

When we first started talking about energy 6 or 8 months ago, California was undergoing an energy shortage. It certainly seemed that it was a crisis. Then we got over that a little bit; some of the gas prices began to go down some, although they are coming back up again now, but the problem still remains. We have not resolved the energy problem at all. I hope that will be a high priority for us during these closing weeks. Some of us had hoped it would have been a priority before now, but it has not been. Now I think it is clear it needs to be.

One of the other things I heard a great deal about, which I suppose is a little different in a State such as Wyoming where 50 percent of the State belongs to the Federal Government, is that this administration has indicated and is beginning to demonstrate that they are willing and anxious to have more local input into the decisions that affect public land and affect the people who live by and depend on public land. That is not saying it is going to protect the environment. It says that each area, each park, and each forest is unique, and to try to set nationwide standards from Washington, as has been done in the recent past, is not a workable situation. Our folks are very pleased about that.

Finally, I will take a moment to say, as someone who feels some responsibility, that I like the idea that we are paying down the debt. That is good.

We have a number of things to do. Certainly this whole business of appropriations needs to be done.

I have already mentioned energy.

I hope we are able to work some more on simplifying and making Medicare a little more workable and putting pharmaceuticals into it. We are working on that, of course, in the Finance Committee, and we will continue to do so. There are dollars in the budget to do those things.

Education: We need to complete our work on education, of course. Sometimes it seems the only solution to education is the dollars. Dollars are necessary, but dollars alone do not work. We need to have some accountability. We need to have some local control.

In any event, I think we have some real challenges before us and an opportunity to accomplish them. Frankly, I am a little discouraged about what I read and hear—that we are entering into a time when many people, particularly I think on the other side of the aisle, are more interested in developing issues for their upcoming campaigns than they are in solving the problems. I hope that is not the case. We are trying to, of course, work towards mid-term, which becomes very political, a little more than a year from now. Politicking is fine, issues are fine, but when a political issue becomes more important than resolving the problem

before us, I think that is a mistake. I think we are going to see some of that.

Certainly, there are different views about how we go forward. There is no question about that. Some in this body, of course, want more government. Some want more spending. Some are very sorry about tax relief because it may reduce the spending.

I have to tell you that I think we really ought to stay within the budget we passed, which is about a 4-percent increase. I hope we don't go back to last year's history and increase it by 14 or 15 percent. I think that is a mistake. Certainly, things are a little different now when we are faced with this slowing of the economy.

Speaking of the political issue, back in April, for example, there was a lot of talk about tax relief. There was a Democrat amendment to increase the amount of tax relief to \$85 billion. It was defeated by 94 to 6. In July there was another Democrat amendment that would repeal the immediate tax rebate. It failed 91 to 3.

The idea that there is now an effort to move some responsibility to the White House for added tax reduction and so on is just not the case. It is just a political kind of issue. We hear all kinds of political views in the Senate, and various Senators on the other side of the aisle have said it should have been larger and kicked in sooner. Some are using radio programs to say to their constituents that this was a great thing to do. Indeed, it was.

We are going to have a lot of talk about the surplus, of course, and about the differences between OMB and the Congressional Budget Office. The fact is that both sets of figures show that this is the second largest surplus in history. It is. The new numbers, of course, really say that what is most important is that we do not have irresponsible spending. If we can follow the budget we passed and say that is what we want to do, then we will be in good shape.

The President's budget protects Social Security and Medicare. Besides, the surplus, frankly, has no impact on those trust funds. The President's priorities are to protect Social Security and Medicare. We are going to improve Medicare to help seniors. We are going to work on that.

We are paying down a good deal of publicly held debt. Sometimes we have to review what happens to a surplus. If we use it to pay down publicly held debt, then debts are created for the various programs under the trust funds. That is the way it works. It is the only place to put the money to have a return on the money that is there and meeting the needs that are set forth.

I hope we can hold the political rhetoric to a minimum and deal with the real issues and the fact that we have the second largest surplus in history.

Besides, the budget surplus really has no impact on the trust funds. It has been that way over the years. We have to pay down a historic amount of publicly held debt and work to foster economic growth. That is one of the ways to do that.

I see my friend from Iowa is here.

I urge setting those issues before us and moving to resolve them in a fashion that is best for this country.

I yield the floor.

MEASURE PLACED ON THE CALENDAR—H.R. 4

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. Mr. President, I understand there is a bill at the desk due for its second reading.

The PRESIDING OFFICER. The clerk will report.

The Legislative clerk read as follows:

A bill (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Mr. REID. Mr. President, I ask unanimous consent that there be no further proceedings at this time on this bill.

The PRESIDING OFFICER. Without objection, it is so ordered. The bill will be placed on the calendar.

The Senator from Iowa is recognized.

(The remarks of Mr. GRASSLEY pertaining to the introduction of S. 1397 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. How much time do we have remaining?

The PRESIDING OFFICER. Seven minutes twenty seconds.

ENERGY POLICY

Mr. THOMAS. Mr. President, I want to expand a little bit on the question of energy policy. As I mentioned before, there certainly have been some changes in the California situation. There have been some changes throughout the country in gas prices and other kinds of energy prices. They are not significant changes and, indeed, now we see them moving back again.

The point we do not want to overlook is that when we had what we called an energy crisis 6 or 8 months ago, we had a problem; and the problem basically, of course, was that demand was growing but supply was not. We had a problem in terms of the amount of refining capacity in this country. It had not grown for a very long time. The same was true with electric generation.

We overcame that problem largely, I suppose, because, among other things, winter was over and some of the refineries that had to make fuel oil for New England had changed their production.