not guaranteeing that everybody succeeds but guaranteeing everybody has at least a chance to succeed.

I cannot allow NIH, Head Start, or education programs to take the tremendous reductions from their current level of funding by the Federal Government that would be required under the Republican tax cut. It is phenomenal to me that people have not focused on this consequence of that $792 billion tax cut, a tax cut basically for the rich who already have it, who have already gained by the system, who have already gained through the last 8 years by the stock market increase.

What about the people who are working hard and who would receive a $188 tax increase compared to a $700 or $800 tax increase for people who are very wealthy? I ask my colleagues to think about fairness. I ask my colleagues to think about the consequences of a $792 billion tax cut, and I ask my colleagues above all and finally to think about the people who are counting that as some sort of windfall: There is less of a burden when it comes to taxes for interest and paying off the national debt and lower interest rates, which means homes are more affordable and small businesses and farmers can have a lower cost necessary for their businesses. That to me is a sensible approach. In fact, let me go out on a limb and say it is a conservative approach.

The Democratic plan we are putting forward is the fiscally conservative approach to deal with the national debt. I am heartened by the earlier statement of the Republican Senator from Ohio when he agreed with us. He believes, as I do and as Chairman Alan Greenspan of the Federal Reserve Board has said, that our first priority should be the elimination of that debt and keeping our commitment to Social Security and Medicare.

Do not be misled as you hear some of my colleagues say: Is there a trillion in surplus and we ought to be able to at least give a third of it back to the American people. They do not tell you the whole story. Almost $2 trillion, $1.9 trillion of the $3 trillion, is really money that we virtually all agree should be dedicated to Social Security. We do not want to raid the Social Security trust fund. People have that money taken out of their payroll for the purpose of making certain Social Security is there in the future. Those who are counting that as surplus are not dealing fairly with the most important social program in America. So take off the table of this $3 trillion surplus $1.9 trillion, leaving you a little over a trillion dollars.

Of that amount, how much are we going to dedicate for some very important things—paying down the debt or Medicare? The Medicare system, if we do not touch it, by the year 2015, is going to be out of money. We have to decide whether or not we will dedicate a portion of our surplus to Medicare. Do we need to do more for Medicare? Of course, we do. Beyond giving money to
July 27, 1999

CONGRESSIONAL RECORD—SENATE

17861

retire the debt and Medicare, we have to make some structural changes that may be painful, but they will be much more painful if we do not dedicate a portion of our surplus to Medicare.

Also, we have to look to the basic needs of Government. The Senator from West Virginia has made this point. Every American expects the Federal Government to meet certain responsibilities:

National defense, of course; transportation;

We know what the Interstate Highway System has brought to America and the demands for a more modern transportation system in every State—better highways, mass transit.

Fighting crime: The Federal Government played an important role with 100,000 new cops, and we will continue that.

The whole question of what we are going to do in the area of medical research.

I commend my colleague, the Senator from West Virginia. It is an area near and dear to the hearts of everyone with whom I have spoken that the Federal Government press forward looking for cures for asthma, diabetes, cancer, heart disease, AIDS, and the many things that challenge us and our families.

We expect that Federal commitment and other regulatory responsibilities. When we open that medicine cabinet, we hope, the Food and Drug Administration has done its job, that every prescription drug there is safe and effective and that they have money to do it. The food we eat is still the safest in the world and will continue to be.

If we go down the track that is proposed in the current trillion-dollar tax cut, we literally will imperil these programs. It is a fact of life. It will be Pollyanna-ish to suggest we can make a cut of $180 billion a year, as the Republicans have proposed, without having some impact on veterans programs, on Head Start, on transportation, and medical research. That becomes a major part of this discussion.

Let's take a look for a moment. If you will, at what some of the economists have said about the Republican tax bill. Fifty economists, including six Nobel laureates, have said:

An ever-growing tax cut would drain Government resources just when the aging of the population starts to put substantial stress on Social Security and Medicare.

That, of course, means as we have more and more people reaching retirement age and wanting to live their lives comfortably and independently, Social Security and Medicare absolutely have to be there.

The Republican approach to this, sad to say, not only does not protect the Social Security trust fund; if you will look at this chart, when it gets into the red ink, it means the Republican tax break plan has finally broken through and started using money from the Social Security trust fund. At the year 2005, the Republican tax breaks would raid the Social Security surplus. After all of the speeches they have given about lockboxes and protecting Social Security, we have to turn to that money and pull it out in 2005, for what? To give tax breaks to the wealthiest among us.

There is a commentator named Kevin Phillips who for years was identified as a Republican. I do not know what his partisan identification is, honestly, but I can tell you what he had to say yesterday on National Public Radio. It is something that every American should hear. He was introduced by Bob Edwards, a familiar voice on National Public Radio, who said:

The Republican Party last week had its tax reduction proposal passed by the House of Representatives. Commentator Kevin Phillips says it's the most unsound fiscal legislation of the last half century.

I go on to read quotes from Mr. Phillips:

. . . that's because the cuts are predicated on federal budget surpluses so far out, six, eight or ten years, that it would take an astrologer, not an economist, to predict federal revenues.

He goes on to talk about the fairness of the tax cuts. Kevin Phillips:

Democrats are certainly correct about the imbalance of benefits by income group. Treasury figures show that the top 1 percent of families, just 1 percent, would get 33 percent of the dollar cuts, the bottom 60 percent of families get a mere 7 percent.

So if you are in the category of a Donald Trump or a Bill Gates, or someone else, this is worth a lot of money. The Republican tax break plan literally could mean $139. That is a little over $10 a month. But look what Bill Gates and other folks are coming out with. It is the same old story.

Take a look at what the Republican tax break plan starts to bite. If you are in the baby boom generation, thinking about an idyllic retirement someday, right about the time you start to retire, the Republican tax breaks explode.

What does it mean? It means that, frankly, there will be less money around for the basics of life that we expect from the Federal Government. It is hard to imagine that we are in a position where we are talking about economic expansion, of jeopardizing it with this kind of a tax break plan. I think it is far better for us to take an approach which the President and the Democrats support—I am beginning to believe some Republicans support—which suggests that our priorities should include Medicare, Social Security, and paying down the national debt.

The Republican approach literally provides no money, no money whatsoever, for us to take care of our Medicare obligation. I think it is just disingenuous for the Republicans to argue that they are only spending 23 percent of the surplus because we know that the unified surplus is, in fact, including the $1.9 trillion in Social Security trust funds. They talk a lot about lockboxes and protecting Social Security, and yet when it comes right down to it, when you look at the money available outside of Social Security, the actual surplus that we hope to imagine, 97 percent of it goes to the Republican tax cut and little or no money for Medicare and other national priorities.

Let me read Kevin Phillips' conclusion in his remarks on National Public Radio '“Morning Edition” on Monday, July 26:

I can fairly call the House legislation the most outrageous tax package in the last 50 years. It's worse than the 1981 excesses, you have to go back to 1946, when the Republican 80th Congress sent a kindred bill to President Harry Truman. Truman vetoed it, calling the Republicans bloodsuckers, with offices on Wall Street.

Not my words—Kevin Phillips. Not only did [Truman] win reelection, but the Democrats recaptured Congress.

I think that puts it in a perspective that we should all be willing to acknowledge. If we are going to deal responsibly with tax cuts for working families, we have to do it in a way that does not tip the scales too heavily on the side of the wealthiest in America.

This is a good illustration: For the top 1 percent of wage earners in America, under the Republican tax break plan, a $22,964 average payment; for the bottom 40 percent earning less than $36,200 a year—hold on to your hats, America—the Republican tax break plan gives you $139. That is a little over $10 a month. But look what Bill Gates and other folks are coming out with. It is the same old story.

Take a look at what the Republican tax break plan starts to bite. If you are in the baby boom generation, thinking about an idyllic retirement someday, right about the time you start to retire, the Republican tax breaks explode.

What does it mean? It means that, frankly, there will be less money around for the basics of life that we expect from the Federal Government. It is hard to imagine that we are in a position where we are talking about economic expansion, of jeopardizing it with this kind of a tax break plan. I think it is far better for us to take an approach which the President and the Democrats support—I am beginning to believe some Republicans support—which suggests that our priorities should include Medicare, Social Security, and paying down the national debt.

The Republican approach literally provides no money, no money whatsoever, for us to take care of our Medicare obligation. I think it is just disingenuous for the Republicans to argue that they are only spending 23 percent of the surplus because we know that the unified surplus is, in fact, including the $1.9 trillion in Social Security trust funds. They talk a lot about lockboxes and protecting Social Security, and yet when it comes right down to it, when you look at the money available outside of Social Security, the actual surplus that we hope to imagine, 97 percent of it goes to the Republican tax cut and little or no money for Medicare and other national priorities.
This debate this week is critically important for all American families to sustain the economic expansion which we have seen for the last 7 years. I yield back the remainder of my time.

Mr. ROCKEFELLER addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROCKEFELLER. I ask unanimous consent that I be allowed to speak for 10 minutes.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. LOTT addressed the Chair.

Mr. ROCKEFELLER. I yield to the majority leader.

Mr. LOTT. I thank the Senator for yielding.

We are working on a unanimous consent request that we might want to try to get cleared in the next 6 or 7 minutes. So if that should occur, I would ask the Senator to yield me time to do that. But we would do it in such a way where his remarks would not be interrupted.

I thank the Senator for yielding to me.

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

Mr. ROCKEFELLER. I thank the majority leader for his courtesy.

VETERANS HEALTH CARE

Mr. ROCKEFELLER. Mr. President, I had not expected to talk this afternoon. But I am here. The Senator from West Virginia is here. I am the ranking Democrat on the Veterans’ Committee. I am overwhelmed with the sense of urgency, and almost despair, about the condition of health care for veterans in our country.

Because of caps, the veterans health care budget, which is really the most important part of the veterans operation—benefits are important but what they really care about is, is health care going to be there if they need it?—has been flat-lined for the next 5 years. By flat-lined, I mean there is no increase. There has been no increase for the next 5 years. By flat-lined, I mean there is no increase.

In my view, all veterans have earned it. We promised it to them. We are not delivering it to them.

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

Mr. ROCKEFELLER. I yield to the majority leader.

Mr. LOTT. I thank the Senator for yielding.

We are working on a unanimous consent request that we might want to try to get cleared in the next 6 or 7 minutes. So if that should occur, I would ask the Senator to yield me time to do that. But we would do it in such a way where his remarks would not be interrupted.

I thank the Senator for yielding to me.

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

Mr. ROCKEFELLER. I thank the majority leader for his courtesy.

Secondly, the VA is not providing the same level of services in all of its facilities. Staff found this variation from site to site in capacity in how services are provided. The availability of services to veterans seems to depend on where they reside, not what they have done but where they reside. In my view, all veterans are entitled to the same quality of service regardless of whether they live in Westchester County or in Berkeley, WV. It should make no difference. They all have suffered the rigors of combat. They have all earned it. We promised it to them. We are not delivering it to them.

Third, and finally, competing pressures on Veterans’ Administration managers make it virtually impossible for them to maintain their specialized medical program. Hospital administrators particularly are being buffeted by competing demands because from central headquarters comes the lack of money, from the veterans comes the demand for services, which used to be there and which now aren’t, and they are, therefore, caught in the middle. In many cases, they are suffering across-the-board cuts and have been for a number of years.

I can tell Senators that under neither Democratic nor Republican administrations has the veterans’ health care program been adequately funded and funded up to the cost-of-living increase and the so-called inflationary aspect, which reflects what actually true health care represents. We are robbing Peter to pay Paul in many of our veterans’ hospitals and to maintain other services on which a higher priority is placed.

Mental health services, I come back to it. Why is it in this country that we will not put down mental health as a disease? Why is it we do not consider it a medical condition? Why is it that we put it off in the category of human behavior as opposed to something that has a cause in something, such as posttraumatic stress disorder. For veterans, to blindside mental health, to push mental health to the side is beyond comprehension and beyond humanity.

In summary, it is imperative that we all understand what the budget crunch has meant to each VA health service. I say all of this because it is not just the $792 billion tax cut. If that takes place, everything I have talked about not only continues to be true but grows somewhere between 15 and 30 percent worse, not if we are to increase programs but taking away money are funding below where programs ought to be, where we have shortchanged veterans’ health care services for years, and now we are going to cut billions and billions of more dollars out of that over these next years. That is absolutely intolerable.

I ask unanimous consent to print a copy of the summary of the committee