income bracket as he was, but I think I have a view that I learned growing up as a child of an immigrant family on my mother's side, a first-generation American who had to go to public schools.

I know the assistant leader has a major story to tell. I think it is very important that we consider that when we are on the floor. We ought to be fighting for the people who really need to make sure they have the economic opportunity; and everything that we do, we should keep those working families in mind because I think that the people at the top 1 percent are OK. In fact, many of them live in my State and they are telling me: Senator, we don't want a great big, irresponsible tax cut. We are doing great. We want to make sure, in fact, that the rest of America can come along. I thank them for that progressive position.

I think this Presidential race presents the starkest choice when it comes to our economy, and the good news is we have history to prove who succeeded on this economy and who has failed miserably.

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

Mrs. BOXER. I am happy to yield.

Mr. REID. The Senator talked about tax cuts. You are aware, are you not, that the Vice President and the minority, the Senate Democrats, pushed very hard for tax cuts—for example, a tax cut to allow parents to deduct $10,000 a year to send their child to school?

Mrs. BOXER. To college, absolutely.

Mr. REID. Yes. Also, the Senator has worked since she has been in the Congress on afterschool programs and on child care. The Senator is aware that, again, Vice President GORE and the Democrats in the Senate have pushed for making sure that people who have to work have some help taxwise with child care.

Mrs. BOXER. I think one of the biggest differences in the Presidential race, which is mirrored on the floor of the Senate as we debate tax legislation, is the fact that in Vice President GORE's plan it is the middle class who will get the breaks; in Governor Bush's plan, it is the very top 1 percent.

I want to be specific because I think people are tired of hearing that, and they don't really know exactly what we are talking about. Under Governor Bush's plan, if you earn over $350,000 a year, you get back $50,000 a year. You get back $50,000 a year. That is more than three full-time minimum wage jobs, I say to my friend. If under Governor Bush's plan you earn $30,000 a year, you get back about $200 a year. So I think my friend is right to point out that the kind of tax cuts Vice President GORE has in his plan, the kind of tax cuts that we stand here and fight for, would be for those in the middle class who really need to have the help.

I think that tax deduction for tuition is very important because the cost of college is going up enormously.

Mr. REID. Will the Senator also yield? I will make sure she has adequate time for her statement.

Mrs. BOXER. Absolutely.

Mr. REID. Has the Senator noticed what happened on the floor in the last couple of days? An independent group, the Rand Corporation, that doesn't have a political bone in its body—it is independent; it is bipartisan; it is fair; and it has been around for a long time. The Senator from California is aware that, in effect, the Rand Corporation's independent report came out yesterday and said the things Governor Bush has been saying about education in Texas are wrong, not true, misleading. The children in Texas, in fact, aren't doing any better than the children in other places. They are doing worse. Has the Senator noticed those statements from the other side in trying to explain education?

Mrs. BOXER. I have.

Mr. REID. Today, I got up and read the newspaper and the American Academy of Actuaries—another group similar to the Rand Corporation—which also is not political, has said that what Governor Bush has been saying about his tax plan, his dream for this country, is flawed; it would bankrupt the country. In the last 2 days, there were two blockbuster reports, from the Rand Corporation and the American Academy of Actuaries, which say what Governor Bush said is wrong about education and that his tax plan would bankrupt the country.

Mrs. BOXER. I am aware of those reports, and I am aware of yet another report that came out in the last few days as well. Another independent, nonpartisan report says Texas is 48th in ranking as far as a good place to raise a child. Only two States were worse than Texas in terms of raising a child.

I say to my friend that I don't really know why we are in session now. We should have finished our work a long time ago. As long as we are in session, I intend, on behalf of the people I represent, to come down to this floor and make sure the folks in the country understand the choices they are facing, both in the Presidential election and in the congressional elections.

When our friend from Utah comes and talks about the economy and says, amazingly, the reason we are doing well in this economy is because of what happened 20 years ago, I have to scratch my head and say this is back to the future, folks, back to the future. He is citing things that happened 20 years ago.

I want to cite what happened when then-President Bush in the 1980s went to Japan. He was there to beg for guidance on what to do about our economy, which was failing. People had no hope. They were afraid. The recession was taking hold. Things could not have been worse. Deficits were as far as the eye could see. He went to Japan and said: Please, sir, tell me what you are doing.

Well, the answer was right here in America: faith in the entrepreneurship of our people, faith in our children, investing in their education, and the guts to cut this deficit, to make the hard choices that President Clinton and Vice President GORE made. We were proud to stand with them and we saw AL GORE cast the tie-breaking vote. So our friends on the other side of the aisle are going to go back 20 years. That is similar to saying if you had a disease 20 years ago and you took something for it and it didn't work, but something else in the nineties worked, you are giving credit to that medicine.

Mr. REID. Will the Senator yield for another question?

Mrs. BOXER. I am happy to yield.

Mr. REID. The Senator and I were in the Congress in 1993 when not a single Republican in the House or a single Republican in the Senate voted for President Clinton's Budget Deficit Reduction Act. The Senator remembers that.

Mrs. BOXER. Absolutely.

Mr. REID. Does the Senator remember listening to Senator WAYNE ALLARD, then a Representative, saying: ''In summary, the plan has a fatal flaw; it does not reduce the deficit.''

Mrs. BOXER. I remember that.

Mr. REID. Does the Senator remember Senator CONRAD BURNS saying: ''So we are still going to pile up some more debt, but most of all we are going to cost jobs in this country.''

Mrs. BOXER. I remember that, and I remember serving on the Budget Committee and listening to these remarks in the committee by Senator PHIL GRAMM from Texas predicting the worst. What did he say?

Mr. REID. Senator GRAMM said: ''This program is going to make the economy weaker. Hundreds of thousands of people are going to lose their jobs as a result of this program.''

He said: ''I believe hundreds of thousands of people are going to lose jobs as a result of this program. I believe Bill Clinton will be one of these people.''

Mrs. BOXER. How about 22 million new jobs instead of 100,000 lost jobs?

Mr. REID. The Senator knows that a majority of those jobs are high-wage jobs. As far as the deficit they talked about—how this deficit was going to be exploding—$300 billion a year in deficit, and it was masked because there was about $100 billion a year we used to offset the debt, which would have been really $400 billion.

Mrs. BOXER. That is correct.

Mr. REID. We have a $260 billion surplus now. I say to my friend, you know what they are saying. I was on a little debate on public television with some of them. They are scripted. I didn't realize it—I said you got this from Frank

Luntz, and I didn't realize he was up in the room and he briefed them beforehand.

Mrs. BOXER. He is a Republican pollster.

Mr. REID. I am sorry I didn't mention that he is a Republican pollster. He scripts them. They are saying the Republican majority has put this economy on the road to recovery even though not a single one of them had the nerve to vote with the Democrats to get the economy on the right track.

I appreciate very much the Senator from California. I have so much admiration for the Senator from California because she represents a country, as far as most of the Senators are concerned. She represents 35 million people. I think what you say we should listen to because you have seen the economy in California reverse itself.

Mrs. BOXER. Yes. The economy in California was just on its knees; it was so bad when Bill Clinton and AL GORE took over. I remember being on an airplane talking to Leon Panetta, the then-budget adviser to President Clinton. And we were looking at every avenue to bring hope to the people. One of the things they did was invest in defense technology. We had the Technology Reinvestment Act. We did so many things to bring this country back. That is why I wonder why the Bush camp isn't ahead in California because they have spent $1 million practically every week—if not more—bashing AL GORE. People remember, I say to my friend. We were in a horrible situation.

I was an economics major in college, which doesn't qualify me for that so much. But I do know something about Economics 101. It is pretty simple. You don't give a big massive tax cut in a time when the economy is running strong.

We have been joined by our friend from New Jersey who ran an extraordinarily successful business and came here. We are going to miss him so much. He knows because it is so clear that you don't give the stimulus with tax cuts to wealthiest people in the middle of a prosperous time. You don't do that. You will only then add to inflation, which will lead to higher interest rates, which will then turn around and make it more expensive for people to buy a home, to send their kids to college, or to buy cars. As sure as you can bet on it, people will start retrenching, and it will lead to a recessionary atmosphere.

We know the George W. Bush plan is wrong—not because we are talking about it from an academic point of view but the fact is we lived through the trickle-down economics. We lived through that decade. Oh, you could go back and find some quotes from those trickle-down big tax cuts to the wealthy. What were the wealthy going to do? They were going to invest in the businesses here and create jobs. Let me tell you that didn't happen. A lot of that money went offshore. The bottom line is we got into big trouble. While our Republican friends were talking about a constitutional amendment to balance the budget, guess what we did. We balanced the budget without one of their votes.

Mr. REID. Will the Senator yield?

Mrs. BOXER. I am happy to yield.

Mr. REID. The Senator remembers that the Senator from California and I sponsored our own constitutional amendment to balance the budget. Does she remember that? We wanted to exclude the surpluses from Social Security, but they wouldn't vote with us.

Mrs. BOXER. That is right. We wanted to protect Social Security. They did not want to go that way, which really led me to Social Security.

Mr. REID. Mr. President, I ask unanimous consent that the Senator from California be recognized for 5 minutes. It is my understanding we would have 10 minutes remaining after that. Is that right?

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

Mr. REID. Mr. President, before the Senator from New Jersey takes the floor, he is a person who came to the Senate with wealth. He created it himself. He knows what it means to be an entrepreneur. Yet he has been someone who has fought for the working men and women of this country for his entire 18 years in the Senate. He recognizes that the business community needs direction to try to do that. There has been nobody in the Senate that has been more for the working men and women of this country than FRANK LAUTENBERG. When he speaks on an economic issue, we should listen.

Mrs. BOXER. Mr. President, Senator LAUTENBERG has been my real chairman of the Budget Committee. Senator DOMENICI is the official chairman. But I always call Senator LAUTENBERG my chairman because he speaks for me. He has incredible experience on growing a business that turns into a mega business with his compassion and his caring about his employees and people who work for a living. My friend helped on the issue of Social Security. We tried to protect Social Security and set aside that surplus in a lockbox, and we finally made it happen.

I want to say again, if we had followed Governor Bush on Social Security, he promised a trillion dollars to the seniors, and he promised the same trillion dollars to the young people, telling them they could have their private stock market accounts.

The other thing I didn't mention today is I used to be a stockbroker after I graduated from college with my degree in economics. It was a long time ago. But I have seen the market go up, and I have seen the smiles on the faces of the people who entrusted me with their investments. I have seen the market go down.

I think what we need to keep in mind as we talk about privatization of Social Security is this: If you happen to retire on a day when your stock market funds are turned into an annuity and prices are high, you are doing great. But with a volatile stock market that can go down 400 points in one day, and that happens to be your day, or within the days of the month that you are going to turn that stock market fund into an annuity, you are going to find yourself in deep trouble.

That is another reason why AL GORE makes so much sense because he is saying save Social Security; keep it the foundation of the house. And if you want to do a voluntary stock market investment on top of your Social Security foundation, that is fine.

My friends, that makes sense. It is conservative. It isn't a river boat gamble. It is another great issue at stake. Great issues are at stake in this election. It is an exciting election. It is not an election between two people who agree on everything. They do not agree. We have a Republican candidate who wants to go back to the 1980s with trickle-down economics of the past, with small investments in education.

I will end my remarks with education because the Senator from Utah said there is a big difference between Republicans and Democrats. He said Democrats want the Federal Government to tell the local school districts what to do. That is incorrect. Every single program that we support dealing with school construction, dealing with smaller class sizes, dealing with after school, dealing with high tech in the schools—those are all options the school districts can take advantage of if they so choose. There is no program on this side of the aisle, or any in AL GORE's portfolio, that says that any local school district has to take these funds. I think that is key.

It goes back to Dwight David Eisenhower, whom I always quote, because he said you can't really be a strong country and you can't be secure unless you have an educated workforce. This was a Republican President. I liked Ike. My family liked Ike. One of the reasons they liked Ike was because he said that educating our children was a national priority and the Federal Government shouldn't just say: Here, States; take a whole lot of money and do what you want. He started the National Defense Education Act. That wasn't a blank check to the States. It was clearly for a purpose, and the purpose was to make sure that our teachers knew math and knew science and could teach math and science.

We know if you follow the Dwight Eisenhower kind of system that we need to look at our school districts and say: What do you need help with? Can we

help you? We have the resources thanks to the great stewardship of the Clinton/Gore team. We have the great stewardship of the economy. We can invest some money.

Do you know what they told us? We need to help with the hiring of teachers. We need school construction. We need afterschool funds so our kids can learn after school. And the Democrats responded.

The big fight at the end of this year is over a lot of those issues. We stand with the children; we stand with the families; and we stand with the seniors against the HMOs. That will be a big issue in the last few days. Are we just going to do giveaways to the HMOs and keep letting them drop the seniors out of Medicare? We on this side of the aisle and Vice President GORE are ready to stand up to the HMOs. We are ready to stand up to the tobacco companies. We are ready to stand up for our children. In the waning days, I think these issues will play themselves out.

The PRESIDING OFFICER (Mr. SMITH of New Hampshire). The Senator from New Jersey is recognized.

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

The PRESIDING OFFICER. The Senator has approximately 9 minutes remaining.

Mr. LAUTENBERG. Mr. President, I say to Senator BOXER and Senator REID, thank you for your comments, but, more than that, for our ability to work together to try to take care of our citizens as we believe they would want, to look at the issues fairly and squarely, and not spend as much time dancing around the truth and around the issues, as often goes on here. I thank the Senator, and I will send my thanks to Senator REID. I will miss working with both of you and colleagues on both sides of the aisle.

I am particularly grateful to the occupant of the chair, the chairman of the Environment and Public Works Committee, who, although we had some disagreements in terms of particular policies, always tried to work them out. I appreciate that balanced view, even though we didn't win as many as I wanted to.

GOP ATTACK ON VICE PRESIDENT GORE

Mr. LAUTENBERG. Mr. President, last month, and again last week, the Republican staff of the Senate Budget Committee released two reports criticizing what they wrongly described as the economic plan proposed by Vice President GORE and our distinguished colleague, Senator LIEBERMAN. I wanted to come to the floor to discuss these reports, which I believe were inappropriate, and a misuse of taxpayer dollars. They also were grossly inaccurate and unfair.

Let me read from a section of the Senate Ethics Manual.

> CAMPAIGN USE OF OFFICIAL RESOURCES
>
> Official resources may only be used for official purposes. It is thus inappropriate to use any official resources to conduct campaign or political activities.

Mr. President, as we all know, and the Senate Ethics Manual makes clear, it is inappropriate to use any official resources to conduct campaign or political activities. Of course, it can be difficult to draw a clear line between official Senate business and campaign activities. And reasonable people can disagree about many of the documents that are produced routinely here in the Congress. But, having said that, the reports issued by the Budget Committee staff, in my view, go well over the line. These reports are focused entirely on AL GORE's campaign proposals, or at least the staff's erroneous interpretation of those proposals. And their obvious purpose is not to provide an objective analysis, but to attack the Vice President. These staff reports aren't just biased, they're pure propaganda. And I would note that the latest report was issued just hours before the last Presidential debate. Not surprisingly, they issued no comparable critique of Governor Bush's budget plan.

Now, Mr. President, I recognize that the Budget Committee is not like the Joint Committee on Taxation, which is supposed to operate in a nonpartisan manner. The Republican staff of the Budget Committee makes no pretense to being nonpartisan, and serves only on behalf of Republican Senators. So one would expect them to issue reports that further a partisan agenda. But, Mr. President, that does not justify the issuance of reports that are so obviously intended for campaign purposes, and that are so blatantly misleading and factually inaccurate.

Mr. President, I could take a long time reviewing the many flaws of the Republican staff reports, but let me mention just a few. Perhaps most importantly, the reports dramatically and inappropriately exaggerate the costs of the Gore plan. First, they suggest that the Vice President's $360 billion Medicare ''lock box'' represents new spending that somehow would use Social Security funds and increase the budget deficit. This claim is preposterous. In fact, the Medicare lock box reserves funds for debt reduction, not new spending. It wouldn't spend a penny of Social Security surpluses, or any surpluses, for that matter. Yet by, in effect, counting as spending the $360 billion Medicare lock box, and an additional $99 billion of General Fund transfers to Medicare, the Republican staff has artifically created a $450 billion raid on Social Security that simply does not exist. And, Mr. President, that's just the beginning.

The GOP staff also charges the Vice President with the costs of budget proposals put forward by President Clinton, even though the Gore plan clearly does not endorse the entire Clinton budget. This results in doublecounting many similar proposals put forward by both Clinton and Gore, such as their different retirement savings plans. And, of course, it exaggerates the real cost of the Gore/Lieberman plan. Another way that the GOP staff inflates the costs of the Gore plan is to adopt its own scoring rules. The GOP staff went well beyond the scoring of the Congressional Budget Office or the Office of Management and Budget. It created its own special methods of evaluating the costs of the Vice President's proposals. And it shouldn't come as any surprise that they lead to much higher cost estimates.

Take, for example, the Vice President's Retirement Savings Plus proposal, which the Gore campaign says would cost $200 billion. The Republican staff cites a figure of $750 billion. This number is simply made up, and is not backed up by any official CBO or OMB estimate. Similarly, the GOP staff exaggerates the cost of Vice President GORE's preschool proposal. Their report characterizes the Gore plan as if it were an open-ended entitlement, with no state match. That leads to much higher costs. In fact, though, the Gore proposal is for block grants that require a state match.

Another trick that the GOP staff used to create a misleading impression about the Vice President's proposal was to deviate from standard practice and use a so-called ''freeze baseline.'' In other words, the GOP staff counted as a cost of his plan $1.2 trillion in discretionary spending, and related interests costs, that simply reflect the costs of maintaining current policy. These costs normally are considered part of the budget baseline, not new spending. The well-respected, nonpartisan Center on Budget and Policy Priorities made this point in a sharp critique of the GOP staff report. The Center concluded that the Budget Committee's analysis, and I quote, ''is marred by several serious flaws''—unquote—which the Center said inflate the cost estimate assigned to the Gore plan.

Mr. President, the Republican staff was so intent on slandering the Vice President as a big spender that they went to extremes in characterizing some of his proposals. The GOP staff calls anything new spending—even tax cuts. Look at what they include in their long list of new ''spending and regulatory programs'':

Marriage penalty relief.

A long-term care tax credit.

A disabled workers tax credit.

Mr. President, is marriage penalty relief ''new spending''? Even George Orwell wouldn't go that far. In fact, the GOP staff's blacklist goes beyond tax cuts. It even includes gun control.