

would encourage him, he would probably join the Senate singing group because he is still quite active.

Governor Jimmie Davis is one of Louisiana's favorite sons.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

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

ORDER OF PROCEDURE

Mr. COVERDELL. Mr. President, I ask unanimous consent that following time under the control of Senator COVERDELL, the following Senators be recognized to speak in morning business:

Senator DORGAN for up to 15 minutes, to be followed by Senator COLLINS for up to 15 minutes.

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

THE TAX RELIEF PROPOSAL

Mr. COVERDELL. Mr. President, at the end of July, beginning of August, the Congress, in an almost unprecedented fashion and with speed, passed a very significant tax relief bill in Washington. It has been the subject of much discussion and debate.

We could not find very accurate descriptions of this tax proposal, and so Senators and House Members who believed in tax relief went home, and for the last month they have held 500, 700 town halls. They have been throughout the country describing what the tax proposal actually is.

I remember being in a small city in the northern part of my State, Rome, GA, and saying, so far, I had read very little that adequately described what the totality of the tax proposal was.

I have just come from a press conference in the Senate gallery with House and Senate Members. I was taken by the fact that of the six or seven Members there, they all spoke of this mischaracterization they were struggling with when they initially got home. It was characterized as a very large tax bill that would disrupt Social Security and Medicare. There was very little understanding of the proposal, which is this: It is proposed that over the next 10 years, there will be some \$3 trillion in surpluses.

Now, these surpluses are a product of the fact that over the last 4 years, a majority of the U.S. Congress has argued for balanced budgets and for financial constraint. That has produced a very positive economy and, indeed, we are now seeing these numbers that suggest there could be up to \$3 trillion in surplus over the next 10 years. Well,

what are Washington policymakers going to do about it?

At the end of July, the Congress passed this proposal. It said we would take 60 percent of all the surpluses and set it aside for Social Security. It would either be used for Social Security reform or to pay down debt. It assigned 17 percent of all these surpluses to Medicare, education, and domestic priorities to make sure that we keep Medicare sound and whole. It takes 23 percent of the surpluses and returns it to American workers—23 percent.

Now, Chairman Greenspan of the Federal Reserve is quoted all the time on this. He said this is what he would do with it. If he had his first choice, he would pay down the debt. Sixty percent of our proposal does that. He said his second choice would be tax relief. Twenty-three percent of our proposal does that. He said the last thing he would do would be to spend it; don't spend it, and even this proposal spends 17 percent of it.

So the debate we are having is over whether or not 23 percent of those surpluses should be returned to American workers or left in Washington to be spent. As Americans have understood this proposal, they have begun, in increasing numbers, to support it. A majority of Americans now believe the President should sign the tax relief proposal. I don't know if that will compel him to do so, but America has begun to understand that this is a very balanced, reasoned plan.

Why do we think this is so important? American workers today are paying the highest taxes they have paid since World War II. I will repeat that. American workers are paying at the highest tax level they have paid since World War II. About half of their paychecks are consumed by a government at some level—local, State, and Federal. I have said this before. If Thomas Jefferson were here today, he would faint; and when he woke up, he would be very mad that we had ever come to a point that government was taking half of what labor produces. That is what we face today.

Economic opportunity is a fundamental component of what makes American liberty work. It is a fact that Americans have had economic independence and they have turned into a people who are so bold, so visionary, so entrepreneurial, and so confident. We are a very confident people. It goes all the way back to the Revolution. American workers at that time were already the highest paid workers in the world. Since that time, we have seen what happens to a people who have their own independence. We must never take that away from the American psyche and culture. If we do, we will threaten the way American liberty has worked.

Therefore, this tax relief proposal is not some disjointed political venture. This tax relief proposal is instrumental

in the nurturing of one of the fundamental principles of American liberty, i.e., economic independence. There is not a day in this town—and I have been here a little over 6 years, about the same time as the Presiding Officer—that somebody hasn't bemoaned the fact that there was something American families needed or ought to do that they can't: They don't have enough insurance, or some of them don't have any; they don't have enough housing; they don't have enough to pursue the educational purposes they seek.

If the government is taking half of the resources away from them, are we surprised and shocked that these families don't have enough to accomplish the fundamental goals they seek, that they can't pay the insurance premiums? If the government would leave the money with the persons who earned it, they could solve those problems.

There is not a wizard, wonk, or bureaucrat in this city who can more appropriately determine what a family needs to keep itself whole and healthy than the family itself. Therefore, there is no public policy that is more important than nurturing the economic liberty and keeping the checking accounts of American workers healthy so they can do what they have done for the last two-plus centuries.

Economic liberty is a fundamental component of American culture. That is what this tax relief proposal is about. It is about making sure more of those resources stay in those checking accounts.

When you take too much out of those checking accounts—which we have been historically doing now for about three decades-plus—you change the way Americans function. We are not who we are because of our genes. We are who we are because we have been free. When you reduce the resources American families have, you start seeing things you don't like to see.

Let me give you a couple of examples. This year, for the first time since the Great Depression, workers in the United States—our workers—will have a negative savings rate. What is left to save after the Government marches through the checking account?

If an average family in America is making \$50,000 or \$55,000 a year, and you take half of it away, is there enough left to get the job done? The answer is no. So there is nothing to save. So when there is a crisis, there is no ability to respond to it or to prepare adequately for retirement. If you leave the resources in those checking accounts, you will see the savings go up. They will have the resources to do the kinds of things they are supposed to do, including saving for problems or retirement.

Here is another one. Bankruptcies are at an all-time high. Credit card debt is at an all-time high. There are