but three times, before the President finally decided the American people wanted welfare reform. He signed an important piece of reform legislation that has transformed welfare in this country and cut the rolls in half in State after State, including my home State of Arkansas.

I hope the President will reconsider, and I hope the American people will let us and the administration know how important tax relief is. When they understand what is in it, they do support it. In 27 counties in Arkansas, I did hear some concerns, primarily because of the myths that have been perpetrated about this tax relief bill.

One of the concerns was the myth that this tax relief bill somehow trades debt reduction for tax cuts. The fact is, the budget and the tax relief bill we passed will reduce public debt by 60 percent and achieve over $200 billion more in public debt reduction than the President's plan over the next 10 years. It is not a matter of either/or. It is not a matter of whether you are going to have debt reduction or we are going to have tax relief. We can and should have both.

Another one of the myths people are concerned about, and understandably concerned, is that somehow, if you pass a meaningful tax relief bill, as we did, it is going to erode and eat into the Social Security surplus. In fact, that is nothing but a myth. We would lockbox Social Security. We would not touch any of the Social Security surpluses, and we shouldn't. We should not perpetrate the wrong that has been done by previous Congresses by dipping in and using those revenues which are designated and should be designated for Social Security only.

Then there is, perhaps, one of the greatest myths of all; that is, the tax relief bill will primarily benefit the wealthy. This tax relief package would provide broad-based tax relief. It cuts every bracket 1 percent. That is not much. But it cuts across the board of tax brackets by 1 percent. It doesn't take somebody trained in math to figure out that if you are in the 15-percent tax bracket and you lower it from 15 to 14 percent, it is a much bigger personal tax cut than for somebody who is in a lower tax bracket who also sees only a 1-percent reduction in taxes.

The fact is that this tax relief package benefits low-income earners in the lowest tax bracket more than any other taxable group. We not only lower the rate, we expand the bracket to include yet more hard-working Americans.

In a State such as Arkansas, where we have one of the lowest per capita incomes, lowering the tax by even 1 percent for the lowest tax bracket has a significant benefit for hard-working Arkansans and hard-working Americans.

One of the other myths I heard while I was traveling across Arkansas was that there was concern that somehow these surpluses might not become reality. Conservative Arkansans who look at the Congressional Budget Office projections a decade out, I think, are right to say: What happens if, in fact, the surpluses don't become reality? Are you going to give all of this back in tax cuts? And are we going to go back up in deficit spending?

I was glad to be able to report that there was an important provision including a trigger—maybe it is better to call it a safety valve—that ensures that if the surpluses do not become reality, the tax cuts don't kick in. They don't become reality either. That, I think, is the ultimate fallback to ensure that we don't return to the big spending, red-ink, deficit spending ways of the past.

The bottom line is that in Arkansas 683,741 people would have tax reductions under this bill. That is, 750 million Americans would see their tax bills reduced. It is not something targeted for the wealthy, but it is something that would benefit every taxpaying American.

Opponents of tax relief insist that money must be left on the table in the name of debt reduction. The reality is that if you leave it on the table in Washington, it will be spent.

Therein is the great divide philosophically between those who believe the American people can better decide and determine how they ought to spend what they have earned and what they have worked for than people in Washington, DC—Government officials and bureaucrats in Washington. For those who believe we have to keep that money up here because we have to reserve it on the table for more spending programs because, truly, wisdom is found here inside the beltway, we reject that. I reject that.

I ask my colleagues to request of the President his reconsideration of what is desperately needed for the American people—lowering that tax burden from 21 percent to 20 percent. There is nothing too dramatic nor too drastic about it, but it is a small step in providing the American people the tax relief they deserve and they desire.

I thank the Chair.

I thank Senator THOMAS for providing this time and this opportunity to discuss what we have done in the area of tax relief.

I yield the floor.

Mr. THOMAS. Mr. President, I think the Senator from Arkansas stated very clearly the strong feeling that I have received from folks in Wyoming. As I went around as well, when I first talked about tax relief, people kind of rolled their eyes. But when you start talking about the specifics of it—estate taxes and marriage penalty taxes—when you talk about the kinds of things that are there to encourage retirement funding and educational funding, you really get a great deal more interest in it.

I think the Senator pointed out clearly the real philosophical difference. If the money is here, it will be spent for increased government and increased programs rather than going back to the people who really own the money.

I thank the Senator.

PRIVILEGE OF THE FLOOR

Mr. THOMAS. Mr. President, I ask unanimous consent that privilege of the floor be granted to David Stewart, an intern in my office, during the course of morning business.

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

Mr. THOMAS. Mr. President, I yield to the Senator from Iowa 10 minutes.

The PRESIDING OFFICER. The distinguished Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, I thank the Senator from Wyoming for yielding.

Even though I am not going to speak on the issue of taxes, I just heard the remarks by the Senator from Arkansas. Obviously, voting for that bill was difficult. I agree with the statements and plead with the President to sign the bill and give the people back some of the money or let them keep the money rather than running it through Washington. We are overtaxing the people at the highest level of taxation in the history of our country.

NURSING HOME INDUSTRY

Mr. GRASSLEY. Mr. President, I chair the Committee on Aging. We have been holding some hearings about the nursing home industry over the last several months. I would like to make a comment.

First of all, I would like to speak about credibility. It is similar to an old maple tree. It takes years to develop, but a big storm can wipe it out just like that. I have a story that makes the point.

The nursing home industry challenged the credibility of nursing home inspectors. The nursing home industry, after this challenge, lost.

When I refer to the nursing home industry, I mean the American Health Care Association. This group represents the for-profit nursing homes. It has thousands of members across the country.

Nursing home inspectors operate in every State. They inspect every nursing home that accepts Federal money. The inspectors gauge whether nursing homes follow the Federal laws that were passed to protect nursing home residents. They evaluate everything from the most severe problems to the most minor problems. The most severe problems include malnutrition, dehydration, bedsores, inadequate medical treatment—matters that can be life-threatening. The most minor problems might include things such as comfortable lighting and access to stationery.

At my request, the General Accounting Office has issued a series of reports documenting severe problems in too many nursing homes, thus pointing up the shortcomings of the inspection.

On March 18, when I released one of these reports, the American Health Care Association issued a critical news release. The association said:

> Inspectors have closed down facilities, without consulting residents and their families, for technical violations posing no jeopardy to residents.

The association also said:

> Unfortunately, the current Federal inspection system has all the trademarks of a bureaucratic government program out of control.

These, of course, were very serious charges made by the association of nursing homes, and I took those charges very seriously. The Federal inspection system is responsible for the welfare of 1.6 million nursing home residents. If that system fails, these frail individuals will bear the brunt. That is something that should concern every one of us in the Senate.

Following up, I asked the American Health Care Association for proof of its claims issued in that news release critical of what the General Accounting Office had to say at my behest to study the issue. On May 6, I received an information packet from the American Health Care Association describing 10 examples that the association saw as proof of overzealous regulations. I turned this information over to the General Accounting Office and asked for its analysis.

The GAO did not find evidence of overzealous regulation. In fact, the General Accounting Office found just the opposite. There was adequate information for an objective assessment for 8 of the 10 industry examples. In each of those 8 cases, the General Accounting Office found that regulators acted appropriately.

I am not going to go through all eight examples, but I will use three. I think they show that there is a big difference in what the industry presented and what the General Accounting Office found; in other words, the industry's accusations that the inspection system was a bureaucratic thing out of control and that it was based upon just technicalities was wrong.

Example No. 1: The industry complained that a Michigan nursing home was severely punished for providing complimentary coffee to family members, staff, and residents. The General Accounting Office said that the nursing home inspectors saw two vulnerable residents pulling at the spigot of the hot coffee urn. The inspectors believed that the residents were in immediate danger of suffering serious burns from the coffee. Of course, with this, the General Accounting Office agreed.

Example No. 2: The industry complained that a California nursing home was cited for bed sores on a resident's foot that predated his admission, and in fact the bed sores were healing. The General Accounting Office said the inspector found conditions that actually had worsened the bed sores. The resident was wearing leather shoes when in a wheelchair. His feet were not elevated when in bed. His bedsore dressings were changed without proper techniques to prevent infection. There again, the example given by the nursing home association was wrong.

Example No. 3: The industry claimed that an Alabama nursing home was cited for a bald kitchen worker who failed to wear a hair net. The GAO reported that the industry did not identify the nursing home involved nor provide any documentation; therefore, the General Accounting Office could not assess what had happened.

I could go on in more detail from the General Accounting Office report. I have that report here, and I would like to point out to my colleagues that they should look at it, read it. Hopefully, everyone is interested and they will do so. It tells a valuable cautionary tale. Members of Congress, as I felt a responsibility to do, should always seek out both sides of every story. Industry associations work hard to seek our agreement with their side and, of course, in our system of government, and whether individual, or an association of individuals, that is their right. But it is our obligation as representatives of the people to weigh every issue with all the facts at hand. It is equally our obligation to consider the credibility of every source.

I yield the floor and reserve the remainder of time for Senator THOMAS.

Mr. THOMAS. I thank the Senator. Certainly, he has been the leader in rural health care, which is very important to my State, as it is for the State of the Presiding Officer.

I am pleased to have the Senator from Maine, Ms. COLLINS, join us this morning for some comments on our future activities. I yield 15 minutes to the Senator from Maine.

The PRESIDING OFFICER. The distinguished Senator from Maine is recognized.

Ms. COLLINS. Mr. President, I want also to join in the Senator's praise of Senator GRASSLEY for his leadership on many of the issues affecting senior citizens and rural health care in America.

MEDICARE

Ms. COLLINS. Mr. President, Senate Republicans are committed to enacting legislation to preserve, strengthen, and save the Medicare system for current and future generations. The Republican congressional budget plan has set aside $505 billion over the next 10 years specifically to address domestic issues such as Medicare. Moreover, $90 billion of this amount has been set aside in a reserve fund that is dedicated exclusively to strengthening Medicare's financing and modernizing its benefits, including the provision of coverage for prescription drugs. Prescription drugs are as important to our senior citizens' health today as the hospital bed was back in 1965 when the Medicare program was first created. Medicare clearly should be restructured to reflect these changing priorities.

The money to address this challenge has been set prudently aside as part of the Republican budget. We have the resources, we have the determination, and we have the will to address this critical issue. Now it is up to Congress to come up with the plan, which I hope our colleagues on the other side of the aisle will help us devise. We need to strengthen and modernize this critically important program to meet the health care needs of elderly and disabled Americans into the 21st century.

In addition to addressing the long-term structural issues facing Medicare, it is essential that Congress also take action this year to address some of the unintended consequences of the Balanced Budget Act of 1997, as well as regulatory overkill by the Clinton administration, which is jeopardizing access to critically important home health care services for millions of senior citizens.

The growth in Medicare spending has slowed dramatically, and that is due, in part, to the reforms that were enacted as part of the Balanced Budget Act of 1997. While it was Congress' intent in enacting this legislation to slow the rate of growth, it has become increasingly clear that the payment policies implemented by the Clinton administration as a consequence of the Balanced Budget Act have gone too far and that the cutbacks have been far too deep, jeopardizing our seniors' access to critical hospital, skilled nursing, and home health care.

Nowhere is this problem more serious than in home health care. America's home health agencies provide services that have enabled a growing number of our most frail and vulnerable senior citizens to avoid hospitals, to avoid nursing homes, and to receive the care they need and want in the security and privacy of their homes, just where they want to be.

I have visited with home health nurses in Maine who have taken me on home health visits. I know firsthand how vital these important health care services are to our frail seniors. I know of couples who have been able to stay together in their own home solely because of the services provided by our