

most effective national defense system possible. The future of our great nation literally depends on it.

Mrs. HUTCHISON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ENZI). Without objection, it is so ordered.

Mr. DURBIN. Mr. President, it is my understanding I have been given some 10 minutes in morning business, but I am coming up against an 11 o'clock scheduled floor debate. If the manager of the bill is not on the floor, I would like to proceed with my 10 minutes in morning business.

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

Mr. DURBIN. Thank you, Mr. President.

---

#### THE SURPLUS, SOCIAL SECURITY AND MEDICARE

Mr. DURBIN. Mr. President, I just left a hearing of the Senate Budget Committee, and I thought it was ironic that we are now in a debate over the disposition of America's surplus. I am sure the President will recall that 2 years ago, almost to the day, we were here on the floor of the U.S. Senate where the chairman of the Senate Judiciary Committee, Senator ORRIN HATCH of Utah, brought out virtually every budget report from the last 30 years that he believed to be in deficit, in red ink, and stacked them up. They were higher than the height of the Senator from Utah, and he is a tall man, making the point that we had been embroiled in deficit spending for so long we had no recourse, nothing we could do, other than to amend the Constitution of the United States and to give the Federal courts the authority to force Congress to stop spending, to stop deficits, with the so-called balanced budget amendment. That amendment lost by 1 vote 2 years ago. It was the hottest item on the Senate calendar 2 years ago.

Today, we are deeply embroiled in a debate in the Senate Budget Committee on how to spend the surplus. We have turned the corner as a nation, and the President has come forward and said, "I think we should take this surplus and use it in a sensible way for the future of America." I hope we engage in debate here in the 106th Congress, House and Senate, Democrats and Republicans, in a way to do that responsibly.

I think we should take the President's advice that at least 62 percent or so of this surplus be dedicated to Social Security, to retire the debt in Social

Security, to give it a longer life. But then we seem to break down after we kind of reach that agreement on 60 percent or so of that surplus, and it is that breakdown I would like to address for just a few moments on the floor of the Senate this morning.

One of the things that concerns me is that there are other programs in need of help, not just Social Security, not the least of which is Medicare. And after we have taken some 60 percent of the surplus and spent it to solidify Social Security, the President is suggesting we take some 15 percent of that surplus and invest that in Medicare, adding about 10 years to the Medicare Program.

We have to do more. Just putting that money in may buy some time. We know the fundamentals of the program need to be addressed. And if I am not mistaken, this week, or soon, we will have a report from a bipartisan commission on what to do with the future of Medicare. It won't be easy, whatever it might be.

But I am concerned that the Republican Party, in addressing this same surplus, does not speak to the need for more money into Medicare. Instead, what they are proposing is \$776 billion in tax cuts. I cannot think of two more popular words for a politician to utter than "tax cuts." People just sit up and listen. "Are you going to cut my taxes? I want to hear about it." It is a very popular thing to say.

But I hope we will step back for a moment and realize that a program like Medicare needs an infusion of capital to make sure it can survive. Gene Sperling, the economic advisor to the President, said the other day, in a bipartisan meeting, he is hoping the Republican leadership will join us in not only dedicating surplus to Social Security but also to Medicare because so many millions of Americans are dependent on that.

I might also say that I think there is need and room for some tax cuts after we have taken the surplus and put it into Social Security and Medicare, things we need to do. But I do not believe the tax cut which has been proposed, at least initially, by the Republican Party is one that is fair, because, frankly, it is not progressive. Inasmuch as it is not progressive, this chart demonstrates what happens.

For the bottom 60 percent of wage earners in America, those making \$38,000 a year or less, a 10-percent across-the-board tax cut means a savings of \$99 a year, about \$8.25 a month—hardly enough to pay the cable TV bill, let alone change a lifestyle—\$99 in tax cuts for the bottom 60 percent of wage earners in America.

The same Republican tax cut, though, for the top 1 percent of wage earners, those making over \$833,000 a year—over \$833,000 a year—for them the Republican tax cut is worth \$20,697.

Ninety-nine dollars for 60 percent of America; for 1 percent of America, \$20,000 in tax breaks.

That offends me. And I think it is worthy of a debate. I think it is more sensible for us to focus tax breaks on working middle-income families—families who are trying to pay for day care, families who are trying to save a few dollars for their kids' college education, families who are trying to get by. Keeping this kind of a tax break for the wealthiest of Americans may make them happy but I do not think it is good for this country.

I think the single best thing for us to do with this surplus is to retire our public debt. The President's proposal of focusing 62 percent of it in retiring the debt in Social Security and another 15 percent into Medicare is eminently sensible. Before we take the money that could be used to save Medicare and give it away in tax cuts that really benefit the wealthiest of Americans, I hope we will stop and think twice and remember that only 2 years ago we heard passionate speeches on this floor that, without an amendment to the Constitution of the United States giving the Federal courts the authority to clamp down on Congress' runaway spending, deficits would loom for generations to come.

We have turned that corner. With the leadership of the administration, with the cooperation and leadership of a bipartisan Congress, we are here today discussing surpluses. Let us do it in a sensible way—retire the national debt, take that burden off future generations, put the money into Social Security and Medicare, so that those programs will be sound for generations to come.

I yield back the remainder of my time.

---

#### ADDITIONAL COSPONSORS—S. 311

Mr. WARNER. Mr. President, I ask unanimous consent that Senators INOUE, KENNEDY and FEINGOLD be added as cosponsors to S. 311.

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

---

#### ADDITIONAL COSPONSOR—S. 258 AND S. 312

Mr. WARNER. Mr. President, I ask unanimous consent that Senator FEINGOLD be added as a cosponsor of S. 258 and S. 312.

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

---

#### CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.