible federal budget for the coming year, don't you believe it.

The \$1.7 trillion spending and tax outlines being muscled through the House and Senate this week are little more than the budgetary equivalent of The Emperor's New Clothes [or the emperor had no clothes]: Behind the self-congratulatory hype there's a lot of nothing—and the real possibility of another political train wreck later in the year.

Mr. President, this amendment is offered in order to avoid that train wreck. And how do we do it? We do it as Alan Greenspan, the head of the Federal Reserve, said: "Do nothing."

I thought it was very interesting: in the Banking and Housing Committee we had the ranking member, Senator SARBANES of Maryland, in a discourse with Mr. Greenspan.

Quoting Senator SARBANES near the end of the questioning: "So it seems to me for this whole host of reasons I agree with what I understand to be your position; that is, of all the alternatives the one you rate first and foremost by a significant margin would be to use the surplus to pay down the debt."

Greenspan: "That is correct, Senator."

SARBANES: "Yes, I—how do you save that surplus? You know, how do you keep it from getting spent, I guess is the question?"

Greenspan: "What happens is that you do nothing."

Namely, you freeze this budget with respect to the current policy. You take this year's budget for next year, you program it out, and you get to a real surplus in the year 2006. Thereupon, Mr. President, that is the real surplus; and thereupon, we will direct that surplus—if it materializes—to paying down the debt, and we will give everybody a real tax cut, because the interest rates will go down. And they will save all the mortgage homeowners—the automobile payments, the refrigerator payments, the washing machine payments. Everybody in credit-card America will get a real tax cut.

The point is that we have been playing the game of paying down the debt that is not understood really by the American people in that we have been using Social Security to pay down the debt for the last 15 years.

What we do is, we just take the Social Security credit card and look over

here to what they call public debt or the Wall Street credit card and pay off that debt to the payers with the credit from Social Security; and you just up the debt on Social Security. You still owe the same. It is like taking a Visa card and paying down your MasterCard; and, of course, your Visa card goes up. That gamesmanship, Mr. President, has been going on, to the point that we have fiscal cancer.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. HOLLINGS. Could I get a few more minutes? Would you give me 2 more minutes?

Mr. GORTON. Yes.

The PRESIDING OFFICER. The Senator is recognized for an additional 2½ minutes.

Mr. HOLLINGS. I thank the distinguished Chair.

What has happened really is we have caused the debt in Social Security. This minute, Social Security is in the red \$730 billion. Next year it will be in the red \$867 billion. And by the year 2009, we will owe \$2.6 trillion to Social Security.

Now, if we hold the line—staying the course; the economy is good; inflation is down; unemployment is down—if we stay the course, it is a responsible budget and we can maintain the good economy here in America.

I thank the distinguished Chair.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, the distinguished Senator from South Carolina does have the virtue of consistency. He was one of three members of his party the night before last who voted against authorizing a war in Yugoslavia. And this budget resolution, among other things, does not raise the caps for national defense—a point that most Members feel is necessary after many years of short-changing it. It does not permit any tax relief, it does not permit any change in priorities for education, as does the budget that is before us at the present time.

In fact, it is based on the proposition that the country is unchanged from where it was when we voted on the budget a year ago. I believe the budget that we have here today is preferable to the one we had a year ago, partly because for the last year we have been very, very successful.

But, clearly, we are going to need the flexibility to pay for something that the distinguished Senator from South Carolina and the Presiding Officer and I voted against the other night which is going to have to be paid for at this point. And the only way to do so is to show the flexibility that this budget resolution does.

So I oppose the amendment of the distinguished Senator from South Carolina.

I yield back the remainder of our time.

The PRESIDING OFFICER. Who yields time?

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho, Senator CRAIG.

AMENDMENT NO. 146

Mr. CRAIG. Mr. President, may I inquire as to the time limitations on each amendment?

The PRESIDING OFFICER. Seven and one-half minutes equally divided.

Mr. LAUTENBERG. Three and three-quarters.

Mr. CRAIG. I yield myself 1½ minutes.

My amendment would require that new mandatory spending programs be paid for with savings in existing mandatory programs, and it would establish a 60-vote point of order. We have known—since we have had limits on discretionary programs as the chart beside me demonstrates—a progressive reduction in the overall size of the discretionary spending within our budget.

My amendment does not affect any existing mandatory program. My amendment does not impact any current or future beneficiary of existing programs. What I am talking about is new mandatory, new direct spending programs, and it doesn't eliminate them, either. It simply requires that any Senator who brings that kind of program to the floor must experience the support of at least 60 of the Members of the Senate to be able to withstand this point of order.

My amendment will not prevent a tax increase and its use of debt and deficit reduction. That is simply not the case. It simply puts on equal footing new spending in mandatory areas, along with current discretionary spending.

My amendment institutes a milder version of the same spending restrictions that have applied to appropriated spending programs since 1990. I think it is easy to understand. Last year we received 54 votes. It is a bipartisan effort. Senator KERREY will speak to it. Senator ROBB and Senator BYRD have supported me in this effort, and have indicated their continued support in that area. It is that very effort that limits the kind of growth in our budget that we have always tried to do in creating balance.

Senator KERREY has arrived on the floor, and I yield him the remainder of our time.

Mr. KERREY. I am pleased to join the Senator from Idaho. This amendment would apply the same budgetary restrictions to mandatory programs that we have on discretionary programs. Mandatory programs are growing faster than the discretionary programs. We are converting our budget from one that used to be almost entirely discretionary, endowing our future, into a budget that is largely mandated by law.

This simply says if we are going to add a new mandatory program, you do as you would with the discretionary program: You need to have 60 votes to get the job done. It doesn't mean you can't; it just raises the bar as high as it is on discretionary programs.

I hope my colleagues see the wisdom of this and will support it.

Mr. CRAIG. How much time remains?

The PRESIDING OFFICER. The Senator has 33 seconds.

Mr. CRAIG. I reserve that time.

Mr. LAUTENBERG. Mr. President, I oppose this amendment because it will prohibit using revenues to offset new mandatory spending and instead will require that all new mandatory spending be offset with other mandatory cuts. It is a major change in law. If there is a mandatory expenditure, commonly called entitlement, the fact of the matter is that we ought not be changing it by restricting funding. We ought to change the law. Change the law and you have taken care of the problem.

But I don't think this is an appropriate way to do it. Programs like Social Security and Medicare could be affected, and I think it is an inappropriate way to do it.

How much time remains?

The PRESIDING OFFICER. The Senator has 3 minutes remaining.

Mr. LAUTENBERG. I am willing to yield back the reminder.

Mr. CRAIG. Let me conclude using my 30 seconds to say that it does not impact, as the Senator has just said, current programs. We are talking new creations, new ideas, new entitlement programs—not Social Security, not Medicare, not those kinds of critical programs that this Congress and this Senate attempt to strengthen and protect.

I am talking about the new ideas that come along. It doesn't limit them, either. It simply says that you have to gain the 60-vote majority here in the Senate; you have to find new revenue sources for them or pull revenue from existing mandatory areas.

As the Senator from Nebraska has so clearly spoken, it brings on balance in our budget new mandatory programs with current discretionary programs.

Here is the simple relationship: The red on the chart shows the progressive decline in discretionary spending since we have had pay-go enforcement there. This has been the kind of growth in mandatory when we had none of that budget authority, and, therefore, budget restriction.

That is the issue of this amendment. I encourage my colleagues here in the Senate to support it.

Mr. LAUTENBERG. I don't think this amendment is germane and, therefore, I raise a point of order that the amendment violates section 305(b)(2) of the Congressional Budget Act of 1974.

Mr. CRAIG. Mr. President, I ask for a waiver of the Budget Act.

Mr. LAUTENBERG. Are we ordering the yeas and nays now?

Mr. CRAIG. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. LAUTENBERG. We neglected, when Senator HOLLINGS presented his

amendment No. 174, to ask for the yeas and nays. We ask for the yeas and nays on amendment No. 174.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, I ask unanimous consent that the Senator from North Carolina be given 5 minutes to speak on another subject.

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

Mr. HELMS. Mr. President, I send to the desk for proper referral a bill.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

(The remarks of Mr. HELMS pertaining to the introduction of S. 720 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

AMENDMENT NO. 185

Mr. DURBIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DURBIN. Mr. President, it is my understanding, under the unanimous consent agreement, that it is my turn to speak for 3½ minutes in support of my amendment. I don't have the number.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Illinois [Mr. DURBIN] proposes an amendment numbered 185, as previously offered.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DURBIN. Mr. President, this is a procedural change relating to the times when the Senate considers emergency spending. Examples are disaster aid, when an area has been hit by a flood, or the need for more money in the Department of Defense, for example. We may have emergency spending that is necessary because of the Kosovo military operation. I don't believe a single Member would stand in the way of providing all the resources necessary to bring our men and women home safely. Other emergency spending might be something as esoteric as the Y2K crisis—whether we are going to be able to respond quickly enough so the Government computers will be in line and not cause any problem to provide services. Those are examples of emergency spending, and the Senate can decide by a majority vote whether to change the basic caps or limits on spending because of an emergency.

Now there is a provision in this budget resolution which changes that dramatically and says that any emergency provision is going to require a supermajority vote from now on—60 votes. I oppose that. I don't believe that is good policy. I think that a majority of the Senators should be allowed to decide whether or not this Nation and this Senate face an emergency situation that requires a majority vote only to

go forward and spend the necessary funds. Setting up a supermajority allows the minority in this body to become more or less the political brokers in an emergency situation.

I don't want to see that occur. We debated this in the Governmental Affairs Committee and reached a bipartisan agreement—involving Senators THOMPSON and DOMENICI on the Republican side, and involving Senator LIEBERMAN, myself, and others on the Democratic side—that we would stick with the majority vote. Then I was surprised to see that in the budget resolution our bipartisan agreement has been vitiated, and now we are dealing with another requirement for supermajority.

My amendment goes back to the simple majority requirement for emergency spending. It is supported by Senator LIEBERMAN from the Governmental Affairs Committee, the ranking Democrat, as well as Senator ROBERT BYRD, the ranking Democrat on the Senate Appropriations Committee.

At this point, I will retain the remainder of my time. I don't know if the rules require me to use it in all one fell swoop.

Mr. LAUTENBERG. The Senator can spread it around, if he has any time left.

Mr. DURBIN. Mr. President, is there any time left of the 3½ minutes?

The PRESIDING OFFICER. Yes, 1 minute 23 seconds.

Mr. DURBIN. I retain the remainder of my time. Somebody might wish to speak on the other side of this issue.

Mr. GORTON. Mr. President, the provision in this budget resolution that the distinguished Senator from Illinois seeks to strike is there for one quite simple reason, and that is that while we have created a discipline for ourselves through spending caps, and while within those spending caps we are able to determine appropriations on the basis of a simple majority vote, Members have discovered that all they need to do is declare an "emergency," whether one exists or not, and they are free from the budget caps, from the very spending discipline that has been central to our economic success over the course of the last 3 or 4 years.

As a consequence, the requirement that in order to declare an emergency, in order to spend money that is outside of the caps, in order, essentially, in this fiscal year to invade the Social Security surplus will require a modest supermajority.

Now, under those circumstances, Mr. President, that seems to me to be eminently reasonable. If there is a true emergency, won't 60 votes be available? The Senator from Illinois refers to our members of our Armed Forces in Yugoslavia. Now, Mr. President, it beggars belief to feel that 60 votes will not be able to support our Armed Forces when they are engaged in conflict. The same thing is going to be true with respect to any other emergency. But to allow spending limitations that a majority of the Senate has put into effect, spend-

ing limitations that are so important to our success, to be frivolously overridden and ignored simply by a 51-vote majority is not responsible budgeting.

This provision is there because of our experience in the last couple of years with the declaration of emergencies for emergency spending purposes. Mr. President, I am sure that, along with the chairman of the Budget Committee, we feel the provision in this budget resolution is extremely sound, highly responsible, and should be retained.

Mr. LAUTENBERG. Mr. President, will the Senator from Illinois yield?

Mr. DURBIN. Mr. President, I will yield all of my remaining time after making one comment. The Senator from Washington suggests that a majority vote is a "simple thing." A majority vote is how we rule in the United States of America. It is the exception which requires a supermajority.

I yield the remainder of my time to the Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I support the amendment by the Senator from Illinois, and I point out that when we are talking about emergencies, we are talking about things like a volcanic eruption in the State of Washington, Mt. Saint Helens, or we are talking about an earthquake in California, or floods down the Mississippi, or storm damage in the Northeast. I don't know why it should take 60 votes to agree with maybe someone who has taken an unpopular political position earlier. I think we ought to let the majority rule. If we need changes in the emergency definition, I would certainly go along with that. Make sure that it is urgent. Make sure it is an emergency. But to suggest that simply because we don't have enough votes that the volcanic damage is worth cleaning up immediately, or some oil spill isn't worth dealing with immediately, frankly, I think is bad law. I think we ought to eliminate it from this budget resolution.

I hope that the vote on the amendment by the Senator from Illinois will prevail.

I yield the time.

I ask the Republican leader, is there another amendment to be discussed?

Mr. DOMENICI. On our side Senator CRAPO was next. He will be here in 3 minutes. We can go to Senator SESSIONS, and then Senator CRAPO will be last.

Is Senator SESSIONS ready? The Senator has 3½.

The PRESIDING OFFICER. The Senator from Alabama.

AMENDMENT NO. 210

Mr. SESSIONS. Mr. President, I would like to rise in support and express my support for an amendment called the "Class Act," a sense of the Senate.

The purpose of that Act is to deal with a growing problem in America. In the 1990s alone—we are not through the 1990s yet—we have accumulated more debt for college and higher education

than we have in the prior three decades, in the prior 30 years. We have an accelerating amount of debt to pay for college education. People are graduating with more debt than they have ever graduated with before. And it is a disruption to them and their families as they start to build their careers.

So what is the problem? How has this happened? I don't propose the "Class Act" amendment that I have worked to introduce along with Senator BOB GRAHAM of Florida will solve that problem, but at least it is a significant step in the right direction.

What we have been doing as a Government is subsidizing debt and taxing savings for college. That is the bottom line to it. If you save money for college, you pay taxes on it. But the Government will subsidize and give you interest rate breaks and delays if you will borrow money for your higher education.

Forty-two States will soon have prepaid college tuition plans. They are very popular. They are expanding. Middle-income people are the ones that are taking advantage of it. They are putting money in. They are locking in college tuition at the paid cost so inflation doesn't hurt them on the rising tuition, and then they put the money into those accounts. When it is taken out to pay for the tuition, they have to pay income tax on what it has accumulated. That is, to me, a shortsighted view. It encourages debt and discourages savings.

So our public policy is actually to tax, to hinder, and to punish people who wisely save, but to subsidize people who go further into debt.

It is a nice bill. We believe in it strongly. It has bipartisan support. It has the strong support in the House of Representatives. It will require, I believe, \$197 million in cost; only that much through the first 5 years of the program; and \$600 million or so over the 10 years. But it will as a result of that encourage huge amounts of savings because, frankly, it is not all that clear, according to a lot of money managers, that it is the wisest thing in the world to take advantage of these programs, if you have to pay taxes on the increase.

If we eliminate that tax on the increase funds, put in prepaid college tuition plans, it will be a clear winner. Every financial manager will urge their clients to take advantage of this program.

It will eliminate—which is not considered in the cost analysis of this bill—but, in my opinion, it will in fact reduce the amount of Government loans and maybe Pell grants that will have to be expended by the Government. It will be a good public policy move for our country.

I appreciate the chairman's support. I appreciate Senator BOB GRAHAM from Florida, who is on the Finance Committee, who is a cosponsor to this, and a number of other Senators.

We believe it is good public policy at a reasonable cost, and will help

produce a significant amount of money for higher education.

Mr. DOMENICI. Will the Senator yield for a question?

Mr. SESSIONS. I am pleased to.

Mr. DOMENICI. Do I understand this is a sense of the Senate that we add to that list of tax changes that might be used by the Finance Committee when they set about to draw the bill, that this is just an additional one? There is nothing mandatory about it. It is merely suggesting that it is a good one that ought to be there, and they ought to look at it.

Is that it?

Mr. SESSIONS. The Senator is precisely correct. It will be a sense of the Senate that that be done.

I yield the floor.

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

The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I think this is a good amendment. I congratulate the Senator from Alabama for offering it. Therefore, to my colleague in the management of the budget, I think we ought to go ahead.

Mr. DOMENICI. Can I be added as a cosponsor?

Mr. SESSIONS. I would be honored.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 210) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI. Mr. President, I believe Senator CRAPO is here. He is ready with his amendment.

AMENDMENT NO. 163

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows: The Senator from Idaho [Mr. CRAPO] proposes an amendment number 163, as previously reported.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. CRAPO. Mr. President, thank you. I appreciate the opportunity to present this important amendment.

As we said yesterday when we discussed this amendment preliminarily, we have had an opportunity for the last 4 or 5 years to debate the concept of a lockbox in one context or another. Originally, in the House of Representatives when we presented this idea, it was to address deficits. We have had deficits for as long as most of us can remember. Yet the budget process did not seem to provide a mechanism by which we could lock aside spending that Congress decided to reduce in order to make sure that it was used to reduce the debt, or to reduce the deficit. Now we are in a surplus environment. We have just done some major work on this budget that was spearheaded by Senator ABRAHAM and Senator DOMENICI to create a lockbox for

the Social Security surpluses, and to assure those surpluses are not spent by Congress. They are locked aside to be utilized to either pay down the public debt, or to be used to reform Social Security, both of which will strengthen and save a lot of the Social Security trust fund.

I commend our chairman for that tremendous effort and will support that effort. This amendment which Senator GRAMS from Minnesota and I have worked on would use the lockbox concept for another part of the surplus, that part of the surplus that deals with the potential for an increased surplus beyond that which we now have projected.

In July, we expect that new projections will show an increased surplus outside of the Social Security surplus that will be generated by taxpayer dollars. This part of the surplus will be a surplus that was not contemplated by Congress as we put together this budget. We are putting together this budget based on our current projections. And this budget will take care of the Social Security surplus. It will protect Medicare and education and other needed spending and will find room for tax relief. But, if in July the new projections show an enhanced surplus, this amendment would say that any new surplus must be locked away in a lockbox so that it can be used only for tax relief or retirement of the national debt.

It is critical that we take the tough steps, but the important steps to assure that as we now move into a surplus environment with our budget that we protect the taxpayer and we protect those of particularly our younger generations who face such monumental debt in our Federal Government.

This amendment says any new enhanced surplus that comes from better projections that is in excess of what we are projecting in this budget that we are working on now will not be used for other spending, but will be used to reduce the burden of taxes on Americans, or to reduce the national debt, which has been incurred over the last few decades.

I strongly encourage the adoption of this amendment.

Mr. LAUTENBERG. Mr. President, I reluctantly but strongly oppose the Crapo amendment. It would create a reserve fund, as I understand, to lock in any additional onbudget surplus in the outyears to be used only for tax breaks and debt reduction.

Mr. President, the Democrats welcome the opportunity to lock away a portion of the surplus for debt reduction. We have offered amendments that would do just that. But this amendment would limit the use of future surpluses to debt reduction or tax breaks exclusively—only. So I have to ask my friends on the other side of the aisle the following question. Why is it OK to set aside the surplus to create a new special interest tax loophole but not OK to use the surplus for an increase in military pay? Why is it OK to set aside

the surplus to give more tax breaks to the well off but not OK to use the surplus to hire more teachers and reduce class size?

Mr. President, this amendment is not about fiscal responsibility. It is not about saving Social Security or Medicare. But it is about setting aside the surplus to give tax breaks particularly to the wealthiest among us. I urge my colleagues to oppose this amendment.

Mr. DOMENICI. Mr. President, could we have the yeas and nays on the amendment that was just proffered?

The PRESIDING OFFICER. Is there a sufficient second?

Mr. LAUTENBERG. I raise a point of order, Mr. President. The amendment is not germane, and I raise a point of order that the amendment violates section 305(b)(2) of the Congressional Budget Act.

#### MOTION TO WAIVE THE BUDGET ACT

Mr. DOMENICI. I move to waive the Budget Act under the appropriate waiver provisions of the Budget Act, and I ask for the yeas and nays on the waiver.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. DOMENICI. I thank the Chair.

I thank Senator LAUTENBERG.

Mr. President, we are getting close to what we have nicknamed around here *votorama*. The only thing is that sounds like a movie picture with a big screen where everybody can see everything. I am afraid it is going to be sort of the opposite because there is going to be 1 minute after a while on each amendment, and I don't know how many there is going to be yet. But unless and until we change our process, that is what we are going to go through for a while.

#### UNANIMOUS CONSENT AGREEMENT

Pursuant to the previous consent agreement, I ask unanimous consent that the first vote in the voting sequence be on the adoption of S. Res. 57 regarding Cuba—that is extraneous to our Budget Act, but we are getting consent to take care of that very soon—with 10 minutes equally divided between Senator MACK and Senator DODD just prior to the vote. I further ask that pursuant to the previous agreement, the succeeding votes in the sequence begin with and continue as follows: Senator SANTORUM, amendment No. 212; Senator REED, amendment No. 162; Senator CRAIG, 146; BOXER, 175; Senator VOINOVICH, 161; KENNEDY, 192; CRAPO, 163; DODD, 160; ASHCROFT-GORTON, 242; DORGAN, 178, as modified; GRAMS-ROTH, 231; LAUTENBERG, 166; SNOWE, 232; KENNEDY 195.

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

Mr. DOMENICI. Now, as we understand here, when we start with SANTORUM 212, this will mean Senator SANTORUM should be on the floor if he desires to speak to his amendment. And he will get 1 minute, and Senator LAUTENBERG or his designee on the

other side, if they oppose it, will be given 1 minute, and so on down the line.

Now, we have already indicated previously that the first vote tonight will be a 15-minute vote, and the amendments after that will be 10 minutes each. I do not know what we are going to do about dinner, but perhaps we will reconsider dinner at 6:30 or 7 and see what we do. But in the meantime, we are going to proceed with that format, and I urge Senators to stay in the Chamber if they have amendments because if we want to get out of here at a reasonable time, we can't take 20 minutes on each rollcall. We just agreed it would be 10. That is very hard to do. We have timed it. Some people say, why don't you make it 7½? Remember last year. You cannot even get it done and get the Senators up to vote in 7½. Ten is the best we can do. But we have to work at it. We still don't know whether we can finish tonight, but we are working very hard to do it.

Mr. LAUTENBERG. Mr. President, if I can just add a note here, part of doing amendments is to fill the amendment tree. So I will say that now we want to shake the tree and see if we can drop some of those amendments that perhaps on reconsideration by the offeror, maybe there would be another time to achieve the goal he or she wants to attain. But I want to add this, Mr. President. I think it is an important observation. There could be as many as 50 votes.

Now, if we are exact on the enforcement of the time limit, which I would urge we agree to, that 10 minutes is 10 minutes, it is not 11, 12, 13, that means everybody has to pay attention. If we have a 10-minute vote and a 2-minute debate, that is 12 minutes. And if you have 50 of those, we are looking at 600 minutes.

Mr. DOMENICI. Ten hours.

Mr. LAUTENBERG. Ten hours. Senator DOMENICI and I will be here, perhaps with a glass of wine, at 3 o'clock in the morning or else we will have to go over to the next day.

Mr. DOMENICI. Right.

Mr. LAUTENBERG. So I will forgo the glass of wine, but what I hope is—

Mr. DOMENICI. I never was going to have one.

Mr. LAUTENBERG. No, we weren't going to have it. I was kidding. It is for my friends in California I said that. I hope that our colleagues will be paying attention to this because a delay by one person is a delay for 99 people and we ought not to treat that casually. We are going to be here a long time. This could be expedited substantially. We hope that any Senators who have an amendment review that which has already been discussed and accepted so that we are not being redundant. If it has been heard, I would ask colleagues to perhaps rethink whether or not they are going to offer their amendment. So I guess we can—I don't know what the terminology is for letting the vote roll—let the skaters begin, or some-

thing of that nature, or let the pitcher pitch.

Do we have our first?

Mr. DOMENICI. Let's see if we have our first Senator here. We are going to do Cuba and that Senator is here.

Mr. DOMENICI. Mr. President, with reference to the matter that is not part of our budget resolution, S. Res. 57 regarding Cuba, Senator DODD, is supposed to speak; CONNIE MACK on our side, Senator DODD on your side. Mr. President, we are going to wait just a little bit.

Before Senator MACK and Senator DODD begin their 10 minutes equally divided, might I repeat again, the first Senator up is Senator SANTORUM with amendment No. 212, Senator REED with No. 162. I have stated the rest of them. If anybody needs it, we have the list here. We need the Senators to be here and now they are going to have to just as well stay because there are going to be 15 or 16 votes in a row. I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, may I inquire, just to be clear, the pending business is the resolution, is that correct?

#### HUMAN RIGHTS IN CUBA

The PRESIDING OFFICER. The clerk will report the resolution.

The assistant legislative clerk read as follows:

A resolution (S. Res. 57) expressing the sense of the Senate regarding the human rights situation in Cuba.

The Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The Senator has 5 minutes.

Mr. DODD. Mr. President, have the proponents spoken on the resolution, I inquire of my colleague from Florida?

Mr. MACK. Not yet. We have not used our time yet.

Mr. DODD. How much time is there on the resolution?

The PRESIDING OFFICER. Five minutes apiece.

Mr. DODD. Fine. Mr. President, if I may, let me, first of all, say I intend to support and vote for this resolution. But in doing so, I want to express some deep concerns. Many of my colleagues know we have what is now just about a 40-year-old problem that has not been even remotely close to resolution and that is, of course, United States-Cuban relations.

We know why we are going to be asked to consider this resolution this week, and I suspect it will be passed overwhelmingly. The real question is, does it do anything to influence the policies of the Cuban Government or garner the support of our allies? On that issue, I have to answer resoundingly no. It may make us feel good, it will express our views, but in terms of these resolutions having some influence on the very events which provoked the resolution, I think the answer has to be we can probably anticipate the same response as we have had

with a collective set of resolutions over the years.

I have criticized the recent crack-downs on dissidents, as many have here, including the sentencing of the "Group of Four," which is terribly wrong and totally counterproductive and, in my view, a violation of human rights of these individuals. It is also very inconsistent with the Cuban Government's efforts in the past to gain the international respectability they have been trying to garner. For the life of me, from their standpoint, I don't see why this benefits them or assists them.

Our passing of these kinds of resolutions on Cuba, year after year, year after year, unfortunately, has not prevented the Cuban authorities from dealing harshly with dissidents. Depending upon the ebb and flow of the Cuban political dynamic, the human rights situation gets a little better or a little worse or a little better or a little worse, but nothing significant or permanent seems to happen or change.

We need to engage, in my view, the Cuban Government on this and other issues, as we have done with other nations with whom we have significant disagreements, if we are going to create any kind of environment for some change. That engagement, which we traditionally call diplomacy, has been totally absent in the conduct of relations between these two nations, the Cuban Government and our own. Perhaps that is why, I suggest, the record is so dismal. It is action-reaction, action-reaction, and a total absence of any diplomacy.

Let's not fool ourselves. This resolution is not going to help the people of Cuba. Is it not time to change our view of what should be the dynamics of United States-Cuban relations—to start a new conversation with Cuba, rather than simply act and react to unfolding events in Havana? I believe it is time to begin such a new conversation in this body and in the United States.

We in this country make the mistake, in my view, of overreacting to these ebbs and flows, rather than keeping to the steady and consistent policy to bring Cuba into the world community of democratic nations. All we do, by passing resolutions of this kind which are not accurate in all respects, is to fuel nationalist sentiments in Havana and elsewhere in this hemisphere and around the globe.

The resolution authoritatively cites human rights organizations as critical of human rights practices of Cuban authorities. However, it does not mention these very same organizations also criticize U.S. policies with respect to Cuba. The 1999 Human Rights Watch World Report states:

The (U.S.) embargo had not only failed to bring about human rights improvements in Cuba but had become counterproductive.

It goes on to conclude that:

The embargo continued to restrict the rights of freedom of expression and associa-

tion and the freedom to travel between the United States and Cuba, thus violating Article 19 of the International Covenant on Civil and Political Rights, a treaty [I might add] ratified by [our Government.]

This resolution further, and our policy generally, allows all of Cuba's problems, and there are many, to be blamed on the United States in too many international circles. While we are not responsible for the state of the Cuban economy, the Cuban people are extremely nationalistic and will rally behind their government against foreign threats. This is true elsewhere in the hemisphere.

What we need to do, in my view, is to move forward to implement Pope John Paul II's call that Cuba open up to the world and the world open up to Cuba. More constructive measures such as the upcoming baseball game and concert are more effective ways of communicating U.S. values to the Cuban people, particularly as a part of a broader effort to pursue increasing contacts between the American and Cuban people.

Love of baseball and music are just two examples of the many things the American and the Cuban people have in common. We have much more in common than that. The best way to communicate that is by lifting restrictions on U.S. citizens' rights to travel to Cuba or anywhere else. Frankly, such restrictions, in my view, are un-American. We can travel to virtually any other nation in the world—North Korea, Iraq, Iran. The only restrictions are what those nations place on us. The only place I know of where we restrict Americans from going is a country 90 miles off our shore. If they want to place restrictions on our travel there, I would object. But we should not restrict Americans' travel.

We need to make other fundamental changes in our policy. Our guiding principle in doing that should be that these changes are in our, the Americans', best interests. With respect to Cuba, an island of 11 million people 90 miles off our shore, America's interest is that there be a peaceful transition to a post-Castro era, whenever that time comes.

Mr. President, I ask just for 1 additional minute, if I can, and I will give 1 additional minute to my colleague from Florida.

The PRESIDING OFFICER (Mr. Smith of Oregon). Without objection, it is so ordered.

Mr. DODD. Mr. President, it is not in America's interest to have an armed insurrection occurring in that country or to see living conditions become so onerous that everyone takes to the boats and finds themselves at sea, seeking safe harbor in this country or elsewhere.

With respect to policy, I suggest the lifting of restrictions on food and medicine. These restrictions border on immoral, in my view. I also recommend lifting restrictions on travel. Under certain circumstances, U.S. companies should also be permitted to invest in

Cuba, provided American-style workplace conditions prevail in U.S.-owned investments. I also encourage contacts between United States and Cuban diplomats, including inviting Cuban diplomats to the United States, discussing issues of huge concern including regional terrorism, drug trafficking, and the preservation of the environment.

If we really want to see the peaceful transition to democracy in Cuba, then it is about time, after 40 years, the end of the cold war and the falling of the Berlin Wall, to break out of the policy straitjacket that has prevented meaningful change from taking place in Cuba-United States relationships. Passing resolutions of this kind, year after year, year after year, do nothing to help change what is a situation that demands, in my view, some new thinking, a new conversation.

With that, I thank my colleague for providing the additional minute.

The PRESIDING OFFICER. The Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida.

Mr. MACK. Mr. President, I understand I have now 6 minutes.

The PRESIDING OFFICER. The Senator has 6 minutes.

Mr. MACK. It is my intention then to use 3 of those minutes and then to yield to my colleague, Senator GRAHAM, for the balance of the 3 minutes.

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

Mr. MACK. Mr. President, let me, first of all, thank Senator DODD for his vote for this resolution. I respect immensely his viewpoint and what he has stated over all these years, but I respectfully disagree with him. Again, I will just point out, all we are suggesting here is that the least America can do is to say we ought to ask the United Nations to condemn Fidel Castro for his human rights violations. That is not an extreme position to take, to ask the world body to condemn Fidel Castro for human rights violations.

The reason we are doing this is because I think it is appropriate to respond to the impression that has been created over these last several months after the Pope visited Cuba. There has been this kind of love affair that Cuba has changed, that the world is now going to open up. The Senator said a moment ago, if Cuba would open up, if we would open up, we could come together.

Clearly, what has happened since the Pope's visit, Fidel Castro has arrested more dissidents than he has released following the Pope's visit. He has instituted new laws which restrict the freedom of speech, even more restrictive than in previous years. He arrested 15 people trying to celebrate the birthday of Martin Luther King this year, and just this month he arrested and sentenced four prominent activists for writing about the basic rights of the Cuban people.

Mr. President, it seems to me that this country, a country that has been willing to stand up in defense of human rights, basic human rights all over the globe, is doing the right thing. I ask my colleagues in the Senate to support this resolution.

I yield back my time and yield the floor to Senator GRAHAM.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, I, too, appreciate the vote of the Senator from Connecticut in favor of this, I think, quite moderate but extremely important and timely resolution.

Today in Geneva the United Nations Human Rights Commission commenced its annual meetings. One of the issues that will be before the Commission will be whether a resolution condemning human rights in Cuba and appointing a special rapporteur to review those conditions should pass. Unfortunately, last year a similar resolution for the first time in many years failed to pass.

The question is, How has Cuba reacted to the fact that for 12 months it has not had the international condemnation of its human rights record, which has been the case for many of the years of the Castro regime? What in fact has happened is that we have seen a significant, almost inexplicable increase in the denial of fundamental rights, political rights, human rights, civil rights, to the people of Cuba and, as my colleague has just indicated, the examples of the loss of fundamental human dignity.

Why are we passing this resolution? We are passing this resolution not only to express our outrage at this condition but also to urge the international community to join us, the international community which has so recently been populated by new democracies, for those new democracies to step forward and express their condemnation for one of the few remaining dictatorial regimes in the world.

This recent crackdown by the Cuban Government has already drawn the condemnation of the international community, including some of Cuba's staunchest friends, such as Canada. A resolution is now being circulated in Geneva by several Eastern European states condemning the Cuban Government for its human rights record and calling for the appointment of a special rapporteur.

Mr. President, I think it is significant that these Eastern European states, which suffered under the tyranny of Nazi Germany and Stalinist Russia, are leading the effort to highlight the repression and terror that accompanies everyday life in Cuba.

This resolution calls on the U.S. Government to take all measures to support this resolution so that the international community, including the international community with the United States of America, can shine the light of freedom on Castro's brutal repressive regime.

I urge my colleagues to strongly support this resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The Senator from New Mexico.

Mr. DOMENICI. Mr. President, has all time expired on the Cuba resolution?

The PRESIDING OFFICER. All time has expired.

#### ORDER OF PROCEDURE

Mr. DOMENICI. May I make a further announcement? A while ago I listed the amendments as we are going to consider them, starting with Senator SANTORUM, Senator REED. We had two Republican amendments listed, Ashcroft-Gorton 242. That is an error. We had already accepted that amendment. So what we would like to do is put, in lieu of Ashcroft-Gorton, which had been accepted, it was already adopted, Fitzgerald 217. Then if we go down on our list, Dorgan is next. Then Grams-Roth, we had also accepted that, and somebody on our staff put it on here. So we are going to substitute Ashcroft 240. So everybody should be on notice, including the proponents of those amendments, when they come up. I will try to announce the list just before the vote as to who is next, maybe two in advance, so everyone will know. I think we are prepared.

Have the yeas and nays been ordered?

The PRESIDING OFFICER. They have not.

Mr. LAUTENBERG. Mr. President, if the Senator will yield for a question, please; that is, how many votes do we have bracketed right now that we are certain of?

Mr. DOMENICI. Fifteen.

Mr. LAUTENBERG. So is it fair to say that 15 votes, 10 minutes apiece, 150 minutes, 2 minutes for debate, another 30 minutes, we are looking at a few hours, wouldn't you say?

Mr. DOMENICI. Yes.

Mr. LAUTENBERG. But if we can get the cooperation of the Members, we can finish this tonight. If we can't, we will be here tomorrow. I think I speak for the chairman; we will find out immediately, when I say that I am willing to be here as late as it takes, if we can finish tonight.

Mr. DOMENICI. Senator, we are going to be as cooperative as we can and beyond this in agreeing to accept amendments. We are working with you to do the same, which means we can take many more later and accept them as we work our way through this part.

Mr. MACK. Mr. President, I ask for the yeas and nays on the resolution.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the resolution (S. Res. 57).

The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN) is necessarily absent.

I also announce that the Senator from Indiana (Mr. LUGAR) is absent because of a death in the family.

The result was announced—yeas 98, nays 0, as follows:

[Rollcall Vote No. 67 Leg.]

#### YEAS—98

Abraham	Enzi	Lott
Akaka	Feingold	Mack
Allard	Feinstein	McConnell
Ashcroft	Fitzgerald	Mikulski
Baucus	Frist	Moynihan
Bayh	Gorton	Murkowski
Bennett	Graham	Murray
Biden	Gramm	Nickles
Bingaman	Grams	Reed
Bond	Grassley	Reid
Boxer	Gregg	Robb
Breaux	Hagel	Roberts
Brownback	Harkin	Rockefeller
Bryan	Hatch	Roth
Bunning	Helms	Santorum
Burns	Hollings	Sarbanes
Byrd	Hutchinson	Schumer
Campbell	Hutchison	Sessions
Chafee	Inhofe	Shelby
Cleland	Inouye	Smith (NH)
Cochran	Jeffords	Smith (OR)
Collins	Johnson	Snowe
Conrad	Kennedy	Specter
Coverdell	Kerrey	Stevens
Craig	Kerry	Thomas
Crapo	Kohl	Thompson
Daschle	Kyl	Thurmond
DeWine	Landrieu	Torricelli
Dodd	Lautenberg	Voinovich
Domenici	Leahy	Warner
Dorgan	Levin	Wellstone
Durbin	Lieberman	Wyden
Edwards	Lincoln	

#### NOT VOTING—2

Lugar                    McCain

The Resolution was agreed to.

#### AMENDMENT NO. 245

The PRESIDING OFFICER. Amendment No. 245 to the preamble is agreed to.

The amendment (No. 245) to the preamble was agreed to as follows:

On page 2 strike lines 9 on 10 and insert whereas such abuses violate internationally accepted norms of conduct enshrined by the Universal Declaration of Human Rights.

The preamble, as amended, was agreed to.

The resolution, with is preamble, as amended, reads as follows:

#### S. RES. 57

Whereas, the annual meeting of the United National Commission on Human Rights in Geneva, Switzerland, provides a forum for discussing human rights and expressing international support for improved human rights performance;

Whereas, according to the United States Department of State and international human rights organizations, the Government of Cuba continues to commit widespread and well documented human rights abuses in Cuba;

Whereas such abuses stem from a complete intolerance of dissent and the totalitarian nature of the regime controlled by Fidel Castro;

Whereas such abuses violate internationally accepted norms of conduct;

Whereas the Government of Cuba routinely restricts worker's rights, including the right to form independent unions, and employs forced labor, including that by children;

Whereas such abuses violate internationally accepted norms of conduct enshrined by the Universal Declaration of Human Rights;

Whereas the Government of Cuba has detained scores of citizens associated with attempts to discuss human rights, advocate for free and fair elections, freedom of the press,

and others who petitioned the government to release those arbitrarily arrested;

Whereas the Government of Cuba has recently escalated efforts to extinguish expressions of protest or criticism by passing state measures criminalizing peaceful pro-democratic activities and independent journalism;

Whereas the recent trial of peaceful dissidents Vladimiro Roca, Marta Beatriz Roque, Felix Bonne, and Rene Gomez Manzano, charged with sedition for publishing a proposal for democratic reform, is indicative of the increased efforts by the

Government of Cuba to detain citizens and extinguish expressions of support for the accused; and

Whereas these efforts underscore that the Government of Cuba has continued relentlessly its longstanding pattern of human rights abuses and demonstrate that it continues to systemically deny universally recognized human rights: Now, therefore, be it

*Resolved*, That it is the sense of the Senate that at the 55th Session of the United Nations Human Rights Commission in Geneva, Switzerland, the United States should make

all efforts necessary to pass a resolution, including introducing such a resolution, criticizing Cuba for its human rights abuses in Cuba, and to secure the appointment of a Special Rapporteur for Cuba.

Mr. SANTORUM. Mr. President, I move to reconsider the vote.

Mr. GRAMM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

**NOTICE**

***Incomplete record of Senate proceedings. Today's Senate proceedings will be continued in the next issue of the Record.***